L&T FINANCE LIMITED

L&T Finance Limited ("**Company**") was incorporated at Kolkata as Apeejay Finance Group Private Limited on November 24, 1993 as a private limited company under the Companies Act, 1956, as amended, with registration no. 2160810 and was granted a certificate of incorporation by the Registrar of Companies, West Bengal at Kolkata ("**RoC**"). Upon conversion of our Company from private limited to public limited, the name of our Company was changed to Apeejay Finance Group Limited and a fresh certificate of incorporation consequent upon change of name was granted by the RoC on February 14, 1994. The name of our Company was further changed to Family Credit Limited, and a fresh certificate of incorporation was granted by the ROC on July 12, 2007. The name of our Company was further changed to L&T Finance Limited, and a fresh certificate of incorporation was granted by the ROC on March 17, 2017 pursuant to the scheme of amalgamation effective from February 13, 2017. Our Company is registered as a non-deposit accepting non-banking financial company with the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934 bearing registration number B.05.06200. For more information about our Company including details regarding changes in Registered Office, please see "*General Information*" and "*History and Main Objects*" on pages 51 and 155.

Registered Office: 15th Floor, PS SRIJAN Tech Park, Plot No 52, Block DN, Sector-V, Salt Lake City, Kolkata – 700 091, District 24-Parganas North; **Tel:** +91 33 6611 1800
Corporate Office: Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra; **Tel:** +91 22 6212 5000**; Fax:** +91 22 6212 5553;
CIN: U65910WB1993FLC060810; **PAN**: AACCA1963B ; **Website:** www.ltfs.com; **Email:** investorgrievances@ltfs.com
Company Secretary and Compliance Officer: Ms. Apurva Neeraj Rathod; **Tel.:** +91 22 6212 5000; **Email:** investorgrievances@ltfs.com
Chief Financial Officer: Mr. Keshav Kant Loyalka; **Tel**: +91 22 6212 5000; **Email**: investorgrievances@ltfs.com

PUBLIC ISSUE BY THE COMPANY OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE ₹ 1,000 EACH ("NCDs" OR "DEBENTURES"), FOR AN AMOUNT AGGREGATING UP TO ₹5000 CRORE ("SHELF LIMIT"), (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE NCDS WILL BE ISSUED IN ONE OR MORE TRANCHES UP TO THE SHELF LIMIT, ON TERMS AND CONDITIONS INCLUDING TRANCHE ISSUE SIZE AS SET OUT IN THE RELEVANT TRANCHE PROSPECTUS FOR ANY TRANCHE ISSUE (EACH "TRANCHE ISSUE") WHICH SHOULD BE READ TOGETHER WITH THIS DRAFT SHELF PROSPECTUS AND THE SHELF PROSPECTUS (COLLECTIVELY, THE "OFFER DOCUMENTS"). THE ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON - CONVERTIBLE SECURITIES) REGULATIONS, 2021, AS AMENDED (THE "SEBI NCS REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED (THE "COMPANIES ACT, 2013") TO THE EXTENT NOTIFIED AND THE SEBI OPERATIONAL CIRCULAR. THE ISSUE IS NOT UNDERWRITTEN.

OUR PROMOTER

Our promoter is L&T Finance Holdings Limited, Telephone: +91 22 6212 5000, Email id: igrc@ltfs.com. For further details see "*Our Promoter*" on page 170.

GENERAL RISKS

Investment in debt securities involves a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved. Specific attention of the Investors is invited to the chapters *"Risk Factors"* and *"Material Developments"* on pages 18 and 201, respectively, before making an investment in such Issue. This Draft Shelf Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), any registrar of companies or any stock exchange in India nor do they guarantee the accuracy or adequacy of this document.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT & ELIGIBLE INVESTORS

For details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date, Redemption Amount & Eligible Investors of the NCDs, please see "*Issue Related Information*" on page 437.

CREDIT RATING

The NCDs proposed to be issued under the Issue have been rated [ICRA] AAA (stable) for an amount of ₹ 5,000 crore by ICRA Limited *vide* their rating letter dated September 9, 2022, CRISIL AAA/stable (pronounced as CRISIL triple A rating with Stable outlook) for an amount of ₹ 5,000 crore by CRISIL *vide* their rating letter dated September 13, 2022 and IND AAA/stable for an amount of ₹ 5,000 crore by India Ratings & Research *vide* their rating letter dated September 12, 2022. Rating given by ICRA, CRISIL and India Ratings & Research is valid as on the date of this Draft Shelf Prospectus. Ratings issued by ICRA and India Ratings & Research *will* continue to be valid for the life of the instrument unless withdrawn or reviewed by ICRA and India Ratings & Research, in terms of the rating agreement/statement of work dated August 24, 2022 and August 23, 2022, respectively. Ratings by CRISIL is valid for a period of 180 days from September 13, 2022. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. These ratings are subjected to a periodic review during which they may be raised, affirmed, lowered, withdrawn, or placed on Rating Watch at any time on the basis of factors such as new information. Each rating should be evaluated independently of any other rating. The Credit Rating Agencies' website will have the latest information on all its outstanding ratings. In case of any change in credit ratings till the listing of NCDs, our Company will inform the investors through public notices/ advertisements in all those newspapers in which pre issue advertisement has been given. For the rationale and press release for these ratings, see "*Annexure A*" of this Draft Shelf Prospectus for the rating, rating rationale and press release of the above rating.

LISTING

The NCDs offered through this Draft Shelf Prospectus, Shelf Prospectus and the relevant Tranche Prospectus(es) are proposed to be listed on National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**", together with NSE the "**Stock Exchanges**"). Our Company has received an 'in-principle' approval from NSE *vide* their letter no. [•] dated [•], 2022 and from BSE by way of its letter bearing reference number [●] dated [●]. NSE shall be the Designated Stock Exchange.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated September 16, 2022 has been filed with NSE and BSE, pursuant to the provisions of the SEBI NCS Regulations and will be open for public comments for a period of seven Working Days from the date of filing of this Draft Shelf Prospectus with the Stock Exchanges. All comments on this Draft Shelf Prospectus are to be forwarded to the attention of the Company Secretary and Compliance Officer of our Company. All comments must be received by our Company within seven Working Days of hosting this Draft Shelf Prospectus on the website of the Designated Stock Exchange and BSE. Comments by post, fax and mail shall be accepted, however please note that all comments by post must be received by our Company by 5:00 p.m. (IST) on the seventh Working Day from the date on which this Draft Shelf Prospectus is hosted on the website of the Stock Exchanges (i.e., until 5 p.m. on [•]). All comments received on this Draft Shelf Prospectus will be suitably addressed prior to filing of the Shelf Prospectus with the RoC.

LEAD MANAGERS TO THE ISSUE			DEBENTURE TRUSTEE	REGISTRAR TO THE ISSUE
A.K. CAPITAL SERVICES LIMITED 603, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai – 400 098 **Tel**: +91 22 6754 6500 **Email:** ltfinance.ncd2022@akgroup.co.in **Contact person:** Aanchal Wagle/ Milan Soni	**JM FINANCIAL LIMITED** 7th Floor, Cnergy Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 **Tel:** +91 22 6630 3030 **E-mail:** LTF.bondissue2022@jmfl.com **Contact Person:** Prachee Dhuri	**TRUST INVESTMENT ADVISORS PRIVATE LIMITED** 109/110, Balarama, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Maharashtra, India **Tel:** +91 22 4084 5000 **Email:** projectvajra2022_trust@trustgroup.in **Contact Person:** Hani Jalan	**CATALYST TRUSTEESHIP LIMITED*** GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud Pune – 411038, Maharashtra, India **Tel**.: +91 22 4922 0555 **Email**: ComplianceCTL-Mumbai@ctltrustee.com **Contact Person**: Umesh Salvi	**LINK INTIME INDIA PRIVATE LIMITED** C- 101, 247 Park, LBS Marg, Vikhroli (W) Mumbai – 400083, Maharashtra, India **Tel:** +91 22 4918 6200 **Fax:** +91 22 4918 6195 **Email:** lntfin.ncd2022@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Shanti Gopalkrishnan

CREDIT RATING AGENCIES			JOINT STATUTORY AUDITORS	
ICRA LIMITED Electric Mansion, 3rd Floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025 **Tel**: +91 22 6114 3406 **Email**: shivakumar@icraindia.com **Contact** Person: L Shivakumar	**CRISIL RATINGS LIMITED** CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai – 400 076 **Tel**: +91 22 3342 3000 (B) **Email**: crisilratingdesk@crisil.com **Contact Person**: Venkatramh B	**INDIA RATINGS & RESEARCH PRIVATE LIMITED** Wockhardt Tower, Level 4, West Wing, Bandra Kurla Complex, Bandra,I, Mumbai, -400051 **Tel**: +91 22 4000 1700 **Email**: infogrp@indiaratings.co.in **Website**: www.indiaratings.co.in **Contact Person**: Jindal Haria	**M S K A & ASSOCIATES** 602, Floor 6, Raheja Titanium, Western Express Highway, Geetanjali Railway Colony, Ram Nagar, GoregaI(E), Mumbai – 400 063 **Tel**: +91 22 6831 1600 **Email**: srividyavaidison@mska.in **Contact Person**: Srividya Vaidison	**KALYANIWALLA & MISTRY LLP** 2nd Floor, 29, Esplanade House Hazarimal Somani Marg, Fort, Mumbai – 400 001 **Tel**: +91 22 6158 7200 **Email1:** roshni.marfatia@kmllp.in **Contact Person:** Roshni R. Marfatia

ISSUE PROGRAMME**

Issue opens on: As specified in the relevant Tranche Prospectus	**Issue Closes on:** As specified in the relevant Tranche Prospectus

**Catalyst Trusteeship Limited under regulation 8 of SEBI NCS Regulations has by its letter dated September 1, 2022 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Draft Shelf Prospectus, Shelf Prospectus and relevant Tranche Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to the Issue.*

***The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date (subject to a maximum period of 30 days from the date of the relevant Tranche Prospectus) as may be decided by the Board of Directors and Committee of Directors of our Company, subject to relevant approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a English daily national newspaper with wide circulation and a regional daily with wide circulation where the registered office of the Company is located (in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure) on or before such earlier or initial date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. on one Working Day post the Issue Closing Date. For further details please refer to the section titled "General Information" on page 51.*

A copy of the Shelf Prospectus and relevant Tranche Prospectuses shall be filed with the Registrar of Companies, West Bengal at Kolkata in terms of Section 26 and Section 31 of Companies Act, 2013, along with the endorsed/certified copies of all requisite documents. For further details, please see "Material Contracts and Documents for Inspection" on page 518.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Shelf Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth herein. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Draft Shelf Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

Unless the context otherwise indicates, all references in this Draft Shelf Prospectus to "we" or "us" or "our" are to our Company i.e., L&T Finance Limited. Unless the context otherwise indicates, all references in this Draft Shelf Prospectus to "Subsidiaries" shall mean Subsidiaries of our Company namely, L&T Infra Credit Limited (formerly known as L&T Infra Debt Limited), L&T Infra Investment Partners Advisory Private Limited and L&T Infra Investment Partners Trustee Private Limited

The words and expressions used in this Draft Shelf Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI NCS Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations notified thereunder.

General Terms

Term	Description
"the Issuer", "our Company", "the Company" or "L&T Finance Limited"	L&T Finance Limited, a non-banking financial company incorporated under the Companies Act, 1956, as amended and replaced from time to time, having its registered office at 15th Floor, PS SRIJAN Tech Park, Plot No 52 Block DN, Sector-V, Salt Lake City, Kolkata -700091, Parganas North, West Bengal, India
"Promoter" or "LTFHL"	L&T Finance Holdings Limited is a company incorporated and registered in India under the Companies Act, 1956 on May 01, 2008 as L&T Capital Holdings Limited. The name of our Promoter was changed to L&T Finance Holdings Limited on September 6, 2010. Permanent Account Number: AABCL5046R

Company Related Terms

Term	Description
"Articles" or "Articles of Association" or "AOA"	Articles of Association of our Company
Asset Liability Management Committee or ALCO	Asset Liability Management Committee of the Board of Directors
Audit Committee	Audit committee of the Board of Directors of our Company, constituted in accordance with applicable laws and as reconstituted time to time by Board of Directors of the Company
"Auditors" or "Statutory Auditors" or "Joint Auditors" or "Joint Statutory Auditors"	The current joint statutory auditors of our Company, M S K A & Associates and Kalyaniwalla & Mistry LLP
"Board" or "Board of Directors" or "our Board" or "our Board of Directors"	Board of Directors of our Company or any duly constituted committee thereof.
Corporate Social Responsibility Committee	Corporate social responsibility committee of the Board of Directors of our Company, constituted in accordance with applicable laws and as reconstituted time to time by Board of Directors of the Company
Committee	A committee constituted by the Board, and as reconstituted from time to time.
Corporate Office	Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), M–mbai - 400098, Maharashtra.
CRISIL	CRISIL Ratings Limited
Directors	Directors of our Company

Term	Description
Committee of Directors	The committee constituted by our Board of Directors by a board resolution dated December 31, 2012 and as reconstituted from time to time, by the Board of Directors of our Company.
Equity Shares	Equity shares of the Company of face value of ₹10 each
ESOP(s)	Employee stock options
Group Company(ies)	Larsen & Toubro Limited, L&T Financial Consultants Limited, Larsen & Toubro Infotech Limited, L&T Investment Management Limited, Larsen & Toubro Electromech LLC, L&T Capital Company Limited.
ICRA	ICRA Limited
Independent Director(s)	The independent director(s) on our Board, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013 and 16(1)(b) of the SEBI Listing Regulations
India Ratings	India Ratings & Research Private Limited
JLG	Joint Liability Group
KMP / Key Managerial Personnel	Key managerial personnel of our Company as disclosed in this Draft Shelf Prospectus and appointed in accordance with Section 203, as defined under Section 2(51) of the Companies Act, 2013
Unaudited Financial Results	The Unaudited Standalone Financial Results of the Company for the quarter ended June 30, 2022 together with notes thereon prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 (as amended for time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by Section 133 read with Sub-section (1) of section 210A of Companies Act, 2013, as amended and presented in accordance with the requirements of the SEBI LODR Regulations.
"MoA" or "Memorandum" or "Memorandum of Association"	Memorandum of association of our Company
Nomination and Remuneration Committee	Nomination and remuneration committee of the Board of Directors of our Company, constituted in accordance with applicable laws and as reconstituted time to time by Board of Directors of the Company
Networth	As defined in Section 2(57) of the Companies Act, 2013, as follows: "*Networth means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.*"
Preference Shares	Preference shares of our Company of face value of ₹ 100 each.
Previous Auditor	The previous statutory auditors of our Company, Deloitte Haskins & Sells LLP.
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations.
Reformatted Financial Information	Collectively, Reformatted Standalone Financial Information and Reformatted Consolidated Financial Information
Reformatted Standalone Financial Information	Reformatted Standalone Balance Sheet as at March 31, 2022, March 31, 2021 and March 31, 2020, the Reformatted Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Reformatted Standalone Statement of Cash Flows for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, the Reformatted Statement of Changes in Equity and notes to the reformatted standalone financial information, including a summary of significant accounting policies and other explanatory information, as examined by our Statutory Auditors. Our audited standalone financial statements as at and for the year ended March 31, 2022, March 31, 2021 (alongwith audited comparative financial information as at and for the year ended March 31, 2020) form the basis for such Reformatted Standalone Financial Information.
Reformatted Consolidated Financial Information	Reformatted Standalone Balance Sheet as at March 31, 2022, March 31, 2021 and March 31, 2020, the Reformatted Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Reformatted Standalone Statement of Cash Flows for the

Term	Description
	years ended March 31, 2022, March 31, 2021 and March 31, 2020, the Reformatted Statement of Changes in Equity and notes to the reformatted standalone financial information, including a summary of significant accounting policies and other explanatory information, as examined by our Statutory Auditors. Our audited consolidated financial statements for the year ended March 31, 2022, March 31, 2021 (alongwith audited comparative financial information as at and for the year ended March 31, 2020) form the basis for such Reformatted Consolidated Financial Information.
Registered Office	15th Floor, PS SRIJAN Tech Park, Plot No 52 Block DN, Sector-V, Salt Lake City, Kolkata – 700 091, Parganas North, West Bengal, India.
Risk Management Committee	Risk Management Committee of the Board of Directors
RoC/ Registrar of Companies	Registrar of Companies, Kolkata, West Bengal
Shareholders	The holders of the Equity Shares of the Company from time to time
Scheme of Amalgamation	Scheme by way of merger by absorption between L&T Infrastructure Finance Company Limited (“LTIFC”) and L&T Housing Finance Limited (“LTHFL”) with our Company under sections 230 to 232 of the Companies Act, 2013
Stakeholders’ Relationship Committee	Stakeholders’ relationship committee as constituted by the Board of Directors, constituted in accordance with applicable laws and as reconstituted time to time by Board of Directors of the Company
Total Borrowing(s)/ Total Debt	Debt securities plus borrowings (other than debt securities), subordinated liabilities and deposits.

Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum containing the salient features of the Shelf Prospectus and relevant Tranche Prospectus
Acknowledgement Slip/ Transaction Registration Slip/ TRS	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
A. K. Capital	A. K. Capital Services Limited
Allotment Advice	The communication sent to the Allottees conveying the details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
“Allotment”, “Allot” or Allotted	Unless the context otherwise requires, the issue and allotment of NCDs to the successful Applicants pursuant to the Issue
Allottee(s)	The successful Applicant to whom the NCDs are Allotted either in full or part, pursuant to the Issue
“Applicant” or “Investor”	Any person who applies for issuance and Allotment of NCDs through ASBA process or through UPI Mechanism pursuant to the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, the Abridged Prospectus and the Application Form for any Tranche Issue.
“Application” or “ASBA Application” or “ASBA”	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an Application Amount of upto ₹ 500,000 which will be considered as the application for Allotment in terms of the Shelf Prospectus and the relevant Tranche Prospectus.
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the respective Tranche Issue
Application Form / ASBA Form	Form in terms of which an Applicant shall make an offer to subscribe to NCDs through the ASBA process or through the UPI Mechanism and which will be considered as the Application for Allotment of NCDs in terms of Shelf Prospectus and the relevant Tranche Prospectus.
ASBA Account	An account maintained with a SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the Application Amount mentioned in the

Term	Description
	Application Form by an Applicant and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value upto ₹ 500,000
ASBA Applicant	Any Applicant who applies for NCDs through the ASBA process
Banker(s) to the Issue	Collectively, Public Issue Account Bank, Refund Bank and Sponsor Bank
Base Issue Size	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Basis of Allotment	The basis on which NCDs will be allotted to applicants as described in "*Issue Procedure – Basis of Allotment*" on page 497.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centres	Broker centres notified by the Stock Exchange where Applicants can submit the ASBA Forms (including ASBA Forms under UPI in case of UPI Investors) to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Trading Members are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com.
BSE	BSE Limited.
Category I (Institutional Investors)	• Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds and pension funds each with a minimum corpus of ₹250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI.
Category II (Non-Institutional Investors)	• Companies within the meaning of Section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009). • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons
Category III (High Net Worth Individual Investors)	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1,000,000 across all options of NCDs in the Issue
Category IV (Retail Individual Investors)	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹ 1,000,000 across all options of NCDs in the Issue and shall include Retail Individual Investors, who have submitted bid for an

Term	Description
	amount not more than ₹ 500,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.
CIBIL	TransUnion CIBIL Limited
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications in the Issue, at the Designated CDP Locations in terms of the SEBI Operational Circular
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Designated RTA Locations
Consortium Agreement	Consortium Agreement to be entered between the Company, Lead Managers and Consortium Members as specified in the relevant Tranche Prospectus for each Tranche Issue.
Consortium Members	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Consortium / Members of the Consortium / Members of Syndicate (each individually, a Member of the Consortium)	The Lead Managers and the Consortium Members
Coupon/ Interest Rate	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Credit Rating Agency(ies)	ICRA Limited, India Ratings & Research Private Limited and CRISIL Ratings Limited
Debenture Holder(s) /NCD Holder(s)	The holders of the NCDs whose name appears in the database of the relevant Depository and/or the register of NCD Holders (if any) maintained by our Company if required under applicable law.
Debenture Trust Deed	The trust deed to be entered between the Debenture Trustee and our Company which shall be executed in relation to the NCDs within the time limit prescribed by applicable statutory and/or regulatory requirements, including creation of appropriate security, in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% security cover for the outstanding principal amount of the NCDs and the interest due thereon issued pursuant to the Issue.
Debenture Trustee/ Trustee	Trustees for the NCD holders in this case being Catalyst Trusteeship Limited
Debenture Trustee Agreement	Agreement dated September 15, 2022 entered into between the Debenture Trustee and the Company wherein the appointment of the Debenture Trustee to the Issue, is agreed between our Company and the Debenture Trustee
Deemed Date of Allotment	The date on which the Board of Directors/or the Committee of Directors approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Committee of Directors thereof and notified to the Designated Stock Exchanges. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Demographic Details	The demographic details of the Applicants such as their respective addresses, email, PAN, investor status, MICR Code and bank account detail
Depository(ies)	National Securities Depository Limited and /or Central Depository Services (India) Limited
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of the SEBI at http://www.sebi.gov.in/sebi_data/attachdocs/1365051213899.html or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other weblink as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchanges at www.nseindia.com and www.bseindia.com
Designated Date	The date on which the funds blocked by the SCSBs are transferred from the ASBA Accounts to the Public Issue Account and/or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Shelf Prospectus and relevant

Term	Description
	Tranche Prospectus following which the NCDs will be Allotted in the Issue
Designated Intermediaries	Collectively, members of the Consortium, Sub-Consortium/agents, Trading Members, agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Application Forms from the Applicants in the Issue. In relation to ASBA applicants authorising an SCSB to block the amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA applicants submitted by Retail Individual Investors where the amount was blocked upon acceptance of UPI Mandate Request using the UPI Mechanism, Designated Intermediaries shall mean the CDPs, RTAs, Lead Managers, Members of the Consortium, Trading Members and Stock Exchange where applications have been submitted through the app/web interface as provided in the UPI Mechanism Circular.
Designated RTA Locations	Such locations of the CRTAs where Applicants can submit the ASBA Forms to CRTAs, a list of which, along with names and contact details of the CRTAs eligible to accept ASBA Forms available on the websites of the respective Stock Exchanges at www.bseindia.com and www.nseindia.com and updated from time to time.
Designated Stock Exchange	The designated stock exchange for the Issue, being the National Stock Exchange of India Limited
Direct Online Application	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of debt securities with an online payment facility
Draft Shelf Prospectus	This Draft Shelf Prospectus dated September 16, 2022 filed with the Stock Exchanges for receiving public comments and with, SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations
Gross Stage 3 book	Also referred to as Gross NPA
Gross Stage 3 (%)	Also referred to as Gross NPAs to Gross Advances %
Interest Payment Date / Coupon Payment Date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Issue	Public Issue by the Company of secured, redeemable, non-convertible debentures of face value ₹ 1,000 Each (“**NCDs**” or “**Debentures**”), for an amount aggregating up to ₹5,000 crore (“**Shelf Limit**”), hereinafter referred to as the “Issue” pursuant to the Shelf Prospectus and the relevant Tranche Prospectus. The NCDs will be issued in one or more tranches, on terms and conditions as set out in the relevant Tranche Prospectus for any tranche (each such tranche of issuance, a “Tranche Issue”) which should be read with the Shelf Prospectus. The Issue is being made pursuant to the provisions of SEBI NCS Regulations, The Companies Act, 2013 and rules made thereunder as amended to the extent notified and the SEBI Operational Circular.
Issue Agreement	The Issue Agreement dated September 16, 2022 entered between the Company and A. K. Capital Services Limited, JM Financial Limited and Trust Investment Advisors Private Limited, the Lead Managers to the Issue
Issue Closing Date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Issue Document	This Draft Shelf Prospectus, the Shelf Prospectus, relevant Tranche Prospectus, the Abridged Prospectus, the Application Form and supplemental information, if any, read with any notices, corrigenda and addenda thereto
Issue Opening Date	As specified in the relevant Tranche Prospectus for each Tranche Issue.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days, during which prospective Applicants can submit their Application Forms as provided in the respective Tranche Prospectus
JM Financial	JM Financial Limited
Lead Managers	A.K. Capital Services Limited, JM Financial Limited and Trust Investment Advisors Private Limited
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchanges in connection with the listing of debt securities of our Company
Market Lot	1 (One) NCD
Mobile App(s)	The mobile applications listed on the website of Stock Exchanges as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism
“Maturity Date” or	As specified in the relevant Tranche Prospectus for each Tranche Issue.

Term	Description
“Redemption Date”	
NCDs / Debentures	Secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, aggregating up to ₹ 5,000 crore offered through this Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus
NCD Holders/ Debenture Holder	Any debenture holder who holds the NCDs issued pursuant to this Issue and whose name appears on the beneficial owners list provided by the Depositories.
Net Stage 3	Referred to as Net NPAs to Net Advances %
Net Stage 3 (%)	Referred to as Net NPA
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue
Offer Document	This Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, the Abridged Prospectus and Application Form along with supplemental information, if any.
PCR (%)	Stage 3 Provision - (Stage 3 provision / Gross Stage 3 Assets)
Profit/(Loss) after tax	Also referred to as profit for the year
Public Issue Account	Account(s) opened with the Banker(s) to the Issue to receive monies for allotment of NCDs from the ASBA Accounts maintained with the SCSBs (including under the UPI mechanism) on the Designated Date as specified for respective Tranche Prospectus
Public Issue Account and Sponsor Bank Agreement	As specified in the relevant Tranche Prospectus
Public Issue Account Bank	As specified in the relevant Tranche Prospectus
Record Date	15 (fifteen) Working Days prior to the interest payment date, and/or Redemption Date for NCDs issued under the relevant Tranche Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In case the Record Date falls on a day when the Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchange, will be deemed as the Record Date
Recovery Expense Fund	A fund created by our Company with the Designated Stock Exchange in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time which is equal to 0.01% of the issue size, subject to a maximum deposit of ₹25,00,000 at the time of making the application for listing of NCDs.
Refund Account	As specified in the relevant Tranche Prospectus
Redemption Amount	As specified in relevant Tranche Prospectus.
Redemption Date	The date on which our Company is liable to redeem the NCDs in full as specified in the relevant Tranche Prospectus
Refund Bank	As specified in the relevant Tranche Prospectus
Register of NCD holders	The register of NCD holders maintained by the Issuer/RTA in accordance with the provisions of the Companies Act, 2013 and by the Depositories in case of NCDs held in dematerialised form, and/or the register of NCD holders maintained by the Registrar
Registrar Agreement	Agreement dated September 15, 2022 entered into between the Issuer and the Registrar under the terms of which the Registrar has agreed to act as the Registrar to the Issue
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulation, 1992 and the stock exchange having nationwide terminals, other than the Members of the Syndicate and eligible to procure Applications from Applicants
Registrar to the Issue or Registrar	Link Intime India Private Limited.
Resident Individual	An individual who is a person resident in India as defined in the FEMA
“Registrar and Share Transfer Agents” or “RTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Application in the Issue
Security	The principal amount of the NCDs to be issued in terms of this Draft Shelf Prospectus together with all interest due and payable on the NCDs thereof, shall be secured by an exclusive charge by way of hypothecation, created in favour of the Debenture Trustee, on specific present and/or future receivables and/or identified fixed deposits

Term	Description
	and/or investment in units of mutual funds (subject to receipt of approval from tax authority) as may be decided mutually by our Company and the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover to the extent of 100% of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date. In case the approval from tax authority is not received until the date of execution of charge documents, the principal amount of the NCDs to be issued in terms of this Draft Shelf Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by an exclusive charge by way of hypothecation, created in favour of the Debenture Trustee, on specific present and/or future receivables such that a security cover to the extent of 100% of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date.
"Self-Certified Syndicate Banks" or "SCSBs"	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes for ASBA and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for UPI, updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Series/Option	As specified in the relevant Tranche Prospectus for each Tranche Issue
Shelf Limit	The aggregate limit of the Issue, being ₹5,000 crore to be issued pursuant to this Draft Shelf Prospectus, Shelf Prospectus and Tranche Prospectus(es) through one or more Tranche Issues.
Shelf Prospectus	The Shelf Prospectus that shall be filed by our Company with the SEBI, BSE, NSE and the RoC in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations. The Shelf Prospectus shall be valid for a period as prescribed under section 31 of the Companies Act, 2013.
"Specified Cities" or "Specified Locations"	Bidding centres where the Members of the Syndicate shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI athttps://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Sponsor Bank	A Banker to the Issue, registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail individual investors into the UPI for retail individual investors applying through the app/web interface of the Stock Exchange(s) with a facility to block funds through UPI Mechanism for application value upto ₹ 500,000 and carry out any other responsibilities in terms of the UPI Mechanism Circular and as specified in this Draft Shelf Prospectus.
Stage 3 Provision	Also referred to as provision for NPA
"Stock Exchanges" or "Exchanges"	NSE and BSE
Syndicate ASBA	Applications through the Syndicate or the Designated Intermediaries
Syndicate ASBA Application Locations	ASBA Applications through the Lead Managers, Consortium Members, the Trading Members of the Stock Exchanges or the Designated Intermediaries.
Syndicate Bidding Centres	Syndicate Bidding Centres established for acceptance of Application Forms
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Trust Investment	Trust Investment Advisors Private Limited
Tenor	Tenor shall mean the tenor of the NCDs as specified in relevant Tranche Prospectus for

Term	Description
	each Tranche Issue.
Total Revenue	Also referred to as Total Income
Trading Members	Intermediaries registered with a lead broker or a sub-broker under the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 and/or with the Stock Exchange(s) under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchange(s) from time to time and duly registered with the Stock Exchange for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchange(s).
Tranche Issue	Issue of the NCDs pursuant to the respective Tranche Prospectus.
Tranche Prospectus(es)	The Tranche Prospectus(es) containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts and documents for inspection, in respect of the relevant Tranche Issue.
Transaction Documents	Transaction documents shall mean this Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus(es) read with any notices, corrigenda, addenda thereto, Abridged Prospectus, Issue Agreement, Registrar Agreement, Debenture Trustee Agreement, Deed of Hypothecation, Debenture Trust Deed, Tripartite Agreements, Consortium Agreement, Public Issue Account and Sponsor Bank Agreement, Tripartite Agreements executed or to be executed by our Company, as the case may be. For further details please see the section titled, "*Material Contracts and Documents for Inspection*" on page 518.
Tripartite Agreements	Tripartite agreement dated June 23, 2016 among our Company, the Registrar and CDSL and tripartite agreement dated May 31, 2012 among our Company, the Registrar and NSDL.
"UPI" or "UPI Mechanism"	Unified Payments Interface mechanism in accordance with SEBI Operational Circular to block funds for application value up to ₹ 5,00,000 submitted through intermediaries, namely the Registered Stock brokers, Consortium Members, Registrar and Transfer Agent and Depository Participants.
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India.
UPI Application Limit	Maximum limit to utilize the UPI mechanism to block the funds for application value up to ₹ 500,000 for issues of debt securities pursuant to SEBI circular SEBI/HO/DDHS/P/CIR/2022/0028 dated March 8, 2022 or any other investment limit, as applicable and prescribed by SEBI from time to time
"UPI Mandate Request" or "Mandate Request"	A request initiated by the Sponsor Bank on the Retail Individual Investor to authorize blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount and subsequent debit of funds in case of allotment.
Wilful Defaulter(s)	Includes wilful defaulters as defined under Regulation 2(1)(lll) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 which includes a person or a company who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes a company whose director or promoter is categorized as a wilful defaulter.
Working Day	Working day means all days on which commercial banks in Mumbai, are open for business. In respect of announcement or bid/issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Further, in respect of the time period between the bid/ issue closing date and the listing of the NCDs on the Stock Exchange, working day shall mean all trading days of the Stock Exchange for NCD, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.

Conventional and General Terms or Abbreviations

Term/ Abbreviation	Description/Full Form
"₹", "Rupees", "INR" or "Indian Rupees"	The lawful currency of the Republic of India

Term/ Abbreviation	Description/Full Form
"US$", "USD", and "U.S. Dollars"	The lawful currency of the United States of America
ACH	Automated Clearing House
AGM	Annual General Meeting
ALM	Asset Liability Management
ALM Guidelines	Guidelines for ALM system in relation to NBFCs
AMC	Asset Management Company
AS or Accounting Standards	Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014as amended from time to time
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time
ASBA	Application Supported by Blocked Amounts
AUM	Assets Under Management
Bankruptcy Code	The Insolvency and Bankruptcy Code, 2016
BSE	BSE Limited
CAGR	Compounded annual growth rate over a specified period of time of a given value (the year-over-year growth rate)
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act/ Companies Act, 2013	Companies Act, 2013 and the rules made thereunder
CPC	Code of Civil Procedure, 1908
CRAR	Capital to risk-weighted assets ratio means (Tier I Capital + Tier II Capital)/ Total Risk Weighted Assets *100
CrPC	Code of Criminal Procedure, 1973
CSR	Corporate Social Responsibility
CY	Calendar Year
Depositories	CDSL and NSDL
Depositories Act	Depositories Act, 1996
Depository(ies)	NSDL and /or CDSL
DIN	Director Identification Number
"DP" or "Depository Participant"	Depository Participant as defined under the Depositories Act, 1996
DT Circular	Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 issued by SEBI on November 3, 2020, as amended from time to time
DRR	Debenture Redemption Reserve
EGM	Extraordinary General Meeting
EOW	Economic Offences Wing
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FEMA Regulations/ FEMA20I	FEMA (Non-debt Instruments) Rules, 2019, as amended from time to time
FII	Foreign Institutional Investor(s)
FPI	Foreign Portfolio Investor as defined and registered under the SEBI (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time.
"Financial Year", "Fiscal" or "FY" or "for the year ended"	Period of 12 months ended March 31 of that particular year
GDP	Gross Domestic Product
"Government"	Government of India
G-Sec	Government Securities
GST	Goods and Services Tax
HNI	High Net worth Individual
HFC	Housing Finance Company
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016

Term/ Abbreviation	Description/Full Form
ICAI	Institute of Chartered Accountants of India
ICRA	ICRA Limited
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
"Income Tax Act" or "IT Act"	Income Tax Act, 1961
Ind AS	Indian Accounting Standards as prescribed by Section 133 of the Companies Act, 2013 and notified by the Ind AS Rules
Ind AS Rules	Indian Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended from time to time
India	Republic of India
IPC	Indian Penal Code, 1860
IRDAI	Insurance Regulatory and Development Authority of India
IT	Information Technology
ITR	Income Tax Returns
KYC	Know Your Customer
LEI	Legal Entity Identifier
LLP	Limited Liability Partnership
LLP Act	Limited Liability Partnership Act, 2008
L&T	Larsen and Toubro
MACT	Motor Accidents Claims Tribunal
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition
MLD	Market Linked Debentures
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NHB	National Housing Bank
NHB Act	National Housing Bank Act, 1987
NAV	Net Asset Value
NBFC	Non-Banking Financial Company, as defined under Section 45-IA of the RBI Act
NEFT	National Electronic Fund Transfer
NRI	Non-resident Indian
NSE	National Stock Exchange India Limited
NSDL	National Securities Depository Limited
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
PCR	Provisioning Coverage Ratio
PMLA	Prevention of Money Laundering Act, 2002
PP MLD	Principal Protected Market Linked Debentures
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RBI Master Directions	Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016
RERA	Real Estate Regulatory Authority
RERAD Act	Real Estate Regulation and Development Act, 2016
RTGS	Real Time Gross Settlement
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002
SCRA	Securities Contracts Regulation Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)

Term/ Abbreviation	Description/Full Form
	Regulations, 2018, as amended from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Banker Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
SEBI NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended and circulars issued thereunder
SEBI Operational Circular	SEBI circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021, as amended
TDS	Tax Deducted at Source
Trademarks Act	Indian Trademarks Act, 1999

Technical and Industry Related Terms

Term/Abbreviation	Description/Full Form
ECBs	External Commercial Borrowing.
FCNR	Foreign Currency Non-Resident.
IFC	Infrastructure Finance Company.
IRDA	Insurance Regulatory and Development Authority.
ISO	International Organization for Standardization.
LIC	Life Insurance Corporation of India
Hybrid Debt	A capital instrument, which possesses certain characteristics of equity as well as debt
LTV	Ratio of loan to the collateral value
MICR	Magnetic Ink Character Recognition.
MFI	Microfinance institutions
NPA	Non-Performing Assets
NBFC-D	NBFC registered as a deposit accepting NBFC
NBFC-MFI	An NBFC-MFI is defined as a non-deposit taking NBFC which extends loans to Micro Finance Sector
NBFC-ND	NBFC registered as a non-deposit accepting NBFC
NBFC-ND-SI	Systemically important Non-Deposit taking NBFC
Owned Funds	Paid-up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account; capital reserve representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of assets; less accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any
Prudential Norms	Prudential norms as provided under Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
MSME	Micro, Small and Medium Enterprises
RBI	Reserve Bank of India.
Tier I Capital	Tier I capital means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a non-deposit taking nonbanking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year
Tier II Capital	Tier II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of fifty five percent; (c) General Provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; (e) subordinated debt; perpetual debt instruments issued by a non-deposit taking non-banking financial company

Term/Abbreviation	Description/Full Form
	which is in excess of what qualifies for Tier I Capital to the extent the aggregate does not exceed Tier I Capital
UTI	Unit Trust of India.
WCDL	Working Capital Demand Loan.
XIRR	Internal rate of return for irregular cash flows.
Yield	Ratio of interest income to the daily average of interest earning assets.

Notwithstanding the foregoing, the terms defined as part of "General Information", "Risk Factors" "Industry Overview", "Regulations and Policies", "Statement of Possible Tax Benefits", "Summary of Key Provisions of Articles of Association", "Financial Information" and "Other Regulatory and Statutory Disclosures" on pages 51, 18, 89, 187, 75, 504, 203 and 429, respectively shall have the meaning ascribed to them as part of the aforementioned sections. Terms not defined as part of the sections "Our Business", "Risk Factors", "Industry Overview" and "Regulations and Policies", on pages 127, 18, 89 and 187, respectively, shall have the meaning ascribed to them hereunder.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

In this Draft Shelf Prospectus, unless otherwise specified or the context otherwise indicates or implies the terms, all references to "we", "us", "our", and "our Company" are to L&T Finance Limited, references to "you", "offeree", "purchaser", "subscriber", "recipient", "investors" and "potential investor" are to the prospective investors in this Issue. Unless stated otherwise, all references to page numbers in this Draft Shelf Prospectus are to the page numbers of this Draft Shelf Prospectus.

All references in this Draft Shelf Prospectus to "India" are to the Republic of India and its territories and possessions. All references to the "Government" or "State Government" are to Government of India, Central or State, as applicable.

Presentation of Financial Information

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Draft Shelf Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31 of that calendar year.

For the purposes of disclosure in this Draft Shelf Prospectus, we have prepared and presented our reformatted financial information for the latest Fiscals (in this case, for Fiscal 2022, 2021 and 2020). Our Company's audited financial statements for the fiscal year ended March 31, 2022, have been prepared in accordance with IndAS and have been audited by Joint Statutory Auditors, M S K A & Associates and Kalyaniwalla & Mistry LLP, for the fiscal year ended March 31, 2021 and March 31, 2020 have been prepared in accordance with IndAS and have been audited by Deloitte Haskins & Sells LLP.

Our Company's audited financial statements for the years ended March 31, 2022 and March 31, 2021 (alongwith audited comparative financial information as at and for the year ended March 31, 2020) form the basis of preparation of the Reformatted Financial Information which is included in this Draft Shelf Prospectus and is referred to hereinafter as the "Reformatted Financial Information" in the section titled "*Financial Information*" on page 201.

The Unaudited Financial Results of our Company for the quarter ended June 30, 2022 have been prepared in accordance with recognition and measurement principles laid down in the aforesaid Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there-under by Joint Statutory Auditors and other accounting principles generally accepted in India and Regulation 52 of the SEBI Listing Regulations. For further details see "*Financial Information*" on page 201. Further, Unaudited Financial Results for quarter ended June 30, 2022 is not indicative of full year results and are not comparable with annual financial information.

Unless stated otherwise or unless the context requires otherwise, the financial data as at and for the year ended March 31, 2022, March 31, 2021 and March 31, 2020 used in this Draft Shelf Prospectus is derived from our Reformatted Consolidated Financial Information, Reformatted Standalone Financial Information. The financial data for the quarter ended June 30, 2022 used in this Draft Shelf Prospectus is derived from Unaudited Financial Results.

Unless stated otherwise, macroeconomic and industry data used throughout this Draft Shelf Prospectus has been obtained from publications prepared by providers of industry information, government sources and multilateral institutions. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Issuer believes that industry data used in this Draft Shelf Prospectus is reliable, it has not been independently verified. Further, the extent to which the market and industry data presented in this Draft Shelf Prospectus is meaningful depends on the readers' familiarity with and understanding of methodologies used in compiling such data.

Currency and Unit of Presentation

In this Draft Shelf Prospectus, all references to 'Rupees'/'₹'/'INR'/ 'Rs.' are to Indian Rupees, the official currency of the Republic of India.

Except where stated otherwise in this Draft Shelf Prospectus, all figures have been expressed in 'in crore'. All references to 'million/million/mn.' Refer to one million, which is equivalent to 'ten lakhs' or 'ten lacs', the word 'lakhs/lacs/lac' means 'one hundred thousand' and 'crore' means 'ten million' and 'billion/bn./billions' means 'one hundred crore'.

Certain figures contained in this Draft Shelf Prospectus, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Industry and Market Data

Any industry and market data used in this Draft Shelf Prospectus consists of estimates based on data reports compiled by Government bodies, professional organizations and analysts, data from other external sources including "NBFC Report 2021" (June, 2022 update) prepared by CRISIL Research, report titled "Macro-Economic Overview" released by CRISIL Research as published in September 2022 and RBI bulletin August 2022, Volume LXXVI Number 8, available in the public domain and knowledge of the markets in which we compete. These publications generally state that the information contained therein has been obtained from publicly available documents from various sources believed to be reliable, but it has not been independently verified by us, its accuracy and completeness is not guaranteed and its reliability cannot be assured. Although we believe that the industry and market data used in this Draft Shelf Prospectus is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Draft Shelf Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Given that we have compiled, extracted and reproduced data from external sources, including third parties, trade, industry or general publications, we accept responsibility for accurately reproducing such data. However, neither we nor the Lead Managers have independently verified this data, and neither we nor the Lead Managers make any representation regarding the accuracy of such data. Further, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the Lead Managers can assure potential investors as to their accuracy.

General Risk

Investment in NCDs involve a degree of risk and investors should not invest any funds in NCDs unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it.

Specific attention of investors is invited to statement of risk factors contained under section "*Risk Factors*" on page 18. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the NCDs or Investor's decision to purchase such securities.

Exchange Rates

The exchange rates Rupees (₹) vis-à-vis of USD, as of June 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020,are provided below:

Currency	June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020
1 USD	78.94	75.81	73.50	75.39

Source: *https://www.fbil.org.in/#/home* and *https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx*

The above exchange rates are for the purpose of information only and may not represent the rates used by the Company for purpose of preparation or presentation of its financial statements. The rates presented are not a guarantee that any person could have on the relevant date converted any amounts at such rates or at all.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Shelf Prospectus that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "may", "objective", "plan", "potential", "project", "pursue", "shall", "seek", "should", "will", "would", or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in this Draft Shelf Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- Any disruption in our sources of funding;
- Volatility in interest rates could have a material adverse effect on our net interest income, net interest margin and our financial performance;
- Any increase in the levels of non-performing assets ("**NPA**") on our loan portfolio, for any reason; whatsoever, would adversely affect our business and results of operations;
- Adverse developments in the industries in which we operate;
- Provisioning requirements are insufficient to cover our existing or future levels of non- performing loans or if future regulation requires us to increase our provisions;
- Downgrade of our credit ratings may increase our borrowing costs and constrain our access to capital and debt markets and, as a result, may adversely affect our net interest margin and our results of operations;
- Certain conditions and restrictions in terms of our financing arrangements, could restrict our ability to conduct our business and operations in the manner we desire;
- Occurrence of natural calamities, pandemics, or natural disasters affecting the areas in which our Company has operations.

For further discussion of factors that could cause our actual results to differ, see "*Risk Factors*" on page 18.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections titled "*Industry Overview*", "*Our Business*" and "*Legal and Other Information*" on pages 89, 127 and 397. The forward-looking statements contained in this Draft Shelf Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, our Company's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

Neither our Company, its Directors, its KMPs and officers, nor any of their respective affiliates or associates or the Lead Managers have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI NCS Regulations, our Company and the Lead Managers will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

SECTION II – RISK FACTORS

An investment in NCDs involves a certain degree of risk. You should carefully consider all the information contained in this Draft Shelf Prospectus, including the risks and uncertainties described below, before making an investment decision in relation to NCDs. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the NCDs. The following risk factors are determined on the basis of their materiality. In determining the materiality of risk factors, we have considered risks which may not be material individually but may be material when considered collectively, which may have a qualitative impact though not quantitative*, which may not be material at present but may have a material impact in the future. Additional risks, which are currently unknown, if materialises, may in the future have a material adverse effect on our business, financial condition, cash flows and results of operations. The market prices of the NCDs could decline due to such risks and you may lose all or part of your investment.*

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. This Draft Shelf Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Draft Shelf Prospectus. Unless otherwise stated and unless the context requires otherwise, the financial information used in this section is derived from and should be read in conjunction with Reformatted Financial Information and Unaudited Financial Results as included in this Draft Shelf Prospectus.

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Unaudited Financial Results and Reformatted Standalone Financial Information on page 201. All other numbers included in this section is on a standalone basis unless stated otherwise.

Investors are advised to read the following risk factors carefully before making an investment in the NCDs offered in this Issue. You must rely on your examination of our Company and this Issue, including the risks and uncertainties involved.

INTERNAL RISKS

1. ***As a systemically important NBFC, we are subjected to laws and regulations governing the NBFC sector in India and changes in laws and regulations governing us could adversely affect our business financial condition, results of operations and cash flows.***

The laws and regulations governing the NBFC sector in India has become increasingly complex and are continuously evolving. The requirement to comply with regulations including those prescribed by RBI and other statutory authorities including regulations relating to foreign investment in India, may continue to adversely affect our business and the industries in which we operate in general. For example, we are subject to the RBI's guidelines on Digital Lending which provides for lending using digital means; financial regulation of NBFCs, including capital adequacy, exposure and other master directions. Further, as per RBI circular on Scale Based Regulation (SBR) dated October 22, 2021, RBI has prescribed rules and regulations for applicable parameters to be attained within prescribed timelines. Our Company may not able to comply with RBI SBR regulations within the prescribed timelines. The RBI also regulates the credit flow by banks to NBFCs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to NBFCs. Additionally, we are required to make various filings with the RBI, the Registrar of Companies, the Stock Exchanges where our debt securities are listed and other relevant authorities pursuant to the provisions of RBI regulations, the Companies Act, SEBI LODR Regulations, tax regulations and other regulations. If we fail to comply with these requirements, or a regulator claims we have not complied with these requirements, we may be subject to penalties and legal proceedings.

Further, our Company qualified as a 'high value debt listed entity' as per the thresholds set out under the SEBI Listing Regulations in November, 2021. As a 'high value debt listed entity', Chapter IV of the SEBI Listing Regulations will be applicable to our Company six months from the date of it being categorised as such, on a 'comply or explain' basis until March 31, 2023 and thereafter on a mandatory basis. Accordingly, the required compliance with Chapter IV of the SEBI Listing Regulations may cause additional compliance and legal costs for our Company and any non-compliance in relation to this may attract penalties, which may affect our financials adversely. The laws and regulations governing the banking and financial services industry in India have become increasingly complex and cover a wide variety of issues, such as interest rates, liquidity, investments, ethical issues, money laundering and privacy. These laws and regulations can be amended, supplemented or changed at any time such that we may be required to redesign our activities and incur additional expenses to comply with such laws and regulations, which could adversely affect our business and our financial performance. For details, see "*Regulations and Policies*" on page 187.

In the regular course of our business, we may receive queries, clarifications and observations from the RBI and other statutory or regulatory authorities. Failure to address or satisfactorily address these queries and clarifications in a timely manner or at all may result in us being subject to statutory and/or regulatory actions. Further, responding to these regulatory actions, regardless of their seriousness or ultimate outcome, requires a significant investment of resources and management's time and effort.

Moreover, our provisions, defenses, grounds or interpretations against regulatory actions may be inadequate. Given the uncertainties and complexity of many of these regulatory actions, their outcome generally cannot be predicted with any reasonable degree of certainty and may have adverse effects on our operations.

Further, as of June 30, 2022, we employed 24,937 employees (on a consolidated basis), and we are required to comply with various statutory requirements in relation to payment of gratuity, minimum wages, employee state insurance and provident fund payments to such employees. Changes in the compensation requirements for our employees may increase our costs or otherwise negatively affect our business, results of operations, financial condition and cash flows.

Our ability to function in the lending and financial services industry will depend on our ability to constantly monitor and promptly react to legislative and regulatory changes. Any change to the existing legal or regulatory framework may require us to allocate additional resources to our business, which may increase our regulatory compliance costs and direct management attention, and consequently affect our business, financial condition, results of operations and cash flows. To the extent that we enter new geographies or new product markets, the complexity of our regulatory environment will increase, potentially increasing the cost of compliance and the risk of noncompliance. Further, if the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. If we fail to comply with these requirements, or are interpreted by the regulators as not having complied with these requirements, we may be subject to penalties and compounding proceedings. For further information on laws and regulations applicable to us, see "*Regulations and Policies*" on page 187.

Compliance with many of the regulations applicable to our operations in India, including any restrictions on investments and other activities currently being carried out by us, involves a number of risks, particularly in markets where applicable regulations may be subject to varying interpretations. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and our business could be adversely affected. Further, the legal, regulatory and policy environment in which we operate is evolving and subject to change. The laws, regulations and policies applicable to us may be amended, supplemented or changed at any time such that we may be required to restructure our activities and incur additional expenses to comply with applicable laws and regulations. Such changes may also adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law, regulations and policies.

2. Any disruption in our sources of funding or increase in costs of funding could adversely affect our liquidity and financial condition.

The liquidity and profitability of our various businesses depend, largely, on our timely access to, and the costs associated with, raising funds. Our funding requirements historically have been met from various sources, including funds raised from borrowings from banks, issuance of retail non-convertible debentures, commercial papers (invested in by mutual funds, banks, and other debt market participants allowed by SEBI), equity and preference shares, inter-corporate deposits from corporates, collateralized borrowing and lending obligations under the CCIL platform, and corporate bond repo transactions entered into with banks and we have entered into various financing arrangements with banks, financial institutions and other entities. Our business thus depends and will continue to depend on our ability to access diversified, relatively stable and low-cost funding sources. Our access to funding sources also depends on our Company's financial performance, capital adequacy levels, credit ratings and relationships with lenders. Any adverse developments or changes in applicable laws and regulations which limit our Company's ability to raise funds can disrupt its sources of funding and as a consequence, could have a material adverse effect on our Company's liquidity and financial condition. For the three months ended June 30, 2022 and the Fiscal 2022, Fiscal 2021 and Fiscal 2020, the capital to risk weighted adequacy ratio (CRAR) of our Company was 20.81%, 20.77%, 20.54% and 18.31%, respectively.

We may require additional capital for our business operations. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes, including any changes to RBI's monetary policies which are applicable to us or unforeseen delays in developing our products. To the extent our capital requirements exceed our available resources, we will be required to seek additional debt or equity capital. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements.

Further, our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost funding at rates lower than the interest rates at which we lend to our customers. Our ability to raise funds at competitive rates depends on various factors including our current and future results of operations and financial condition, Corporate Governance, our risk management policies, the shareholding of our Promoter in our Company, our asset quality, our capital position, our liquidity planning and execution thereof, our credit ratings, our brand equity, the regulatory environment and policy initiatives in India and developments in the international markets affecting the Indian economy. Our Company's long-term debt is rated CARE AAA (Stable), ICRA AAA (Stable), IND AAA (Stable) and CRISIL AAA (Stable) by CARE, ICRA, India Ratings and CRISIL, respectively, our debentures (private as well as public issue) are rated CARE AAA (Stable), ICRA AAA (Stable), IND AAA (Stable) and CRISIL AAA (Stable) by CARE, ICRA, India Ratings and CRISIL, respectively and our Perpetual debt is rated CARE AA+ (Stable) and ICRA AA+ (Stable). There is no guarantee that we will be able to maintain such ratings in the future. We have not experienced downgrades in our credit ratings in the past. Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and debt markets, as well as increase the probability that our lenders may impose additional terms and conditions to any financing or refinancing arrangements we enter into in the future. Any downgrade in our credit ratings may also trigger an event of default or acceleration of repayment in some of our current or future borrowings. If we are unable to access funds at an effective cost that is comparable to or lower than that of our competitors, our net interest margins, income and market share may be adversely affected.

Further, any additional financing that we require on an ongoing basis for our capital requirements may place restrictions on us, which may, inter alia, limit our ability to pursue our growth plans or require us to dedicate a substantial portion of our cash flow from operations to service our debt obligations, or limit our flexibility in planning for, or reacting to changes in our business and our industry, either through the imposition of restrictive financial or operational covenants or otherwise.

Our Company's ability to borrow funds and refinance existing debt may also be affected by a variety of factors, including liquidity in the markets, the strength of the lenders from which our Company borrows, the amount of eligible collateral and accounting changes that may impact calculations of covenants in our Company's financing agreements. An event of default, a significant negative ratings action by a rating agency, an adverse action by a regulatory authority or a general deterioration in prevailing economic conditions that constricts the availability of credit may increase our Company's cost of funds and make it difficult for our Company to access financing in a cost-effective manner. A disruption in sources of funds or increase in cost of funds as a result of any of these factors may have a material adverse effect on our Company's liquidity and financial condition.

3. ***We operate in a highly competitive industry and our inability to compete effectively may adversely affect our business.***

We operate in a highly competitive industry. Given the diversity of our businesses, and the products and services offered by us, we face competition from the full spectrum of public sector banks, private sector banks, foreign banks, financial institutions, captive finance affiliates of players in various industries, small finance banks, fintech's (for our consumer loan and other businesses) MFIs and other NBFCs and other private players who are active in infrastructure, real estate and Retail Business including rural business finance, farmer finance, SME loans, urban finance (two wheeler, consumer loans, home loans and LAP). Some of our competitors have greater resources than we do, may be larger in terms of business volume and may have significantly lower cost of funds compared to us. Unlike banks that have access to low cost funds which enables them to enjoy higher margins and / or offer finance at lower rates, NBFCs like ours do not have access to large quantities of low cost deposits, a factor which affects our ability to be competitive. Some of them may also have greater geographical reach, long-standing partnerships and may offer their customers other forms of financing that we may not be able to provide. Competition in our industry depends on, among other things, the ongoing evolution of government and regulatory policies, the entry of new participants, the level of digitization, and the extent to which there is consolidation among banks and financial institutions in India.

Potentially, other banks and NBFCs could compete with us for business as well as procurement of funds at competitive rates. Further, in relation to our farmer finance and two wheeler finance businesses, we rely on tie-ups with equipment manufacturers and are a preferred financier to them and their dealers. We rely on these relationships to procure customers and effectively sell our services. In the event such equipment manufacturers set up their own in-house financiers or expand their in-house financing capabilities, they may terminate or reduce the extent of their relationship with us, and such in-house financiers may compete with us in providing loans under these businesses. We cannot assure you that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in our increasingly competitive industry and our inability to compete effectively may adversely affect our business.

4. ***We are affected by volatility in interest rates for both our lending and borrowings, which could cause our net interest income to decline and adversely affect our results of operations and profitability.***

Our results of operations from our lending businesses depend substantially on the level of our net interest income, which is the difference between our interest income and other fees, and interest expense and other borrowing costs. A significant component of our revenue is the interest on term loans and other financing activity (net of reversal) we receive from the loans we disburse, which comprised ₹ 2,740.22 crore or 92.50% of our total income of ₹ 2,962.50 crore for the three months ended June 30, 2022 and ₹ 10,770.90 crore or 94.11% of our total income of ₹ 11,445.16 crore for the Fiscal 2022.

Our net interest margins are affected by any volatility in interest rates in our lending operations. Interest rates are highly sensitive to many factors beyond our control, including competition from other banks and NBFCs, the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions international price of key energy commodities, climatic factors and other factors, which have historically generated a relatively high degree of volatility in interest rates in India. Persistently high inflation in India may discourage the Government from implementing policies that would cause interest rates to decrease. Moreover, if there is an increase in the interest rate we pay on our borrowings that we are unable to pass to our customers, we may find it difficult to compete with our competitors such as banks, who may have access to funds at a lower cost or lower cost deposits. Further in the event of passing any increase in cost of our borrowing to customers/borrower may impede their ability to service the debt and can potentially expose us to increase in gross stage 3 assets and increased risk of default. To the extent our borrowings are linked to market interest rates, we may have to pay interest at a higher rate than lenders with a borrowing profile more suited to a given economic environment. Further, our ability to pass on any increase in interest rates to borrowers may also be constrained by regulations implemented by the Government or the RBI. In a declining interest rate environment, if our cost of funds does not decline simultaneously or to the same extent as the yield on our interest-earning assets, it could lead to a reduction in our net interest income and net interest margin.

Fluctuations in interest rates may also adversely affect our investment operations. In a rising interest rate environment, particularly if the rise is sudden or sharp, we could be adversely affected by the decline in the market value of our securities portfolio and other fixed income securities in the debt capital markets segment. In addition, the value of any interest rate hedging instruments we may enter into in the future would be affected by changes in interest rates, which could adversely affect our ability to hedge against interest rate volatility. There can be no assurance that we will continue to enter into such interest rate hedging instruments or that we will be able to enter into the correct amount of such instruments to adequately hedge against interest rate volatility in the future, among other reasons, because of the inherent basis risk in hedging instruments arising out of the nature of instruments available for interest rate hedging in the financial markets. Our inability to effectively and efficiently manage interest rate variations and our failure to pass on increased interest rates on our borrowings on account of any reasons including the above may cause our net interest income to decline, which would decrease our return on assets and could adversely affect our business, future financial performance and result of operations.

An increase in inflation and consequent changes in bank rates, repo rates and reverse repo rates by the RBI have led to an increase in interest rates on loans provided by banks and financial institutions and consequently, interest rates in India have been volatile in recent financial periods. There can be no assurance that we will be able to adequately manage our interest rate risk in the future, which could have an adverse effect on our net interest income and net interest margins, which could in turn have a material adverse effect on our business, results of operations, cash flows and financial condition.

5. ***High levels of customer defaults and the resultant non-performing assets could adversely affect our business, financial condition, results of operations and future financial performance.***

We are subject to risks of customer default, which includes default or delays in repayment of principal and/or interest on the loans we provide to customers. Customers may default on their obligations as a result of various factors, including certain external factors, which may not be within our control such as developments in the Indian economy and the real estate market, movements in global markets, changes in interest rates, changes in regulations, government policies. Any negative trends or financial difficulties affecting our customers could increase the risk of their default. Our customers could also be adversely affected by factors such as, bankruptcy, lack of liquidity, lack of business and operational failure. If our customers fail to repay loans in a timely manner or at all, then our results of operations, cash flows and financial condition will be adversely impacted. If we are not able to successfully manage the risks associated with lending to these customers, then it may become difficult for us to make recoveries on these loans. We may also experience higher delinquency rates due to prolonged adverse economic conditions or a sharp increase in interest rates. Any increase in delinquency rates could result in a reduction in our total interest income (i.e., our accrued interest income from loans, including any interest income from credit substitutes) and as a result, lower revenue from our operations, while increasing our costs due to increased expenses associated with the servicing and collection of delinquent loans. We may also be required to make loss provisions in respect of loans to such customers in accordance with applicable regulations and, in certain cases, may be required to write-off such loans.

As of June 30, 2022, our total adjusted loans and advances outstanding were ₹ 81,612.52 crore and we expect that the size of our loan assets will grow as a result of our expansion strategy in existing as well as new products, which may expose us to an increase in Gross Stage 3 and an increased risk of defaults. Non-payment or default by borrowers in the future may adversely affect our financial condition and results of operations. The table below sets out a breakdown of our total adjusted loans and advances and Gross Stage 3 Assets by business segments:

(₹ in crore except in percentages)

	Adjusted Total Loans and Advances	**Gross Stage 3 Assets**	
Retail	47,793.74	1,727.35	3.61%
Wholesale	33,338.60	1,824.75	5.47%
Defocused	489.18	6.59	1.35%
Total Adjusted Loans and advances	**81,612.52**	**3,558.69**	**4.41%**

For our farmer finance business and rural business finance, our Gross Stage 3 may be impacted by the difficulty to carry out precise credit risk analysis on borrowers as they typically do not have formal credit histories supported by tax returns and other documents that would enable us to assess their creditworthiness. In addition, we may not receive updated information regarding any change in the financial condition of these borrowers or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation by these borrowers or our employees. Borrowers in our farmer finance and rural business finance are also typically less sophisticated and may be particularly susceptible to adverse economic conditions, adverse environmental factors such as weak monsoons or flooding and other natural calamities.

For our Retail Business segment (which comprises of rural business finance, farmer finance, urban finance (two wheeler, consumer loans, home loans and loan against property) and SME loans), our Gross Stage 3 may be impacted by loss of job or livelihood, illness, competition within their respective sectors, lack of liquidity, time and cost overrun, operational failure, breach of contract, government or other regulatory intervention and other reasons such as their inability to adapt to changes in the macro business environment and natural calamities.

Under our Infrastructure Finance, we presently provide debt, financial advisory and syndication services related to infrastructure projects in India. Infrastructure projects are characterized by project-specific risks as well as general risks. These risks are generally beyond our control, and include:

- political, regulatory and legal actions that may adversely affect project viability;
- interruptions or disruption in domestic or international financial markets, whether for equity or debt funds;
- changes in government and regulatory policies;
- time and cost overruns in the construction and operation of infrastructure projects;
- changes in natural environment (for example wind speed for generation of wind power by wind mills);
- adverse changes in market demand or prices for the products or services that the project, when completed, is expected to provide; and
- economic, political and social instability or occurrences such as natural disasters, armed conflict and terrorist attacks, particularly where projects are located or in the markets they are intended to serve.

Under real estate finance, we have provided construction finance loans and they may be exposed to risks related to time and cost overruns. Factors such as third party performance risks, delays in obtaining the requisite approvals, environmental risks, changes in market conditions, changes in government or regulatory policies, permits, licenses or certifications from the relevant authorities as well as shortages of, or material increases in prices of, construction materials, equipment, technical skills and labour, or other unforeseeable problems and circumstances may lead to delays in, or prevent the completion of, real estate development projects and result in costs exceeding those originally budgeted, which may affect real estate developers' ability to repay their loans.

6. Any adverse developments in the industries in which we operate, may adversely affect our business and results of operations.

Our principal business segments are (i) Retail Business, comprising of rural business finance, farmer finance, SME loans, urban finance (two wheeler, consumer loans, home loans and LAP), and (ii) Wholesale Business comprising of infrastructure finance and real estate finance. Any adverse developments in the industries we operate in, may adversely affect our business and results of operations. Our asset portfolios include, and will likely continue to include, a high concentration of the foregoing business lines and the success of our lending business is thus dependent on, amongst others:

- the demand for Rural Business Finance in India, including the factors affecting such demand (e.g., changes in Indian regulations and policies affecting utility vehicles, tractors and commercial vehicles, demand for transportation services in India, fuel price and consumer access to financing in the rural market);
- the demand for housing in India and developments in the real estate sector in India, including movement in real estate prices and changes in the legal and regulatory framework governing real estate transactions;
- the commitment of government for infrastructure projects in India;
- any adverse developments in the industry;
- monsoons, failed rains, droughts, floods, natural disasters and calamities;
- regulatory changes, changes in tax policies, adverse court rulings, environment-protection guidelines;
- political events such as loan waivers, subsidies and other schemes announced by central and state governments; and
- other macroeconomic conditions in India and globally.

7. We have significant exposure to certain sectors in our infrastructure business. Any negative trends in these sectors may affect the ability of our borrowers to perform their obligations under their existing financing agreements with us and increase the level of Gross Stage 3 assets in our portfolio, adversely affecting our business, financial performance and results of operations.

We have significant exposure in renewable energy, power transmission and others sectors in India and may continue to have significant concentration of loans in these sectors. As on June 30, 2022, with 68.49%, 22.52%, 0.55% and 8.44% of our total adjusted loans and advances comprising of loans towards renewable energy projects, roads, power transmission projects, and others (including infrastructure project implementor, health care, water treatment, city gas distribution etc.), respectively. Any significant negative trends in these sectors may affect the business of our borrowers, which in turn may affect their ability to perform their obligations under their existing financing agreements with us. Consequently, this may increase the level of Gross Stage 3 assets in our portfolio and may adversely affect our business, financial performance and results of operations.

8. We have significant exposure to certain borrowers. Any negative developments impacting the ability of such borrowers to perform their obligations under their existing financing agreements with us and increase in the level of Gross Stage 3 assets in our portfolio, may adversely affect our business, financial performance and results of operations.

Our top 20 borrowers (including affiliates of such borrowers) in terms of advances represented 20.39%, 21.50%, 17.37% and 20.07% of our total advances as of June 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, respectively. We may continue to have significant concentration of loans to such borrowers or other large corporate groups in India. Any negative developments impacting the ability of such borrowers to perform their obligations under their financing agreements with us, including any defaults on their obligations as a result of their competition within their respective sectors, lack of liquidity, operational failure, government or other regulatory intervention, among others, may increase the level of Gross Stage 3 assets in our portfolio and may adversely affect our business, financial performance and results of operations.

9. We are subject to supervision by regulatory authorities and non-compliance with observations made by regulatory authorities during their periodic inspections could expose us to penalties and restrictions.

As an NBFC, we are subject to periodic inspection by the RBI under Section 45N of the Reserve Bank of India Act, 1934 (the "**RBI Act**"), pursuant to which the RBI inspects our books of accounts and other records for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the RBI. Any irregularities found during such investigations by such regulatory authorities could similarly, expose us to warnings, penalties and restrictions.

During the course of finalization of inspection, regulatory authorities share their findings and recommendations with us and give us an opportunity to provide justification and clarifications. Further, such regulatory authorities also seek certain clarifications and share their findings in the ordinary course of business. We have responded to observations made by such authorities and addressed them; however, we cannot assure you that these authorities will not find any deficiencies in future inspections or otherwise/ the authorities will not make similar or other observations in the future. For instance, pursuant to the inspection of our book of accounts for Fiscal 2021, the RBI highlighted certain observations. Our Company (as applicable) has taken all necessary measures to address, resolve and comply with the observations/findings highlighted in the inspection reports issued by the RBI as part of its inspections, and has responded to and will respond to each such observation/finding indicated and further information sought therein, if any. While we seek to comply with all regulatory provisions applicable to us, in the event we are unable to comply with the observations made by the regulatory authorities, we could be subject to penalties and restrictions which may have an adverse effect on our business, results of operations, financial condition and reputation.

10. Our statutory auditors have highlighted certain matters of emphasis to their audit reports relating to our audited financial statements, which may affect our future financial results.

Our statutory auditors have highlighted certain matters of emphasis to their audit opinion relating to our last three audited financial statements, as mentioned below:

Fiscal	Auditor remarks
2022	L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited) The Auditors have highlighted regarding application filed by L&T Infra Credit Limited with the Reserve Bank of India ("RBI") for converting itself from an Infrastructure Debt Fund - NBFC (IDF – NBFC) to an Investment and Credit Company – NBFC (ICC -NBFC) consequent to merger of the Sponsor company L&T Infrastructure Finance Company Limited ("LT IFC") with L&T Finance Limited ("LT FL") as per the orders of National Company Law Tribunal. (Refer Note below) But the opinion was not modified because of this matter
2021	L&T Finance Limited The Auditors have highlighted emphasis of matter on account of uncertainties arising from Covid 19 pandemic But the opinion was not modified because of this matter
2020	L&T Finance Limited The Auditors have highlighted emphasis of matter on account of uncertainties arising from Covid 19 pandemic But the opinion was not modified because of this matter

Note: L&T Infra Credit Limited has received the Certificate of Registrations dated June 22, 2022 as NBFC ICC from the Reserve Bank of India.

There can be no assurance that our statutory auditors will not include further matters of emphasis or other similar comments in the audit reports to our audited financial statements in the future, or that such remarks or matters of emphasis will not affect our financial results in future fiscal periods. Investors should consider the matters of emphasis and remark in evaluating our financial condition, results of operations and cash flows. Any such matter of emphasis or remark in the auditors' report on our financial statements in the future may also adversely affect the trading price of the NCDs.

11. Certain of the loans provided by us are unsecured and are susceptible to certain operational and credit risks which may result in increased levels of Gross Stage 3 and may adversely affect our business, prospects, results of operations and financial condition.

Some of the loans provided by us are unsecured loans, recovery of which may be more challenging than the secured loans. The following table sets out the amount of unsecured adjusted loans and advances of our micro loans and corporate finance loans, respectively, as of March 31, 2022:

Business group	Total Adjusted Loans and Advances (Unsecured) (amount in ₹ crores)	Percentage of Total Adjusted Loans and Advances	Net Stage 3 Assets	Net Stage 3 Assets/ Total Adjusted Loans and Advances (Unsecured)
Retail	16,412.43	20.06%	36.83	0.22%
Wholesale	605.79	0.74%	-	-
Defocused	5.62	0.01%	-	-
Total	**17,023.84**	**20.81%**	36.83	0.22%

Unsecured loans present a higher risk of loss in case of a credit default as compared to loans to customers in other asset-backed financing products. In addition, there can be no assurance that our monitoring and risk management procedures will succeed in effectively predicting the right income levels of these customers or that our loan loss reserves will be sufficient to cover any actual losses. If there is a default by customers on repayment of such unsecured loans or if we are unable to recover our principal and interest through appropriate legal proceedings, we may experience increased levels of Gross Stage 3 and we may be required to make related provisions and write-offs that may have an adverse effect on our business prospects, financial condition and results of operations.

12. We may be exposed to potential losses due to a decline in value of assets secured in our favour, and due to delays in the enforcement of such security upon default by our borrowers.

As at June 30, 2022 and March 31, 2022, approximately 80.44% and 79.19% respectively of our total loan portfolio (excluding inter-corporate deposits), is secured by a mix of both movable and immovable assets or other forms of collateral, depending on the nature of the transaction. The value of certain types of assets may decline due to inherent operational risks, the nature of the asset secured in our favour and adverse market and economic conditions (both global and domestic). For example, in relation to our Wholesale Business, our collateral is typically the assets and cash-flows from infrastructure projects such as renewable energy generation projects, power transmission projects and road projects. Any decrease in the value of such projects, including due to deterioration in the quality of such projects, inadequate development or maintenance or as a result of decreased demand, may result in diminishing the value of our collaterals. In the event of default by our customers, we cannot assure you that we will be able to sell our collateral including machinery, stock, two-wheelers or agricultural equipment or properties provided as security, due to various reasons including, unforeseen delays in our ability to take immediate action, winding up and foreclosure proceedings, defects in title, defects in perfection of the collateral or documentation relevant to the assets, stock market downturns, fraudulent transfers by our customers, difficulty in locating movable assets and the necessity of obtaining regulatory approvals and/or court orders for the enforcement of our collateral over those assets.

In addition, the value of real estate properties secured under our loans is largely dependent on prevalent real estate market conditions, as well the quality of the construction and the pedigree of the relevant developer. The value of the collateral on the loans disbursed by us may decline due to adverse market conditions including an economic downturn or a downward movement in real estate prices. Any developments or events that adversely affect the real estate sector, including without limitation, changes in government policies, introduction of any stringent norms regarding construction, floor space index or other compliances, may also result in diminishing the value of our collaterals. If any of the projects which form part of our collateral are delayed for any reason, it may affect our ability to enforce our security, thereby effectively diminishing the value of such security.

Similarly, for the asset-backed loans of our farmer finance, the equipment and vehicles purchased by our customers are mostly hypothecated in our favour as security for the loans provided by us. The value of the equipment or vehicles, however, is subject to depreciation, deterioration, or a reduction in value on account of a number of external factors (such as wear and tear), over the course of time. Consequently, the realizable value of the collateral for the loan provided by us, when liquidated, may be lower than the outstanding loan from such customers. Any default in repayment of the outstanding credit obligations by our customers may expose us to losses. Further, in the case of a default, we typically repossess the asset financed and sell such vehicles through auctions. The hypothecated vehicles, being movable property, may be difficult to locate or seize in the event of any default by our customers.

13. The impact of the COVID-19 pandemic on our business and operations is uncertain and cannot be predicted.

In late 2019, the COVID-19 disease, commonly known as "novel coronavirus", was first reported in Wuhan, China. On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a "*Public Health Emergency of International Concern*" and on March 11, 2020 it was declared a pandemic. However, with the advent of vaccines, the pandemic is now brought in control and the number of cases are declining and expected to come down further in the coming months. We continue to monitor developments closely.

The COVID-19 first and second wave had significant impact on the macroeconomic environment and our business operations. While there was nation-wide lockdown declared during the first wave, the second wave saw territory based lockdowns. Our business operations were disrupted during the lockdown period, affecting our business growth, collection efficiency and asset quality. The third wave had minimal impact on the business of the Company. Despite the lifting of the lockdowns, there is significant uncertainty regarding the duration and long-term impact of the COVID-19 pandemic, as well as possible future responses by the Government of India, which makes it impossible for us to predict with certainty the impact that the COVID-19 pandemic will have on our business and operations in the future. Further, the detection of new strains, evolving variants such as 'Omicron variant', potential waning of vaccine effectiveness over time and lower vaccination rates in certain areas of the country could lead to new lockdowns or other business restrictions or constraints and reduction in business activity in subsequent years, which may adversely affect our business operations.

We believe that the COVID-19 outbreak has resulted into the following challenges: (1) uncertainties over the duration and the severity of the COVID-19 pandemic; (2) a downturn in the global economy and impact to India's economy; (3) weakening purchasing power because of weak economic growth; (4) worsening asset quality due to weak economic condition; (5) Introduction of statutes and regulations by the regulatory authorities and/or the Government affecting companies' right to recover their dues. Either as an impact of statutes and regulations or inability of the borrower.

We expect that the COVID-19 pandemic may also impact our origination and servicing of loans. The lockdown restrictions imposed by governments in India slowed our business operations that depend on customer facing activities, back-office operations, recoveries and others for loan-related verifications and processing. If the COVID-19 pandemic leads to a prolonged economic downturn with sustained high unemployment rates, we anticipate that businesses of our customers may be affected. Any such slowdown may materially decrease the number and volume of loans we originate. Further, a majority of our customers are retail customers who belong to economically weaker and low-to-middle income segments. Due to the slowdown and downturn in the global and Indian economies, it is possible that large-scale furloughs, terminations of employees, reductions in salaries or closure of businesses during lockdowns may lead to loss of pay or income of our customers which may lead to increased defaults by our customers. Further, an overall deterioration in the economy may also lead to a reduction in the value of collateral provided for our loans, leading to higher than anticipated losses on default. In addition, economic deterioration could lead to significantly higher interest rates for our customers which could increase the number of customers who face difficulty paying the amounts due on their loans.

14. The customers to which our Company provides SME loans may not perform as expected and our Company may not be able to control the non-performance of such businesses.

Our Company provides unsecured SME loans to select self-employed professionals and small businesses across manufacturing, trading and services of ₹ 5 lakh to ₹ 50 lakhs ticket size, which have an established track record. Our Company does not manage, operate or control such businesses or entities. Our Company has no control over those businesses' functions or operations. As a result, such businesses may make business, financial or management decisions which our Company does not agree or the majority shareholders or the management of such companies may make business, financial or management decisions that may be adverse to, or otherwise act in a manner that does not serve, our Company’s best interests. The repayment of the loans extended to such businesses will depend to a significant extent on the self-employed professional or specific management team of the relevant borrower entity and their actions may lead to significant losses and affect their ability to repay our Company’s loans. Consequently, this may adversely affect our Company’s financial performance.

15. If our provisioning requirements are insufficient to cover our existing or future levels of non- performing loans or if future regulation requires us to increase our provisions, our ability to raise additional capital and debt funds as well as our results of operations and financial condition could be adversely affected.

We adhere to provisioning requirements related to our loan assets pursuant to applicable RBI regulations, as are relevant to us. For details relating to our Gross Stage 3, provisions for Gross Stage 3 and RBI provisioning norms, see “*Our Business - Segment wise Gross Stage 3 on a standalone basis*” on page 137. If our provisioning requirements are insufficient to cover our existing or future levels of Gross Stage 3 loans or if future regulation requires us to increase our provisions, our ability to raise additional capital and debt funds as well as our results of operations and financial condition could be adversely affected.

16. Part of our collections from customers is in cash, exposing us to certain operational risks.

Part of our collections, specifically collections in our rural business finance, is in cash. Large cash collections expose us to the risk of theft, fraud, misappropriation or unauthorized transactions by employees responsible for dealing with such cash collections. These risks are exacerbated by the high levels of responsibility we delegate to our employees and the geographically dispersed nature of our network. Certain of our customers are from the rural and semi-urban markets, which carry additional risks due to limitations on infrastructure and technology. While we obtain insurance for our cash in transit and safes for storage of cash, we cannot assure you that the insurance obtained by us adequately covers all risks involved or will be paid in relation to the entire amount involved, or at all.

While we have implemented technology that tracks our cash collections, taken insurance policies, including coverage for cash in safes and in transit, and undertaken measures to detect and prevent unauthorized transactions, fraud or misappropriation, this may not be sufficient to prevent or deter such activities in all cases, which may adversely affect our operations and profitability. Further, we may be subject to regulatory or other proceedings in connection with any unauthorized transactions, fraud or misappropriation by our representatives and employees, which could adversely affect our goodwill. We may also be party to criminal proceedings and civil litigation related to our cash collections.

17. We depend on the accuracy and completeness of information about borrowers and counterparties for our credit assessment and risk management. Any misrepresentation, errors in or incompleteness of such information could adversely affect our business and financial performance.

In deciding whether to extend credit or to enter into other transactions with customers, we rely on information furnished to us by or on behalf of borrowers (including in relation to their financial transactions and past credit history). We may also rely on certain representations from borrowers as to the accuracy and completeness of that information. For ascertaining the creditworthiness and encumbrances on collateral we may depend on the respective registrars and sub-registrars of assurances, credit information companies or credit bureaus such as TransUnion CIBIL, Equifax, Experian and CRIF, and on independent valuers in relation to the value of the collateral, and our reliance on any misleading information given may affect our judgment of credit worthiness of potential borrowers, and the value of and title to the collateral, which may affect our business, prospects, results of operations and financial condition. We may receive inaccurate or incomplete information as a result of negligence or fraudulent misrepresentation on the part of our customers or employees. In addition, customers may misrepresent information in the loan application forms including in relation to the intended end use of the loans and may apply the loans disbursed for end uses different from those mentioned in the loan application form. Our risk management measures may not be adequate to prevent or deter such activities in all cases, which may adversely affect our business prospects, financial condition and results of operations.

Moreover, the availability of accurate and comprehensive credit information on retail customers and small businesses in India is more limited than for larger corporate customers, which reduces our ability to accurately assess the credit risk associated with such lending. Although as part of our credit policy, we are required to conduct credit checks of all our customers, including with credit bureaus, and conduct site-visits (wherever relevant) and personal discussions, there can be no assurance that such credit information will be accurate or comprehensive. There may be relatively less financial and credit information available on retail and rural individual borrowers, micro, small and medium enterprises and in relation to the possibility of double-financing obtained by any such clients, than may have been available in a more developed economy, and the availability of such financial and credit information in India may be considered to suffer from an absence of competitive pressure at present. Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our Gross Stage 3 and restructured assets, which could adversely affect our business prospects, financial condition and results of operations.

18. We are in the process of augmenting our information technology systems and any failure to achieve intended results from such upgrades may adversely affect our operations and reputation.

Our business is dependent upon increasingly complex and interdependent information technology systems and as part of our emphasis on data analytics and increasing use of electronic processes in our businesses, we are in the process of our Lakshya 2026 plan which includes upgrading our systems and moving towards digitalising all our functions. See "*Our Business – Information Technology and Data Analysis*" on page 149 for further details.

Our Company's operations also rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. Our Company's financial, accounting or other data processing systems and management information systems or its corporate website may fail to operate adequately or become disabled as a result of events that may be beyond its control, including a disruption of electrical or communications services. Further, the information available to and received by our Company's management through its existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in its operations. If any of these systems are disabled or if there are other shortcomings or failures in our Company's internal processes or systems, it may disrupt our Company's business or impact its operational efficiencies and render it liable to regulatory intervention or damage to its reputation. The occurrence of any such events may adversely affect our Company's business, results of operations and financial condition.

In addition, the future success of our Company's business will depend in part on its ability to respond to technological advances and to emerging financing industry standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails significant technical and business risks. There can be no assurance that our Company will successfully implement new technologies effectively or adapt its technology and systems to meet customer requirements or emerging industry standards. If our Company is unable, for technical, legal, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, its financial condition could be adversely affected. Any technical failures associated with its information technology systems or network infrastructure, including those caused by power failures and other unauthorised tampering, may cause interruptions or delays in our Company's ability to provide services to its customers on a timely basis or at all, and may also result in added costs to address such system failures and/or security breaches, and for information retrieval and verification.

19. We have responsibility towards environmental and social matters, we may face sustainability issues pertaining to environmental and social matters which may impact our operations,

We aim to broaden and deepen the integration of sustainability-related aspects into our operations and have a defined Economic, Social and Governance ("**ESG**") framework that guides our business. We understand our responsibility towards the society at large and therefore, our business strategy emphasizes the importance of structured stakeholder engagement processes in order to generate long term value to stakeholders. We are also cognizant of other important sustainability aspects and endeavour to continuously enhance our operations towards factors influencing ESG. However, we cannot assure you that we will be able to identify the opportunities to improve further towards global and national sustainability goals.

20. Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and lending markets and could also affect our interest margins, business, results of operations and financial condition.

The cost and availability of capital depends in part on our short-term and long-term credit ratings. Credit ratings reflect the opinions of rating agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Certain factors that influence our credit ratings may be outside of our control. For example, our credit ratings may depend on the financial performance and business prospects of our Promoter and its majority shareholding in our Company. CRISIL, India Ratings and ICRA have rated our Company's NCDs to be issued pursuant to this Issue as [CRISIL] AAA / Stable (pronounced as CRISIL triple A rating with Stable outlook), ICRA AAA / Stable (pronounced as ICRA triple A with Stable outlook) and IND AAA / Stable (pronounced as IND triple A with Stable outlook), respectively. For further details on ratings on our Company's long term debt, short-term debt, perpetual debt and principal protected market linked debentures, see "*Our Business – our Credit Ratings*" on page 151. Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and debt markets and, as a result, would negatively affect our net interest margin and our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any additional financing or refinancing arrangements in the future. Any such adverse development could adversely affect our business, financial condition and results of operations.

Credit ratings across the industries we operate may also depend on the underlying circumstances and economic environment around such industries. Our business depends and will continue to depend on our ability to access diversified funding sources. Changes in economic and financial conditions or continuing lack of liquidity in the market could make it difficult for us to access funds at competitive rates. While our borrowing costs have been competitive in the past due to our ability to raise debt products, credit rating and our asset portfolio, in the event we are unable to access funds at an effective cost that is comparable to or lower than our competitors, we may not be able to offer competitive interest rates for our loans. This may adversely impact our business and results of operations.

21. We may require additional financing for our business operations and the failure to obtain additional financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability.

We may require additional capital for our business operations. The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other things, unforeseen delays or cost overruns in developing our products, changes in business plans due to prevailing economic conditions, unanticipated expenses and regulatory changes, including any changes to RBI's monetary policies which are applicable to us. To the extent our planned expenditure requirements exceed our available resources; we will be required to seek additional debt or equity financing. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements.

Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors, including our future financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, security, our track record of compliance of the covenants contained in our financial agreements, general market conditions and market conditions for financing activities and the economic, political and other conditions.

We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our ability to incur capital expenditure, our business, results of operations and financial condition.

22. We may experience difficulties in expanding our business into new regions and markets in India.

As part of our growth strategy, we continue to evaluate opportunities to expand our business into new markets in and outside India. For our rural business we intend to expand our branch network services in the rural and semi-urban markets of India, as well as additional districts in the states in which we are present. Factors such as competition, customer requirements, regulatory regimes, business practices and customs in these new markets may differ from those in our existing markets, and our experience in our existing markets may not be applicable to these new markets. For instance, a certain states in India have enacted laws to regulate money lending transactions. These laws may provide maximum rate of interest that can be charged. There is ambiguity on whether or not NBFCs are required to comply with the provisions of these state money lending laws. There are severe civil and criminal penalties for non-compliance with the relevant money lending statutes. If it is judicially determined or clarified in law that such statutes apply to NBFCs, our expansion in such states could be hindered.

In addition, as we enter new markets and geographical regions, we are likely to compete with not only other banks and financial institutions but also the local unorganized or semi-organized private financiers, who are more familiar with local regulations, business practices and customs, and have stronger relationships with target customers.

As we plan to expand our geographic footprint, our business may also be exposed to additional challenges, including obtaining necessary governmental approvals, identifying and collaborating with local business partners with whom we may have no existing relationship; successfully marketing our products in markets in which we have no familiarity; attracting customers in a market in which we do not have significant experience or visibility; being subject to additional local and/or foreign taxes; attracting and retaining new employees; expanding our technological infrastructure; maintaining standardized systems and procedures; and adapting our marketing strategy and operations to new markets in and outside of India, in which different languages are spoken. To address these challenges, we may have to make significant investments that may not yield desired results or incur costs that we may not be able to recover. Our inability to expand our current operations may adversely affect our business, financial conditions, and results of operations.

23. We may develop new financial products which may not yield the intended results and which in turn may have an adverse effect on our business, prospects and results of operations.

We may from time to time evaluate the introduction and launch of new financial products. Developing and commercializing a new product can be time consuming, costly and subject to numerous factors, including among others:

- ability to correctly anticipate customer demand and the market for such products;
- ability to develop products in a timely manner and in compliance with regulatory requirements;
- risk that any of our products that maybe under development, if and when fully developed and tested, will not perform as expected;
- delays or unanticipated costs; and
- delay in locating and establishing collaborations with distributors or other channels to distribute our products in our targeted markets.

We cannot assure you that any expenses we incur in developing or distributing such products will be recovered, partially or at all, even if we are successful in launching such products. In the event we fail to successfully and timely develop, and launch new financial products, our business, prospects and results of operations may be adversely affected.

24. We may make acquisitions of, or investments in, complementary businesses or products, or seek to engage in strategic transactions which may be on terms that may not be commercially advantageous, may require additional debt or equity financing, and may not yield intended results.

We periodically review potential acquisition of products, product rights and complementary businesses and intend to continue to evaluate, potential product or business acquisitions including to expand our geographic presence and product portfolio. Further, we may seek to engage in strategic transactions with third parties, such as tie-ups, joint ventures, restructuring, business combinations, among others. We cannot assure you that we will be able to identify suitable acquisition, strategic transactions or investment opportunities. To the extent that we do identify opportunities that we believe to be suitable, we cannot assure you that we will be able to reach an agreement, that the terms we may agree to will be commercially advantageous to us, or that we will be able to successfully consummate such investments, acquisitions or transactions even after definitive documents have been signed.

If we require financing in order to fund such transaction, we cannot assure you that we will be able to obtain required financing when needed on commercially acceptable terms, or at all. Further, any such transactions may require us to incur non-recurring and other charges, increase our near and long-term expenditures, pose significant integration challenges, require additional expertise, result in dilution of our existing shareholders and disrupt our management and business, which may adversely affect our business, financial position and results of operations. We also may face significant competition in seeking appropriate investments or acquisitions. We cannot assure you that, following the consummation of such investments or acquisitions, these transactions will yield intended results.

25. Any non-compliance with mandatory Anti-Money Laundering and Know Your Customer policies could expose us to additional liability and harm our business and reputation.

In accordance with the requirements applicable to us, we are mandated to comply with rules and regulations under Prevention of Money Laundering Act (**PMLA**) 2002, the Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and RBI Know Your Client ("**KYC"**) regulations in India. These laws and regulations require us, among other things, to adopt and enforce AML and KYC policies and procedures. While we have adopted policies and procedures aimed at collecting and maintaining all AML and KYC related information from our customers in order to detect and prevent the use of our networks for money-laundering activities, there may be instances where we may be used by other parties in attempts to engage in money-laundering and other illegal or improper activities. There can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and may, accordingly, be subject to regulatory actions, including imposition of fines and other penalties by the relevant government agencies. Our business and reputation could suffer if any such parties use or attempt to use us for money-laundering or illegal or improper purposes and such attempts are not detected or reported to the appropriate authorities in compliance with applicable regulatory requirements.

26. We depend on the services of our management team and employees and our inability to recruit and retain them may adversely affect our business.

Our future success depends substantially on the continued service and performance of members of our management team, and in particular, our Directors and KMP and also upon our ability to manage key issues relating to human resource such as selecting and retaining key employees, developing managerial experience, addressing emerging challenges and ensuring a high standard of client service. There is intense competition for experienced senior management and other qualified personnel, particularly office managers, field executives and employees with local knowledge in client procurement, loan disbursement and instalment collections. If we cannot hire additional or retain existing management personnel and employees, our ability to expand our business will be impacted and our revenue could be adversely affected. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, divert management resources, adversely affect our origination and collection rates, increase our exposure to high-risk credit and impose significant costs on us. While we have an incentive based remuneration structure, employee stock option schemes and training and development programs designed to encourage employee retention, our inability to attract and retain talented professionals, or the resignation or loss of senior personnel, may have an adverse impact on our business, future financial performance.

As of June 30, 2022, we employed 24,937 employees on a consolidated basis. Though we believe that we maintain good relationship with our employees, we cannot assure you that we will not experience future disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and result operations.

27. Certain of our business is heavily dependent on our operations in certain regions in India, and any adverse changes in the conditions affecting these regions can adversely impact our business, financial condition and results of operations.

Our farmer finance business is dependent on the state of Karnataka, Uttar Pradesh and Madhya Pradesh, with 13.33%, 13.30% and 12.50%, of our outstanding farmer finance loans as of June 30, 2022, respectively. Further, our housing business operates in 27 locations, out of which, top two locations (Mumbai and Bangalore) accounted for 32.59% and 23.03% of our outstanding housing business loans (home loans and LAP) as of June 30, 2022, respectively, arising from these regions. Our Rural Business Finance is concentrated in the states of Bihar and Tamil Nadu, with 31.10% and 25.20%, of our outstanding Rural Business Finance as of June 30, 2022, respectively.

In the event of a regional slowdown in the economic activity in these regions or factors such as a slowdown in sectors such as real estate or agriculture in these states, we may experience more pronounced effects on our financial condition and results of operations. Our business, financial condition and results of operations have been and will continue to be largely dependent on the performance of, and the prevailing conditions affecting, the economy in these regions. Therefore, any significant social, political or economic disruption, or natural calamities or civil disruptions in these regions, or changes in the policies in these regions may affect our business operations, require us to incur additional expenditure and change our business strategies.

28. We face difficulties and incur additional expenses in operating in rural and semi-urban markets, where infrastructure may be limited.

Certain of our customers are from the rural and semi-urban markets, which may have limited infrastructure, particularly for transportation and electricity. At offices in remote markets, we may face difficulties in conducting operations, such as accessing power facilities, transporting people and equipment, implementing technology measures. We may also face increased costs in conducting our business and operations and implementing security measures. There can be no assurance that such costs will not increase in the future as we expand our network in rural and semi urban markets, which could adversely affect our profitability.

29. A decline in our Company's capital ratio or capital adequacy requirement could restrict our future business growth.

As a NBFC-ND-SI, our Company is required to maintain a capital ratio-requirement of at least 15% of our aggregate risk-weighted assets of our balance sheet (on-balance sheet and of risk adjusted value of off balance sheet items) on an ongoing basis. In addition, we are regulated by the RBI, and are subject to certain capital to risk weighted adequacy ratio (CRAR). The minimum capital requirement or capital to risk weighted adequacy ratio (CRAR) required to be maintained by us, as well as the respective capital to risk weighted adequacy ratio (CRAR) of us as at June 30, 2022 and March 31, 2022 are as follows:

Category	Minimum capital requirement/ adequacy ratio	capital to risk weighted adequacy ratio (CRAR)	
		June 30, 2022	March 31, 2022
NBFC-ND-SI	15%	20.81%	20.77%

If we continue to grow our loan assets and asset base, we will be required to raise additional capital in order to continue to meet applicable capital to risk weighted adequacy ratio (CRAR) with respect to our business. We cannot assure you that we will be able to raise adequate additional capital in the future on terms favourable to us.

30. Our risk management measures may not be fully effective in mitigating our risks in all market environments or against all types of risks, which may adversely affect our business and financial performance.

We are exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risk and legal risk. The effectiveness of our risk management is limited by the quality and timeliness of available data. Our hedging strategies and other risk management techniques may not be fully effective in mitigating our risks in all market environments or against all types of risk, including risks that are unidentified or unanticipated such as the risk of employee or human error. Some methods of managing risks are based upon observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be greater than the historical measures indicated. Other risk management methods depend upon an evaluation of information regarding markets, customers or other matters. This information may not in all cases be accurate, complete, current, or properly evaluated. Management of operational, legal or regulatory risk requires, among other things, policies and procedures to properly record and verify a number of transactions and events.

Some of our borrowers may not have any credit history supported by tax returns, bank or credit card statements, statements of previous loan exposures, or other related documents, have limited formal education, and may only be able to furnish limited information for us to assess their creditworthiness accurately. In addition, we may not receive updated information regarding any change in their financial condition or may receive inaccurate or incomplete information as a result of any fraudulent misrepresentation. It is, therefore, difficult to carry out credit risk analysis on our borrowers. Although we have established policies and procedures, they may not be fully effective. For further information, see "*Our Business*" on page 128. Our future success will depend, in part, on our ability to respond to new technological advances and evolving NBFCs, standards and practices in the sectors we cater to, on a cost-effective and timely basis. The development and implementation of standards and practices entails significant technical and business risks. We cannot assure you that we will successfully implement new technologies or adapt our transaction-processing systems to customer requirements or evolving market standards.

31. Any failure, inadequacy and security breach in our information technology systems may adversely affect our business.

Our operations depend on our ability to process a large number of transactions on a daily basis. Our mobile applications and our website are linked to our servers located at our physical data centres (Powai) and Google cloud platform (Mumbai Region). Our financial, accounting or other data processing systems may fail to operate adequately or become disabled as a result of events that are beyond our control, including a disruption of electrical or communications services, particularly in the rural and semi-urban markets in which we primarily operate. Our business is particularly susceptible to such disruptions because of our reliance on technology systems and processes, our mobility solutions and the higher cost of installation and implementation of technology in the rural and semi-urban markets for our Retail Business. For example, our two-wheeler finance business is conducted entirely through our mobile based technology relying on electronic customer checks, electronic data capture, online income assessment and automated processes. Any failure in these systems may adversely affect our business.

Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our computer systems, servers, software, including software licensed from vendors and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could compromise data integrity and security and result in identity theft including customer data, customer KYC documents (including identity proofs, income and tax statements and bank account details), employee data and propriety business data, trade secrets or other intellectual property, for which we could potentially be liable. In addition, our systems are potentially vulnerable to data security breaches, whether by employees, who may have a lack of experience with our newer information technology systems, or others, that may expose sensitive data to unauthorized persons. Although we have not experienced any significant disruptions to our information technology systems in the past, we cannot assure you that we will not encounter disruptions in the future. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties. Moreover, if there are other shortcomings or failures in our technology systems, it could affect our operations or result in financial loss, disruption of our businesses, regulatory intervention or damage to our reputation.

32. We utilize the services of certain third parties for our operations. Any deficiency or interruption in their services could adversely affect our business and reputation.

We engage third party service providers from time to time for services including the valuation of assets and legal services, direct selling agents and as collection agents. Such third parties are typically proprietorships or professionals. Our agreements with them typically do not provide for any exclusivity, and accordingly, they can work with other lenders, including our competitors. There can be no assurance that our direct selling agents will continue to provide a significant number of leads for loans to us in comparison with our competitors, or at all. Some third party vendors may also be small companies which are likely to experience financial or operational difficulties than larger, well established companies due to limited financial and other resources. This may result in a delay of services or products delivered to us and we may be unable to find alternative vendors.

In addition, we utilize third party vendors for our information technology systems and rely on such vendors for adequate and timely delivery of services, providing support and troubleshooting advice and maintaining adequate resources and bandwidth for the smooth running of our operations. Our ability to control the manner in which services are provided by third party service providers is limited and we may be held liable on account of any deficiency of services on the part of such service providers. We cannot assure you that we will be successful in continuing to receive uninterrupted and quality services from our third party service providers. Any disruption or inefficiency in the services provided by our third-party service providers could affect our business and reputation.

33. We may face asset-liability mismatches, which could affect our liquidity and consequently may adversely affect our operations and profitability.

We may face potential liquidity risks because our assets and liabilities mature over different periods. As is typical for NBFCs, we meet a portion of our funding requirements through short-term funding sources, such as by issuing commercial paper, short-term loans from banks. The majority of our loan assets, however, mature over the medium term. There are stipulated limits for mismatches in the different time buckets in the statement of structural liquidity for NBFCs, which the company continuously monitors and endeavours to stay within. However, our inability to accurately forecast our cash inflows and cash outflows and based on it obtain additional credit facilities or renew our existing credit facilities or fund long term assets in a regulatory compliant, timely and cost-effective manner or at all may lead to negative mismatches between our assets and liabilities, which in turn may adversely affect our operations and profitability and even solvency.

34. There are outstanding litigation pending against us, which, if determined adversely, could affect our business, results of operations and financial condition.

Our Company, Promoter and our Directors are party to legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and statutory, regulatory and other judicial authorities in India, and, if determined against us, could adversely affect our business, results of operations and financial condition. We can give no assurance that these legal proceedings will be decided in our favour or that no further liability may arise from these claims in the future.

Should any new developments arise, such as any change in applicable Indian law or any rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase expenses and current liabilities, which could adversely affect our results of operations. See "*Outstanding Litigations and Defaults*" on page 397 for a description of certain material proceedings involving our Company, Group Companies and our Directors.

35. We benefit from our relationship with L&T which retains majority shareholding in our Promoter, which will allow it to exercise significant influence over us.

As on June 30, 2022, L&T controls 66.23% of our Promoter's outstanding Equity Shares. Our Company being a wholly owned subsidiary of our Promoter, L&T will continue to exercise significant influence over our business policies and affairs and all matters requiring ordinary shareholder approval. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoter and/or L&T.

In addition, we operate in a competitive environment, and we believe that our brand recognition is a significant competitive advantage to us. We leverage on the goodwill of our Promoter and the L&T group. We believe that this goodwill ensures a steady inflow of business. In the event L&T withdraws the use of its trademark and logo for our operations, is unable to maintain the quality of its services or brand name or its goodwill deteriorates for any reason whatsoever, our business and results of operations may be adversely affected.

In addition, in the event of any change of control, merger, consolidation, takeover or other business combination involving us, a transfer of shares by our Promoter, or actions such as a preferential allotment to any investor or a conversion of any convertible instruments, our ability to leverage the "Larsen & Toubro" brand may be adversely affected and the benefits of being a Larsen & Toubro group company, which includes access to capital and human resources, various operational synergies and our ability to leverage business from other Larsen & Toubro group companies, may no longer be possible and as a result of which, could adversely affect our business, future financial performance and results of operations.

36. We have entered into, and may continue to enter into, related party transactions and we cannot assure you that we could not have achieved more favourable terms had such transactions not been entered into with related parties.

We have entered into transactions with several related parties, including our Promoter and companies in the L&T group. We can give no assurance that we could not have achieved more favourable terms had such transactions been entered into with parties that were not related parties and such transactions would be perceived to be 'arms-length' transactions by the regulatory and statutory bodies. Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition, reputation and results of operations. The transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest and reputational risk. For more information, see "*Related Party Transaction*" on page 186.

37. Our Promoter and two Directors holds Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses.

Our Promoter and two Directors (holding one Equity Share each jointly with the Promoter) are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoter and the said Directors will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoter and the Directors may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders.

38. Fluctuations in the market values of our investments and other asset portfolio could adversely affect our result of operations and financial condition.

We maintain a portfolio of investments, which includes government securities, corporate debt securities, certificates of deposits and various mutual fund units. Any financial turmoil in the financial markets has the ability to adversely impact the economic activity in India and globally. Continued deterioration of the credit and capital markets could result in volatility of our investment earnings and impairments to our investment and asset portfolio, which could adversely affect our reported income and financial condition.

39. Any failure or significant weakness of our internal controls system could cause operational errors or incidents of fraud, which would materially and adversely affect our profitability and reputation.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal or concurrent audit functions are equipped to make an evaluation of the adequacy and effectiveness of internal controls on an ongoing basis to ensure that business units adhere to our internal risk policies, compliance requirements and internal circular guidelines. While we periodically test and update, as necessary, our internal controls systems, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given the size of our operations, it is possible that errors may repeat or compound before they are discovered and rectified.

Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. We face operational risks in our various businesses and there may be losses due to failures or inadequacies of our internal controls systems. Failures in our internal controls systems may lead to deal errors, pricing errors, inaccurate financial reporting, fraud and failure of critical systems and infrastructure. Such instances may also adversely affect our reputation, business and results of operations. Failures or material weaknesses in internal controls may also lead to incidents of fraud. There can also be no assurance that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our reputation, business, results of operations and financial condition.

40. We require certain statutory and regulatory approvals for conducting our business and our inability to obtain, retain or renew them in a timely manner, or at all, may adversely affect our operations.

We require certain statutory and regulatory approvals for conducting our business and may also need additional approvals from regulators in connection with other fee-based products to our customers. For example, we are required to obtain and maintain a certificate of registration for carrying on business as an NBFC. We are also required to comply with the prescribed requirements including exposure limits, classification of Gross Stage 3, KYC requirements and other internal control mechanisms. In the future, we will be required to maintain such permits and approvals and obtain new permits and approvals for any proposed expansion strategy or diversification into additional business lines or new financial products. We may not be able to obtain such approvals in a timely manner or at all.

In addition, our various offices, branches and customer care centres are required to be registered under the relevant shops and establishments laws of the states and also require a trade license in municipal limits of certain states which are subject to periodic renewals, which we may not be able to obtain in a timely manner. The shops and establishment laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. Any court in India, arbitration panel or regulatory authority may in the future find that we have not complied with applicable legal or regulatory requirements. We may also be subject to lawsuits or arbitration claims by customers, employees or other third parties in the different state jurisdictions in India in which we conduct our business. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner or at all, our business may be adversely affected.

If we fail to comply, or a regulator claims we have not complied, with any of these conditions, our certificate of registration may be suspended or cancelled and we shall not be able to carry on such activities. We may also incur substantial costs related to litigation if we are subject to significant regulatory action, which may adversely affect our business, future financial performance and results of operations.

41. Part of our loan portfolio may no longer continue to be classified as priority sector advances by the RBI.

The RBI currently mandates domestic commercial banks operating in India to maintain an aggregate 40% of adjusted net bank credit or credit equivalent amount of off-balance sheet exposure, whichever is higher as “priority sector advances”. These include advances to agriculture, micro and small enterprises, micro enterprises within the micro and small enterprises sector, export credit and advances to weaker sections where the government seeks to encourage flow of credit for developmental reasons. Banks in India that have traditionally been constrained or unable to meet these requirements organically have relied on specialised institutions like us that are better positioned to or exclusively focus on originating such assets through on-lending or purchase of assets or securitised and assigned pools to comply with these targets.

In the event that any part of our loan portfolio is no longer classified as a priority sector advance by the RBI, or if the laws relating to priority sector lending as applicable to the banks undergo a change, our ability to raise priority sector loans from banks will be hampered, which may adversely affect our financial condition, results of operations and/or cash flows.

42. Our insurance coverage may not adequately protect us against losses.

We maintain insurance coverage that we believe is adequate for our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. We cannot, however, assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co- insurance requirement, could adversely affect our business, financial condition and results of operations.

43. We do not own the "L&T" trademark and logo. In the event that we are unable to use the "L&T" trademark and logo or if there are any unauthorized usage which may result in the dilution of the trademarks recognized with our Company and loss of reputation, our business and results of operations may be adversely affected.

The "L&T" trademark is registered in favour of L&T. Pursuant to a Trademark License Agreement read together with the scheme of amalgamation effective from February 13, 2017, our Company has been granted a global non-exclusive, non-transferrable license to use the "L&T" trademark and logo for a consideration payable by each of the licensees of up to 0.15% of the assets, or 1.5% of the PAT for the first year, 3.0% of the PAT for the second year or 5.0% of PAT for the third year onwards, of each of the licensees, whichever is lower, plus applicable taxes. The payment of such consideration is made on an annual basis, unless otherwise agreed amongst the parties. The Trademark License Agreement can be terminated by the parties thereto upon written notice in accordance with its terms. Furthermore, the Trademark License Agreement can also be terminated by any party upon change in management control of any of the licensees or upon breach of the terms of the Trademark License Agreement by any of the licensees. In the event that the Trademark License Agreement is terminated, we may have to discontinue the use of the "L&T" trademark and logo. For further details please refer to chapter titled *"Our Business*" on page 127.

Further, third parties may infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and any third party claim on any of our unprotected brands may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and a favourable outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. We cannot assure you that any unauthorized use by third parties of the trademarks will not similarly cause damage to our business prospects, reputation and goodwill.

Our inability to use these trademarks and any unauthorized usage could result in the dilution of the trademarks recognized with our Company and loss of reputation, which may result in adverse effects to our business and results of operations.

44. Most of our offices and branches are located on leased premises and non-renewal of lease agreements or their renewal on terms unfavourable to us could adversely affect our operations.

As of June 30, 2022, our Registered office, our Corporate office and all our branches are housed on leased premises. Lease agreements entered into in relation to such premises have provisions which allow us to renew the agreement on mutually agreed terms and contain provisions for issuance of notices subject to a notice period in case of termination or non-renewal. In the event, any of the owners of these premises do not renew the agreements under which we occupy the premises, or if they seek to renew such agreements on terms and conditions unfavourable to us, or if they terminate the agreement, we may suffer a disruption in our operations or increased costs, or both, which may adversely affect our business and results of operations. All or any of the leases may not be renewed on similar terms or at all, or we may be evicted from all or a number of these premises and be required to pay damages to the landlord. This may adversely impact our business and financial condition.

45. ***Our Company has incurred significant indebtedness and may incur additional debt. The conditions and restrictions imposed by our financing agreements could adversely impede our flexibility in conducting our business.***

As of June 30, 2022, our Company, had total borrowings of ₹ 75,369.63 crore. Our level of indebtedness has important consequences to us, such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- affecting our credit rating;
- limiting our ability to borrow further now and in the future;
- affecting our capital adequacy requirements; and
- increasing our interest expenditure.

Most of our financing arrangements are secured by charge on receivables from our outstanding loans and other business operations. Certain of our financing agreements also include certain conditions and covenants requiring us to maintain stipulated financial ratios and obtain consents from lenders prior to carrying out certain activities and entering into certain transactions. For instance, we are required to obtain prior written consents from respective lenders for, among others, the following matters:

- to declare or pay dividend to any of our shareholders whether equity or preference, during any financial year unless we have paid to the lender the dues payable by them in that year;
- to change the capital structure;
- to undertake or permit any merger, amalgamation or compromise with the shareholders, creditors or effect any scheme of amalgamation or reconstruction;
- to amend the MOA and AOA or alter the constitution;
- to undertake substantial change in general nature of business
- to change the ownership or control; and
- to make any major investments by way of deposits, loans or share capital in any manner.

Compliance with the various terms of our loans is subject to interpretation and we cannot assure you that we have received or will receive all consents from our lenders that would be advisable under our financing documents. As a result, it is possible that a lender could assert that we have not complied with certain terms under our financing documents. Any failure to service our indebtedness, comply with a requirement to obtain consent or perform any condition or covenant could impede our flexibility in conducting our business, which may have an adverse effect on our business and results of operations.

46. ***Our Company is subject to certain restrictive covenants in our loan documents, which may restrict our operations and ability to grow and may adversely affect our business. Any default in compliance with the material covenants could adversely affect our financial condition, and/or our ability to obtain financing in the future.***

There are restrictive covenants in the agreements we have entered into with our lenders. These restrictive covenants require us to maintain certain financial ratios and seek the prior permission of these banks/financial institutions for various activities, including, amongst others, selling, leasing, transferring or otherwise disposing of any part of our business or revenues, effecting any scheme of amalgamation or reconstitution, implementing a new scheme of expansion, taking up an allied line of business or making any amendments to Memorandum and Articles of Association etc. Such restrictive covenants in our loan documents may restrict our operations or ability to expand and may adversely affect our business.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents required thereunder may lead to the termination of our credit facilities, acceleration of all amounts due under such facilities and the enforcement of any security provided. Any acceleration of amounts due under such facilities may also trigger cross default provisions under our other financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. Any of these circumstances could adversely affect our business, credit rating and financial condition, cash flows and results of operations.

47. Certain loans and debt raised by us entail interest at variable rates and any increases in interest rates may adversely affect our results of operations.

There are certain loans and debt, including NCDs raised by us, aggregating to ₹ 18,860.03 crore as of June 30, 2022, interest rates for which are either fully floating or partially floating in nature, expressed as a Marginal Cost of funds-based Lending Rate (MCLR) and interest spread, which is variable. Further, financing agreements in relation to such debt include provisions providing for interest rates to be periodically reset or changed based on the lender's internal policies. We are susceptible to fluctuations in interest rates and associated risks for such debt. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows net interest income and financial condition.

48. We have certain contingent liabilities, which, if materialized, may adversely affect our financial condition.

As of March 31 2022, we had certain contingent liabilities not provided for, amounting to ₹ 1,064.32 crore determined in accordance with our accounting policies as disclosed under our significant accounting policies and notes to the accounts. Further, the contingent liability of amounts disclosed in our Reformatted Financial Information represents estimates and assumptions of our management based on advice received. In the event that any of these contingent liabilities materialize, our financial condition may be adversely affected. For further information on such contingent liabilities as defined under IND AS 37 issued by the ICAI, see "*Financial Information*" on page 201. In the event that any of these contingent liabilities materialize, our financial condition may be adversely affected.

49. We have in this Draft Shelf Prospectus included certain non-GAAP financial measures and certain other financial information related to our operations and financial performance. These non-GAAP measures and financial information may vary from any standard methodology that is applicable across the financial services industry, and therefore may not be comparable with financial or statistical information of similar nomenclature computed and presented by other financial services companies

Certain non-GAAP financial measures and certain other financial information relating to our operations and financial performance have been included in this section and elsewhere in this Draft Shelf Prospectus. We compute and disclose such non-GAAP financial measures and such other financial information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other NBFCs and financial services companies.

50. This Draft Shelf Prospectus includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company. Reliance on such information should, accordingly, be limited. Additionally, our Company may publish additional unaudited financial information during the Issue Period.

This Draft Shelf Prospectus includes Unaudited Financial Results in relation to our Company for the three months ended June 30, 2022 in respect of which the Auditors have issued their Review Report dated July 19, 2022. As Unaudited Financial Information prepared by our Company in accordance with Regulation 52 of the SEBI LODR Regulations have been subject only to a limited review and as described in Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information" Performed by the Independent Auditor of the Entity" issued by the ICAI, and not to an audit, any reliance by prospective investors on such Unaudited Financial Results for the three months ended June 30, 2022 should, accordingly, be limited.

Any financial results published in the future may not be consistent with past performance. Accordingly, prospective investors should rely on their independent examination of our financial position and results of operations, and should not place undue reliance on, or base their investment decision solely on the financial information included in this Draft Shelf Prospectus.

51. The success and growth of our business depends upon our ability to innovate and develop new products and services. We are expanding and have forayed into consumer finance, SME finance and rural business finance in the recent past and may in the future continue to expand into new industry verticals. Our failure to mitigate specific regulatory, credit, and other risks associated with a new business could have an adverse effect on our business and results of operations.

We are exploring and will continue to explore new business initiatives, including those in which we have limited or no experience, as well as new business models that may be untested. For example, our SME (Small and Medium Enterprises) including loans to professionals and mid-size entrepreneurs was launched in Fiscal 2022 and as a result we have limited operating history for these products and services. We have limited financial data that can be used to evaluate such new businesses, and such data may not be indicative of future performance.

These offerings may present new and difficult technology, operational, and other challenges, and if we experience service disruptions, failures, credit risk or other issues, our business may be materially and adversely affected. Developing new business initiatives requires significant investments of time and resources, and may present new and difficult technological, operational and compliance challenges. Our newer businesses may not recoup our investments in a timely manner or at all. If any of this were to occur, it could damage our reputation, and limit our growth, business and prospects. Additionally, the market may not be receptive to our offerings or there may be other established players whose established presence in the business would inhibit our growth.

Success of any new product or business in the lending and financial services industry also depends on our ability to constantly monitor and promptly react to legislative and regulatory changes that affect the new businesses. Any change to the existing legal or regulatory framework may require us to allocate additional resources to our new business, which may increase our regulatory compliance costs and direct management attention, and consequently affect our business, financial condition, results of operations and cash flows.

Risks relating to Rural Business Finance

52. ***Rural Business Finance loans are unsecured and are susceptible to various operational and credit risks which may result in increased levels of NPAs, thereby adversely affecting our business, results of operation, cash flows and financial condition***.

Our customers typically have limited sources of income, savings and credit histories and as a result, are usually adversely affected by declining economic conditions. Such customers generally do not have a high level of financial resilience, and, as a result, they can be adversely affected by declining economic conditions and natural calamities such as floods or droughts. Furthermore, as there is typically limited financial information available about our focus customer segment and many of our customers do not have any credit history supported by tax returns, bank or credit card statements, statements of loan exposures from players operating in the unorganized segments or other related documents, it is difficult to consistently carry out credit risk analyses on our customers.

Further, we rely primarily on non-traditional guarantee mechanisms rather than any tangible assets such as collateral. Our loans typically involve a joint liability mechanism whereby borrowers form an informal group and provide joint and several guarantees for loans obtained by each member of the group. There can however be no assurance that such joint liability arrangements will ensure repayment by the other members of the group in the event of default by any one of them. Such joint liability arrangements are likely to fail if there is no meaningful personal relationship or bond among members of such group, if inadequate risk management procedures have been employed to verify the group members and their ability to repay such loans, or as a result of adverse external factors such as natural calamities or forced migration. Further, while we have our own due diligence and credit analysis procedures, there can be no assurance that we will be able to ensure low delinquency rates. As a result, our customers potentially present a higher risk of loss in case of a credit default compared to that of borrowers in other asset-backed financing products. In addition, the Rural Business Finance is susceptible to various political and social risks, including any adverse publicity or litigation relating to the microfinance/ micro loan sector, public criticism, introduction of a stringent regulatory regimes, and/ or religious beliefs relating to loans and interest payments, which adversely affect repayment by our customers and may have an adverse effect on our business prospects and future financial performance.

Due to the underlying profile of our customers, we may, in the future, experience increased levels of non- performing assets and related provisions and write-offs, which would materially and adversely impact our business and results of operations. We cannot assure you that our risk management policies will continue to be sufficient or that additional risk management policies for individual borrowers will not be required. Failure to maintain sufficient credit assessment and risk management policies could adversely affect our credit portfolio, which could have a material and adverse effect on our business, results of operations, cash flows and financial condition.

As at June 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, adjusted loans and advances for our Rural Business Finance were ₹ 14,397.08 crore, ₹ 13,277.79 crore, ₹ 12,206.96 crore and ₹ 12,495.02 crore, respectively, which accounted for 17.64%, 15.93%, 14.27% and 13.95% of our total adjusted loans and advances. As at June 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 Gross Stage 3 Assets for our Rural Business Finance loans were ₹ 576.95 crore, ₹ 589.20 crore, ₹ 512.36 crore and ₹ 364.41crore, respectively. As on June 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 the Gross Stage 3 Assets as a percentage of the total adjusted loans and advances for our Rural Business Finance loans was 4.01%, 4.44%, 4.20% and 2.92% and Net Stage 3 Assets as a percentage of net adjusted loans and advances for our Rural Business Finance was 0.02%, 0.23%, 0.10% and 0.00%. Due to the underlying financial and social circumstances of our Rural Business Finance loans customers and our non-traditional lending practices we may, in the future, experience increased levels of non-performing loans and related provisions and write-offs that could have an adverse effect on our business, future financial performance and results of operations.

Risk relating to housing finance

53. Borrowing for the purchase or construction of property may not continue to offer borrowers the same fiscal benefits it currently offers and the housing sector may not continue to be regarded as a priority sector by the Government, which may adversely affect our business, prospects, financial condition and results of operations.

The rapid growth in the housing finance industry in India in the last decade is in part due to the introduction of fiscal benefits for homeowners. Since the early 1990s, interest and principal repayments on capital borrowed for the purchase or construction of housing have been tax deductible up to certain limits, and tax rebates have been available for borrowers of such capital up to specified income levels. In addition, there can be no assurance that the Government will not introduce tax efficient investment options which are more attractive to borrowers than property investment. The demand for housing and/or housing finance may be reduced if any of these changes occur.

The RBI has also provided incentives to the housing finance industry by extending priority sector status to housing loans. In addition, pursuant to Section 36(1)(viii) of the Income Tax Act, 1961, up to 20% of profits from eligible business computed under the head “profits and gains of business or profession”, may be carried to a “Special Reserve” and are not subject to income tax. This would be applicable till the aggregate of the amounts carried to such reserve account from time to time exceeds twice the amount of the paid up share capital (excluding the amounts capitalized from reserves) of the company. Further, in terms of the Section41(4A) of the Income Tax Act, 1961, where a deduction has been allowed in respect of any special reserve created and maintained under Section 36(1)(viii) of the Income Tax Act, 1961, any amount subsequently withdrawn from such special reserve shall be deemed to be the profits and gains of business or profession and accordingly be chargeable to income tax as the income of the previous year in which such amount is withdrawn. If it does not, this may result in a higher tax outflow.

In addition, home buyers receive tax incentives on home loans for principal and interest payment of home loans, which has improved affordability levels of borrowers. Principal repayment qualifies for tax deduction under section 80C of the Income Tax Act,1961. However, we cannot assure you that the Government will continue to make such benefits available to HFCs or home buyers.

54. In our housing business, we have significant exposure to the real estate sector and any negative events affecting this sector could adversely affect our business and result of operations.

Our lending products include home loans and loans against property. A substantial portion of our AUM is exposed to the real estate sector as the underlying security on these loans is primarily mortgages. In the event the real estate sector is adversely affected due to any reason whatsoever, including without limitation, the passing of any stringent norms regarding construction, floor space index or other compliances, the value of our collateral may diminish which may affect our business and results of operations in the event of a default in repayment by our clients. Also, if any of the projects which form part of our collateral are stalled for any reason for any length of time, the same may affect our ability to enforce our security, thereby effectively diminishing the value of such security. The primary security for the loans disbursed by us is the underlying property; the value of this security is largely dependent on housing market conditions prevalent at that time, as well the quality of the construction and the relevant developer. The value of the collateral on the loans disbursed by us may decline due to adverse market conditions including an economic downturn or a downward movement in real estate prices. In the event the real estate sector is adversely affected due to a decline of demand for real properties, changes in regulations or other trends or events, which negatively impact the real estate sector, the value of our collateral may diminish which may affect our business and results of operations. Failure to recover the expected value of collateral could expose us to losses and, in turn, result in a material adverse effect on our business, results of operations, cash flows and financial condition.

Following the introduction of the SARFAESI Act and the subsequent extension of its application to HFCs, we are allowed to foreclose enforce on the collateral and take certain other actions, including taking over the management of the business of the borrower, and which includes our right to transfer (in any manner) the underlying collateral after 60 days' notice to a borrower whose loan has been classified as non-performing.

Although the enactment of the SARFAESI Act has strengthened the rights of creditors by allowing expedited enforcement of security in an event of default, there is still no assurance that we will be able to realise the value of its collateral, in full or in part. The Debt Recovery Tribunal ("**DRT**") has the power to issue a stay order prohibiting the lender from selling the assets of a defaulted borrower under the provisions of SARFAESI Act. As a result, there can be no assurance that any foreclosure proceedings would not be stayed by the DRT or any other relevant authority. In addition, delays on our part to take immediate action, delays in bankruptcy foreclosure proceedings, economic downturns, defects in security and fraudulent transfers by borrowers, may hinder our ability to realise the full value of security. In the event that a regulatory agency asserts jurisdiction over the enforcement proceedings, creditor actions can be further delayed. Therefore, there can be no assurance that we will be able to foreclose on collateral on a timely basis, or at all, and if we are able to foreclose on the collateral, that the value will be sufficient to cover the outstanding amounts owed to us.

In addition, the RBI has developed a corporate debt restructuring process to enable timely and transparent debt restructuring of corporate entities that are beyond the jurisdiction of the Board of Industrial and Financial Reconstruction, the Debt Recovery Tribunal. The applicable RBI guidelines contemplate that in the case of indebtedness aggregating ₹100 crores or more, creditors for more than 75% of such indebtedness by value and 60% by number may determine the restructuring of such indebtedness and such determination is binding on the remaining creditors. In circumstances where other lenders account for more than 75% of such indebtedness by value and 60% by number and they are entitled to determine the restructuring of the indebtedness of any of our borrowers, it may be required by such other lenders to agree to such debt. restructuring, irrespective of its preferred mode of settlement of its loan to such borrower. In addition, with respect to any loans granted by us through a consortium, a majority of the relevant lenders may elect to pursue a course of action that may not be favourable to us. Any such debt restructuring could lead to an unexpected loss that could adversely affect our business, results of operations, cash flows and financial condition

55. ***Borrowing for the purchase or construction of property may not continue to offer borrowers the same fiscal benefits it currently offers, which may adversely affect our business, prospects, financial condition and results of operations.***

The rapid growth in the home loan industry in India in the last decade is in part due to the introduction of fiscal benefits for homeowners. Since the early 1990s, interest and principal repayments on capital borrowed for the purchase or construction of housing have been tax deductible up to certain limits, and tax rebates have been available for borrowers of such capital up to specified income levels. In addition, home buyers receive tax incentives on home loans for principal and interest payment of home loans, which has improved affordability levels of borrowers. Principal repayment qualifies for tax deduction under section 80C of the Income Tax Act, 1961. However, we cannot assure you that the Government will continue to make such benefits available to home buyers.

56. ***We rely significantly on our information technology systems for our business and operations. A failure, inadequacy or security breach in our information technology and telecommunication systems may adversely affect our business, results of operations, cash flows and financial condition***

Our ability to operate and remain competitive depends in part on our ability to maintain and upgrade our information technology systems and infrastructure on a timely and cost-effective basis, including our ability to process a large number of transactions on a daily basis. Our operations also rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. Our financial, accounting and other data processing systems, management information systems and our corporate website may fail to operate adequately or become disabled as a result of events beyond our control, including a disruption of electrical or communications services. Further, our computer systems, software and networks may be vulnerable to unauthorised access, computer viruses or other attacks that may compromise data integrity and security and result in the theft of client information or identity theft, for which we may potentially be liable, and there have been certain such instances of breaches and theft in the past. Further, the information available to and received by our management through our existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in our operations. If any of these systems are disabled or if there are other shortcomings or failures in our internal processes or systems, it may disrupt our business or impact our operational efficiencies and render us liable to regulatory intervention or damage to our reputation. The occurrence of any such events may adversely affect our business, results of operations, cash flows and financial condition.

57. ***We face the threat of fraud and cyber-attacks, such as hacking, phishing, trojans and advanced persistency threats, attempting to exploit our network to disrupt services to customers and/or theft of sensitive internal***

Company data or customer information. This may cause damage to our reputation and adversely impact our business, cash flows and financial results.

We offer online services to our customers. Our systemic and operational controls may not be adequate to prevent adverse impact from frauds, errors, hacking and system failures. Further, customer applications and interfaces, may be open to being hacked or compromised by third parties, resulting in thefts and losses to our customers and to us. Some of these cyber threats from third parties include: (a) phishing and trojans – targeting our customers, wherein fraudsters send unsolicited mails to our customers seeking account sensitive information or to infect customer machines to search and attempt ex-filtration of account sensitive information; (b) hacking – wherein attackers seek to hack into our website with the primary intention of causing reputational damage to us by disrupting services; (c) data theft – wherein cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; (d) ransomware – a malware which threatens to block or publish data unless a ransom is paid; and (e) advanced persistency threat – network attack in which an unauthorised person gains access to our network and remains undetected for a long period of time. In addition, due to the recent social distancing measures and the lockdown imposed by the government, there has been a recent increase in electronic transactions which increases the risk of cyber-attacks. The intention of these attacks is to steal our data or information, or to shut down our systems and only release them for a fee. Attempted cyber threats fluctuate in frequency but are generally not decreasing in frequency. For example, in June 2020, our digital risk monitoring service provider flagged an attempt to penetrate our systems. While there was a malware detected, only some peripheral systems were affected and the information leaked by these threat actors was not sensitive in nature. Not only are we exposed to such risks from our own actions or those of our employees, but from actions of our third party service providers, over whom we do not have full control. If we suffer from any of such cyber threats, it could materially and adversely affect our business, cash flows, financial condition and results of operations. A significant system breakdown or system failure caused due to intentional or unintentional acts would have an adverse impact on our revenue-generating activities and lead to financial loss.

Therefore, in such a scenario, where the primary site is completely unavailable, there may be significant disruption to our operations, which would materially adversely affect our reputation and financial condition.

58. We may not be able to identify or correct defects or irregularities in title to the properties which are made collateral to the loans offered by us to our customers. Our inability to identify and correct irregularities in the titles to the properties and a further inability to realise the loan amount from such properties may adversely affect our business.

There is no central title registry for real property in India and the documentation of land records in India has not been fully digitised. Property records in India are generally maintained at the state and district level and in local languages and are updated manually through physical records. Therefore, property records may not be available online for inspection, may be illegible, untraceable, and incomplete, may not have been updated, may be inaccurate in certain respects, or may have been kept in poor condition, which may impede title investigations or our ability to rely on such property records. Title to land in India is often fragmented, and in many cases, land may have multiple owners. Title may also suffer from irregularities, such as non-execution or non-registration of conveyance deeds and inadequate stamping and may be subjected to encumbrances that we are unaware of and that may not be apparent on the face of the relevant documentation. Any defects in, or irregularities of, title may result in a loss of development or operating rights over the land, which may prejudice our ability to realise the loan amount extended to our customers in case of default in payment. This will compel us to write off such loans which will adversely affect our revenues.

Furthermore, there is no mechanism to verify multiple executions on the same day with different registrars or to verify the legitimacy of such executions. Whenever a customer submits his original agreement to sell or the sale deed, we can only verify, among other things, if correct stamp duty has been paid, if the agreement to sell or the sale deed has been signed by all parties, if there is proper seal of registrar and if there is a registration receipt with the customer.

Additionally, improperly executed, unregistered or insufficiently stamped conveyance instruments in a property's chain of title, unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects that a purchaser may not be aware of can affect title to a property.

As a result, potential disputes or claims over title to the properties mortgaged may arise. However, an adverse decision from a court or the absence of an agreement with such third parties may result in additional costs and delays in realisation of the loan amount. Also, such disputes, whether resolved in our favour or not, may divert management's attention, harm our reputation or otherwise disrupt our business.

59. The growth rate of India's housing finance industry may not be sustainable.

It is not clear how certain trends and events, such as the impact of COVID-19 on the economy the pace of India's economic growth, the development of domestic capital markets and the ongoing reform will affect India's housing finance industry. In addition, there can be no assurance that the housing finance industry in India is free from systemic risks. Consequently, there can be no assurance that the growth and development of India's housing finance industry will be sustainable. Any slow down or reversal of the growth of India's housing finance industry may affect our business, results of operations, cash flows and financial condition.

60. The Indian housing finance industry is highly competitive and our inability to compete effectively could adversely affect our business and results of operations.

We operate in a highly competitive industry in India and we compete with banks, other HFCs, small finance banks and NBFCs in each of the geographies in which we operate. Our competitors may have more resources, a wider branch and distribution network, access to cheaper funding, superior technology and may have a better understanding of and relationships with customers in these markets. This may make it easier for competitors to expand and to achieve economies of scale to a greater extent. In addition, our competitors may be able to rely on the reach of the retail presence of their affiliated group companies or banks. Competition in this market segment has also increased as a result of interest rate deregulation and other liberalisation measures affecting the housing finance industry in India and we expect competition to intensify in the future.

Our ability to compete effectively will depend, in part, on our ability to maintain or increase our margins. Our margins are affected in part by our ability to continue to secure low-cost capital, and to charge optimum interest rates when lending to our customers. Consequently, our ability to maintain or increase our margins will be dependent on our ability to pass on increases in the interest rates on our interest bearing liabilities to our customers. Moreover, any increases in the interest rates on the loans we extend may also result in a decrease in business. We cannot assure you that we will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive housing finance industry. If we are unable to compete effectively, our business and results of operations may be adversely affected.

Digital business related risk factors

61. The technology-driven underwriting, risk management and collection processes on which our Company relies, may not be able to effectively identify, monitor or mitigate the risks in our lending operations.

Our technology-driven underwriting, risk management and collection processes enable our lending operations. If any of these decision-making systems contain programming or other errors, the criteria or parameters used for the analysis of customers credit profiles are inaccurate, the risk management models can become flawed or ineffective or the customer insights developed or received for credit assessment may become incorrect or stale, the credit assessment process related to our loans could be negatively affected, resulting in incorrect approvals, incorrect denials of loans, mispriced loans or biased rejection rates for potential customers. Further, the underwriting models developed are dependent on data from various sources and our inability to access such data (on account of regulatory or other changes in the ecosystem) could negatively impact the efficacy of such models. In addition, as the customer journeys for our businesses are largely digital, we face risks associated with not meeting our customers in person, including contactability and traceability issues in the collections process. If any of the foregoing were to occur, the performance of our credit assessment will be compromised. As a result, our business, brand, reputation, results of operations and financial condition may be adversely affected.

62. **Our cloud computing software and data centres for the primary and backup data storage may experience system downtime, prolonged power outages or shortages.**

Our Company relies on a cloud strategy pursuant to which the relevant applications and systems, including assisted mobile applications, loan originating system, loan management system, underwriting engine, collections portal, CRM portal, are deployed with one service provider and internal IT assets are hosted with a different third-party service provider. In this regard, we are unable to guarantee that we will not experience system downtime. In addition, the data centres for our primary and backup data storage are regulatorily required to be based in India. The data centre may be susceptible to, *inter alia*, regional costs of power, power shortages, planned or unplanned power outages and limitations on the availability of adequate power resources. Power outages, including, but not limited to those relating to large storms, earthquakes, fires and floods, could harm our customers and our businesses. Although we leverage our technology initiatives for periodic, often fortnightly, upgrades of assisted mobile applications with the goal of ensuring a 24 hour uptime, any disruption in the operation of our cloud computing software and data centres could negatively impact our business results of operations and financial condition.

63. Our business processes a large amount of data, including personal data, and the improper collection, hosting, use or disclosure of data could harm our reputation and have an adverse effect on our business, financial condition, results of operations and cash flows.

Our business processes a large quantity of personal data (with our users' consent) and analyses this data to generate user and user group profiles. Our privacy policies concerning the collection, use and disclosure of personal data (and users' rights thereto) are consented to by our customers and made accessible for their reference at any point in time. We face risks inherent in handling and protecting a large volume of data, especially user data. In particular, we face several challenges relating to data security and privacy, including but not limited to:

- protecting the data in and hosted on our system, including against attacks on our system by outside parties, data leakage, fraudulent behaviour or improper use by our employees;

- addressing concerns, challenges, negative publicity and litigation related to data security and privacy, collection, use and actual or perceived data sharing (including sharing among our own businesses, with business partners, vendors or regulators), and other factors that may arise from our existing businesses or new businesses and new technology; and

- complying with applicable laws and regulations relating to the collection, use, storage, transfer, disclosure and security of personal data, including requests from data subjects.

The improper collection, use or disclosure of our user data could result in a loss of customers, business, partner financial institutions and other potential participants on assisted mobile application, loan originating system, loan management system, underwriting engine, collections portal, CRM portal, loss of confidence or trust in the aforesaid apps, litigation, regulatory investigations, penalties or actions against us, significant damage to our reputation, and have an adverse effect on our business, financial condition, results of operations and cash flows. Moreover, we share a limited amount of user data with third-party service providers in accordance with applicable laws and regulations and subject to stringent data security and privacy requirements. We also rely on certain third-party service providers in relation to the sourcing of data for potential customers. We have certain vendors who provide or enable, *inter alia* PAN verification with the National Securities Depository Limited ("**NSDL**"), and Aadhaar XML download from the Unique Identification Authority of India ("**UIDAI**"). During the course of providing such services, customer data may be accessed. If such third-party service providers engage in activities that are negligent, fraudulent, illegal or otherwise harm the trustworthiness and security of the aforesaid apps, including by improper disclosure or use of user data, or if our business partners otherwise fail to meet their data security and privacy obligations, we may be subject to user complaints and suffer reputational harm, even if the actions or activities are not related to, attributable to or caused by us, or within our control. Further, while no regulatory or legal action has been taken against us in relation to such instances in the past, we cannot assure you that we will not be subject to any regulatory or legal action for such instances in the future.

64. Security provided for the Issue may not be enforceable if the security provided for the Issue is classified as 'Assets' under the IT Act and will be void as against any claim in respect of any tax or any other sum payable by our Company.

We have certain proceedings pending under the IT Act before the appellate authorities. Under section 281 of the IT Act and circular bearing number 04/2011 dated July 19, 2011, our Company is required to obtain prior consent of the assessing officer to create the security provided for the Issue to the extent classified as assets under section 281 of the IT Act, during the pendency of such proceedings. We have sent an application dated September 15, 2022 to the relevant assessing officer seeking such prior consent under section 281 of the IT Act. In case the approval from tax authority is not received until the date of execution of charge documents, the principal amount of the NCDs to be issued in terms of this Draft Shelf Prospectus, the Shelf Prospectus, relevant Tranche Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by an exclusive charge by way of hypothecation, created in favour of the Debenture Trustee, on specific present and/or future receivables such that a security cover to the extent of 100% of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date.

65. We may face information security threats attempting to exploit our network to disrupt our services and support services to customers and/ or theft of sensitive confidential company information, which may cause damage to our reputation and adversely affect our business and financial performance.

We interact with and offer our products and services to our customers through a range of digital channels including assisted mobile applications, loan originating system, loan management system, underwriting engine, collections portal, CRM portal, which is our core front-end platform for our personal loans and home loans businesses. Our business collects, processes, and stores personal data of our customers pursuant to their consent. This includes contact information, spending patterns, mobile application usage and behaviour, geolocation, demographic data and device data. Consequently, we face various risks in handling and protecting such large volumes of data, including risks associated with attacks on our systems by third parties or fraudulent misappropriation of data by our employees; as well as risks associated with privacy concerns, and with the transmission, sharing and other security measures relating to such data. Therefore, we are exposed to various information security threats including (i) phishing, vishing and trojans targeting our customers, wherein fraudsters through unsolicited mails/calls to our customers, attempt to defraud by, *inter alia*, impersonating our representatives; (ii) hacking, wherein attackers seek to hack into our website and system with the primary intention of causing reputational damage to us by disrupting services; and (iii) data theft or ransomware, wherein cyber criminals may attempt to enter our network with the intention of stealing our data or information or encrypting some or all of our data and then demand a ransom for its restoration. We have in the past received phishing emails, for which we have implemented systems to intercept and block such phishing attempts. Information security risks for technology-focussed companies and financial services organisations have significantly increased in recent years in part because of the proliferation of new technologies, increased digitization of our products and services and the use of the internet and telecommunications technologies to conduct financial transactions. Information security risks may further increase in the future as we continue to increase our mobile-payment and other digital-based services and product offerings and expand our internal usage of digital/ web-based services/products and applications. In addition, information security risks have significantly increased in recent years in part due to the increased sophistication and activities of organised crime affiliates, terrorist organisations, hostile foreign governments, disgruntled employees or vendors, activists and other external parties, including those involved in corporate espionage. Even the most advanced internal control environment may be vulnerable to compromise. Targeted social engineering attacks and "spear phishing" attacks are becoming more sophisticated and are extremely difficult to prevent. Persistent attackers may succeed in penetrating defenses given enough resources, time, and motive. The techniques used by information criminals change frequently, may not be recognized until launched and or until well after a breach has occurred. The risk of a security breach caused by an information security attack has also increased in recent years. Additionally, the existence of information security attacks or security breaches at third-party vendors with access to our data may not be disclosed to us in a timely manner.

In view of the COVID-19 pandemic, we have in the past enabled work-from-home arrangements for most of our except those classified as an essential service. To the extent we have to revert to such work-from-home arrangements in the future, this may expose us to risks arising on account of remote work environment, data security issues, increased information security attacks and availability of critical functions and IT systems. Our customers could also be exposed to increased phishing and vishing attacks that could result in a financial loss to them, and in turn lead to claims for compensation from us or damage to our reputation. Private information stored in our database may also be vulnerable and susceptible to data breaches. We have established relevant policies and information security frameworks for securing our IT infrastructure and systems. However, we may still be susceptible to security risks in future, which could result in the unauthorised disclosure of confidential information.

66. Security breaches of customers' confidential information that we store may expose us to liability and harm our reputation.

As part of our business, we store and have access to customers' bank information, credit information and other sensitive data. Any accidental security breaches or other unauthorised access to confidential information could expose us to liability related to the loss of the information, legal proceedings and negative publicity. Security measures could be breached by third-party actions, intrusion into our software by hackers due to software flaws or due to employee error and malfeasance. In addition, we may be required under applicable regulations to notify individuals of data security breaches involving their personal data. Any security breach may cause our customers to lose confidence in the effectiveness of our data security measures, and in turn have an adverse effect on our business, operations, financial condition or cash flows.

EXTERNAL RISKS

Risks Relating to India

67. Our business is affected by prevailing economic, political and other prevailing conditions in India and the markets we currently service.

Our Company is incorporated in India, and the majority of our assets and employees are located in India. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies, like application of GST;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- infectious disease outbreaks or other serious public health concerns;
- prevailing regional or global economic conditions, including in India's principal export markets; and
- other significant regulatory or economic developments in or affecting India or its financial services sectors.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition. Our performance and the growth of our business depend on the performance of the Indian economy and the economies of the regional markets we currently serve. These economies could be adversely affected by various factors, such as political and regulatory changes including adverse changes in liberalization policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in these economies could adversely affect the ability of our customers to afford our services, which in turn would adversely impact our business and financial performance.

68. The instability of economic policies and the political situation in India could adversely affect the Indian financing industry.

There is no assurance that the liberalisation policies of the government will continue in the future. Protests against privatisation could slow down the pace of liberalisation and deregulation. The Government of India plays an important role by regulating the policies and regulations that govern the private sector. The current economic policies of the government may change at a later date. The pace of economic liberalisation could change and specific laws and policies affecting the industry and other policies affecting investments in our Company's business could change as well. A significant change in India's economic liberalisation and deregulation policies could disrupt business and economic conditions in India and thereby affect our Company's business.

Unstable domestic and international political environment could impact the economic performance in the short term as well as the long term. The Government of India has pursued various economic liberalisation policies such as relaxing the restrictions in the private sector over the past few years.

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. As a result, our Company's business may be affected by changes in the interest rates, government policy and taxation. Furthermore, our Company's business may be adversely affected by social and civil unrest or other negative political, economic or other developments in or affecting India.

69. Financial difficulties and other problems in certain financial institutions in India could cause our Company's business to suffer and adversely affect our Company's results of operations.

Our Company is exposed to the risks of the Indian financial system, which in turn may be affected by financial difficulties and other problems faced by certain Indian financial institutions. Our Company can also be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is commonly referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges which exposes our Company to the systemic risks faced by entities operating in the Indian financial system. There has been a trend towards consolidation with weaker banks and NBFCs merging with stronger entities. Any instability in or any difficulties faced by the Indian financial system could create an adverse market perception in relation to Indian financial institutions, banks and the NBFCs. This, in turn, could adversely affect our Company's business and future financial performance.

70. Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may negatively affect our business and may also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which could adversely affect our business.

India has also witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the market price of our NCDs.

71. Natural calamities could have a negative impact on the Indian economy, particularly the agriculture sector, and cause our business to suffer.

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy. The erratic progress of the monsoon over the course of past few years affected sowing operations for certain crops. Further, prolonged spells of below normal rainfall or other natural calamities could have a negative impact on the Indian economy thereby, adversely affecting our business.

72. Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our business and financial performance, our ability to raise financing for onward lending and the price of our NCDs.

73. Instability of economic policies and the political situation in India could adversely affect the fortunes of the industry.

There is no assurance that the liberalization policies of the Government will continue in the future. Protests against privatization could slow down the pace of liberalization and deregulation. The Government of India plays an important role by regulating the policies and regulations that govern the private sector. The current economic policies of the Government may change at a later date. The pace of economic liberalization could change and specific laws and policies affecting the industry and other policies affecting investments in our Company's business could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and thereby affect our Company's business.

Unstable domestic as well as international political environment could impact the economic performance in the short term as well as the long term. The Government of India has pursued the economic liberalization policies including relaxing restrictions on the private sector over the past several years. The present Government has also announced polices and taken initiatives that support continued economic liberalization.

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Our Company's business may be affected not only by changes in interest rates, changes in Government policy, taxation, social and civil unrest but also by other political, economic or other developments in or affecting India.

74. Companies operating in India are subject to a variety of central and state government taxes and surcharges.

Tax and other levies including stamp duty imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, goods and service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The statutory corporate income tax in India (as applicable to us), which includes a surcharge on the tax and a health and education cess on the tax and the surcharge. The central or state government may in the future increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business and results of operations.

***75.* The taxation system in India could adversely affect our business, prospects, financial condition and results of**

operations.

The Government of India implemented a comprehensive national goods and services tax ("**GST**") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Even though the GST regime has completed five years, our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST.

The Government has enacted the GAAR provisions which have come into effect from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are invoked, then the Indian tax authorities have wide powers, including the ability to deny a tax benefit or deny a benefit under a tax treaty.

76. Financial instability in other countries could disrupt our business.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the economy as a whole, in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause volatility in Indian financial markets and indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India.

In the event that the current difficult conditions in the global credit markets continue or if the recovery is slower than expected or if there any significant financial disruption, this could have an adverse effect on our cost of funding, loan portfolio, business, prospects, results of operations and financial condition.

77. Trading of the NCDs may be limited by temporary exchange closures, broker defaults, settlement delays, strikes by brokerage firm employees and disputes.

The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

78. The ongoing military action between Russia and Ukraine could adversely affect the Company's business, financial condition and results of operations.

On February 24, 2022, Russian military forces launched a military action in Ukraine, and sustained conflict and disruption in the region is likely. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

We are actively monitoring the situation in Ukraine and assessing its impact on the Company's business, including its business partners, suppliers and customers. To date the Company has not experienced any material interruptions in its infrastructure, supplies, technology systems, networks or any other areas needed to support its operations. We have no way to predict the progress or outcome of the conflict in Ukraine or itsimpacts in Ukraine, Russia or Belarus as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have substantial impact on the global economy and the Company's business for an unknown period of time. Any of the abovementioned factors could affect the Company's business, financial condition and results of operations.

The Company does not currently have contracts directly with the entities or businesses on the sanctions list and it currently does not have operations in Russia, Belarus, the Crimea Region of Ukraine, the so-called Donetsk People's Republic or the so-called Luhansk People's Republic. We continuously review and monitor the Company's contractual relationships with suppliers and customers to establish whether any are target of the applicable sanctions. In the unlikely event that we identify a party with which the Company has a business relationship that is the target of applicable sanctions, we would immediately activate a legalanalysis of what gives rise to the business relationship, including any contract, to estimate the most appropriate course of action to comply with the sanction regulations, together with the impact of a contractual termination according to the applicable law, and then proceed as required by the regulatory authorities. However, given the range of possible outcomes, the full costs, burdens, and limitations on the Company and its customers' and business partners' businesses are currently unknown and may become significant.

Furthermore, even if an entity is not formally subject to sanctions, customers and business partners of such entity may decide to reevaluate or cancel projects with such entity for reputational or other reasons. Depending on the extent and breadth of sanctions, export controls and other measures that may be imposed in connection with the conflict in Ukraine, it is possible that the Company's business, financial conditionand results of operations could be materially and adversely affected.

79. If the rate of inflation in India increases, our business and results of operations may be adversely affected.

Inflation rates in India have been volatile in recent years, and such volatility may continue. In recent years, India has experienced consistently high inflation, which has increased interest rates and increased costs to our business, including finance costs as well as costs of salaries and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit demand and growth. Consequently, we may also be affected and fall short of business growth and profitability. While the Government of India through the RBI has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future. As a result, high inflation in India could have a material adverse effect on our financial condition and results of operations.

80. Our ability to raise foreign debt capital may be constrained by Indian law.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

Risks Relating to the Issue

81. You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs.

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, cash flows, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100.00% security cover for the NCDs, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the NCDs. A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

82. There is no assurance that the NCDs issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.

In accordance with Indian law and practice, permissions for listing and trading of the NCDs issued pursuant to this Issue will not be granted until after the NCDs have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the Stock Exchanges. There could be a failure or delay in listing the NCDs on the Stock Exchanges for reasons unforeseen. If permission to deal in and for an official quotation of the NCDs is not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all monies received from the Applicants in accordance with prevailing law in this context and pursuant to this Draft Shelf Prospectus.

There is no assurance that the NCDs issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.

83. Any downgrading in credit rating of our NCDs may affect the value of NCDs and thus our ability to raise further debts.

The NCDs proposed to be issued under this Issue have been rated [CRISIL] AAA / Stable (pronounced as CRISIL triple A rating with Stable outlook) for an amount of ₹ 5,000 crore, by CRISIL vide their letter dated September 13, 2022, ICRA AAA / Stable (pronounced as ICRA triple A with Stable outlook) for an amount of ₹ 5,000 crore by ICRA *vide* their letter dated Septmber 9, 2022 and IND AAA / Stable (pronounced as IND triple A with Stable outlook) for an amount of ₹ 5,000 crore by India Ratings vide their letter dated Septmber 12, 2022. Any downgrade of our credit ratings would increase borrowing costs and constraint our access to capital and debt markets and, as a result, would negatively affect our net interest margin and our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any additional financing or refinancing arrangements in the future. There is a possibility of increase in forced-sale of our NCDs by the investors resulting in sharp decline in their market price. Any such adverse development could adversely affect our business, financial condition, cash flows and results of operations.

84. Our Company may raise further borrowings and charge its assets after receipt of necessary consents from its existing lenders, wherever applicable.

Our Company may, subject to receipt of all necessary consents from its existing lenders and the Debenture Trustee to the Issue, wherever applicable raise further borrowings and charge its assets. Our Company is free to decide the nature of security that may be provided for future borrowings. In such a scenario, the NCD holders will rank *pari passu* with other charge holder and to that extent, may reduce the amounts recoverable by the NCD holders upon our Company's bankruptcy, winding-up or liquidation.

85. Payments to be made on the NCDs will be subordinated to certain tax and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to these NCDs have been paid as per Section 326 of the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

86. There may be no active market for the non-convertible debentures on the WDM segment of the stock exchange. As a result, the liquidity and market prices of the non-convertible debentures may fail to develop and may accordingly be adversely affected.

There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors inter alia including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market for listed debt securities, (iii) general economic conditions, and (iv) our financial performance, cash flows, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the NCDs and/or be remain, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid for a prolonged period with no buyers for our NCDs in the market.

87. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to these NCDs have been paid in accordance with the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

88. The fund requirement and deployment mentioned in the Objects of the Issue have not been appraised by any bank or financial institution.

We intend to use the proceeds of the Issue, after meeting the expenditures of and related to the Issue, for our various financing activities including lending and investments, subject to applicable statutory and/or regulatory requirements, to repay our existing loans and our business operations including for our capital expenditure and working capital requirements. For further details, see the section titled "Objects of the Issue". The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue. Further, as per the provisions of the Debt Regulations, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for the Issue.

89. There may be a delay in making refund to Applicants.

We cannot assure you that the monies refundable to you, on account of (i) withdrawal of your applications, (ii) our failure to receive minimum subscription in connection with the Base Issue, (ii) withdrawal of the Issue, or (iii) failure to obtain the final approval from the NSE and/or BSE for listing of the NCDs, will be refunded to you in a timely manner. We, however, shall refund such monies, with the interest due and payable thereon as prescribed under applicable statutory and/or regulatory provisions.

90. Changes in interest rate may affect the price of our NCDs. Any increase in rate of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.

All securities where a fixed rate of interest is offered, such as our NCDs, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.

The rights over the security provided will not be granted directly to holders of the NCDs. The rights over the security securing the obligations of our Company under the NCDs and the Trust Deed will not be granted directly to the NCD holders, but will be granted only in favour of the Debenture Trustee. As a consequence, NCD holders will not have direct security and will not be entitled to take enforcement action in respect of the security for the NCDs, except through the Debenture Trustee.

SECTION III – INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated at Kolkata as Apeejay Finance Group Private Limited on November 24, 1993 as a private limited company under the Companies Act, 1956, as amended, with registration no. 2160810 and was granted a certificate of incorporation by the Registrar of Companies, West Bengal at Kolkata ("**RoC**"). Upon conversion of our Company from private limited to public limited, the name of our Company was changed to Apeejay Finance Group Limited and a fresh certificate of incorporation consequent upon change of name was granted by the RoC on February 14, 1994. The name of our Company was further changed to Family Credit Limited and a fresh certificate of incorporation was granted by the ROC on July 12, 2007. The name of our Company was further changed to L&T Finance Limited and a fresh certificate of incorporation was granted by the ROC on March 17, 2017 pursuant to the scheme of amalgamation effective from February 13, 2017. Our Company is registered as a non-deposit accepting non-banking financial company with the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934 bearing registration number B.05.06200. For details of the business of our Company, see "*Our Business*" beginning on page 127.

For further details in relation to the changes in our name, constitution, and registration with the RBI, see "*History and Main Objects"* on page 154.

Registration

CIN: U65910WB1993FLC060810
LEI: 3358004EZG8QSJOAC830
RBI registration number: B.05.06200

Permanent Account Number: AACCA1963B

Registered Office

15th Floor, PS SRIJAN Tech Park,
Plot No 52, Block DN, Sector-V,
Salt Lake City, Kolkata – 700 091,
District 24-Parganas North.
Tel: +91 33 6611 1800
E-mail: investorgrievances@ltfs.com
Website: www.ltfs.com

Corporate Office

Brindavan, Plot No. 177,
C.S.T. Road, Kalina,
Santacruz (East), Mumbai – 400 098,
Maharashtra, India.
Tel: +91 22 6212 5000
Fax: +91 22 6212 5553
E-mail: investorgrievances@ltfs.com
Website: www.ltfs.com

For further details regarding changes to our Registered Office, see "*History and Main Objects*" on page 154.

Registrar of Companies, West Bengal at Kolkata
Registrar Of Companies,
Nizam Palace, 2nd MSO Building,
2nd Floor, 234/4,
A.J.C.B. Road,
Kolkata – 700 020, West Bengal

Liability of the members of the Company

Limited by shares

Chief Financial Officer of the Company

Keshav Kant Loyalka
Brindavan Building, Plot No 177,
Vidyanagari Marg, CST Road,
Kalina, Santacruz I, Mumbai – 400 098
Tel: +91 22 6212 5000
Fax: +91 22 6212 5553
E-mail: investorgrievances@ltfs.com

Company Secretary and Compliance Officer of the Company

Apurva Neeraj Rathod
Brindavan Building, Plot No 177,
Vidyanagari Marg, CST Road,
Kalina, Santacruz I, Mumbai – 400 098
Tel: +91 22 6212 5000
Fax: +91 22 6212 5553
E-mail: investorgrievances@ltfs.com

All comments on this Draft Shelf Prospectus are to be forwarded to the attention of Apurva Neeraj Rathod, Company Secretary and Compliance Officer at the aforementioned address. Comments may be sent through post, facsimile or email. However, please note that all comments by post must be received by the Issuer by 5:00 p.m. (Indian Standard Time) on the seventh Working Day from the date on which this Draft Shelf Prospectus is hosted on the website of the Stock Exchanges. All comments received on this Draft Shelf Prospectus will be suitably addressed prior to filing of the Shelf Prospectus with the RoC.

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related issues such as non-receipt of Allotment Advice, demat credit of allotted NCDs, refunds, non-receipt of debentures certificates (in case of NCDs which have been re-materialised), transfers, etc. as the case may be.

Lead Manager

A. K. CAPITAL SERVICES LIMITED
603, 6th Floor, Windsor, off CST Road,
Kalina, Santacruz - (East), Mumbai – 400 098
Tel: +91 22 6754 6500
Fax: +91 22 6610 0594
Email: ltfinance.ncd2022@akgroup.co.in
Investor Grievance Email:
investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact person: Aanchal Wagle/ Milan Soni
Compliance Officer: Tejas Davda
SEBI Registration Number: INM000010411
CIN: L74899MH1993PLC274881

JM FINANCIAL LIMITED
7th Floor, Cnergy
Appasaheb Marathe Marg,
Prabhadevi Mumbai 400 025
Tel: +91 22 6630 3030
Fax: +91 22 6630 3330
E-mail: LTF.bondissue2022@jmfl.com
Investor Grievance Email: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Prachee Dhuri
Compliance Officer: Sunny Shah
SEBI Registration Number: INM000010361
CIN: L67120MH1986PLC038784

TRUST INVESTMENT ADVISORS PRIVATE LIMITED
109/110, Balarama, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
Maharashtra, India
Tel: +91 22 4084 5000
Fax: +91 22 4084 5066
E-mail: projectvajra2022_trust@trustgroup.in.

Website: www.trustgroup.in
Contact Person: Hani Jalan
Compliance Officer: Brijmohan Bohra
SEBI Registration Number: INM000011120
CIN: U67190MH2006PTC162464

Debenture Trustee

Catalyst Trusteeship Limited
GDA House, Plot No. 85,
Bhusari Colony (Right), Kothrud,
Pune – 411 038, Maharashtra
Tel: +91 22 4922 0555
Email: ComplianceCTL-Mumbai@ctltrustee.com
Investor Grievance Email: grievance@ctltrustee.com
Website: www.catalysttrustee.com
Contact Person: Umesh Salvi
Compliance Officer: Rakhi Kulkarni
SEBI Registration No: IND000000034
CIN: U74999PN1997PLC110262

Catalyst Trusteeship Limited has, pursuant to regulation 8 of SEBI NCS Regulations, by its letter dated September 1, 2022 given its consent for its appointment as Debenture Trustee to the Issue (hereinafter referred to as "**Trustees**"). A copy of letter from Catalyst Trusteeship Limited conveying their consent to act as Trustees for the Debenture holders and for its name to be included in this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue is annexed as *Annexure B* to this Draft Shelf Prospectus.

All the rights and remedies of the Debenture Holders under the Issue shall vest in and shall be exercised by the appointed Debenture Trustee for the Issue without having it referred to the Debenture Holders. All investors under the Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for the Issue to act as their trustee and for doing such acts, deeds, matters, and things in respect of or relating to the Debenture Holders as the Debenture Trustee may in his absolute direction deem necessary or require to be done in the interest of Debenture Holders and signing such documents to carry out their duty in such capacity.

Any payment by our Company to the Debenture Holders/Debenture Trustee, as the case maybe, shall, from the time of making such payment, completely and irrevocably discharge our Company from any liability to the Debenture Holders to that extent. For details on the terms of the Debenture Trust Deed, please see "*Issue Related Information*" on page 446.

Registrar to the Issue

Link Intime India Private Limited
C 101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai 400 083, Maharashtra, India
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
Email: lntfin.ncd2022@linkintime.co.in
Investor Grievance Email: lntfin.ncd2022@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
Compliance Officer: Mr. B. N. Ramakrishnan
SEBI Registration Number: INR000004058
CIN: U67190MH1999PTC118368

Link Intime India Private Limited, has by its letter dated August 29, 2022 given its consent for its appointment as Registrar to the Issue and for its name to be included in this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to the Issue.

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related issues such as non-receipt of Allotment Advice, demat credit of allotted NCDs, refunds, unblocking, non-receipt of debentures certificates (in case of NCDs which have been re-materialised), transfers, etc. as the case may be.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, Permanent Account Number, number of NCDs applied for, Series of NCDs applied for, amount paid on application, Depository Participant name and client identification number, and the collection centre of the Members of the Consortium where the Application was submitted and ASBA Account number (for Bidders other than Retail Individual Investors bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of Retail Individual Investors bidding through the UPI mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, series applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchanges, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the NCDs made through the Online Stock Exchange Mechanism or through Trading Members of the Stock Exchanges may be addressed directly to the relevant Stock Exchanges.

Consortium members to the Issue

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Bankers to the Issue

Public Issue Account Bank

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Sponsor Bank

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Refund Bank

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Joint Statutory Auditors

M S K A & Associates
602, Floor 6, Raheja Titanium,
Western Express Highway,
Geetanjali Railway Colony,
Ram Nagar, Goregaon (E),
Mumbai – 400 063
Tel: +91 22 6831 1600

Kalyaniwalla & Mistry LLP
2nd Floor, 29, Esplanade House
Hazarimal Somani Marg,
Fort, Mumbai – 400 001
Tel: +91 22 6158 7200
Email: roshni.marfatia@kmllp.in
Website: www.kmllp.in

Email: srividyavaidison@mska.in
Website: www.mska.in
Contact Person: Srividya Vaidison
Firm Registration Number: 105047W
Peer review certificate no.: 013267

Contact Person: Roshni R. Marfatia
Firm Registration Number: 104607W/W100166
Peer review certificate no.: 013324

M S K A & Associates and Kalyaniwalla & Mistry LLP were appointed as the joint statutory auditor since August 3, 2021.

For change in auditors in last three years, please see '*Other Regulatory and Statutory Disclosures*' on page 426.

Credit Rating Agencies

ICRA Limited
Electric Mansion, 3rd Floor,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400 025
Tel: +91 22 6114 3406
Email: shivakumar@icraindia.com
Website: www.iccra.in
Contact Person: L Shivakumar
SEBI Registration No: IN/CRA/008/2015
CIN: L74999DL1991PLC042749

CRISIL Ratings Limited
CRISIL House, Central Avenue,
Hiranandani Business Park,
Powai, Mumbai – 400 076
Tel: +91 22 3342 3000 (B)
Email: crisilratingdesk@crisil.com
Website: www.crisil.com
Contact Person: Venkatramh B
SEBI Registration No: IN/CRA/001/1999
CIN: L67120MH1987PLC042363

India Ratings & Research Private Limited
(Formerly Fitch Ratings India Pvt. Ltd.)**)**
Wockhardt Tower, Level 4, West Wing,
Bandra Kurla Complex,
Bandra, (E), Mumbai – 400 051
Tel: +91 22 4000 1700
Email: infogrp@indiaratings.co.in
Website: www.indiaratings.co.in
Contact Person: Jindal Haria
SEBI Registration No: IN/CRA/002/1999
CIN: U67100MH1995FTC140049

Credit Rating and Rationale

Details regarding the rationale and press release for the credit ratings see "*Annexure A*" beginning on page 528.

Disclaimer Statement of CRISIL

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Legal Counsel to the Issue

KHAITAN & CO ADVOCATES SINCE 1911

Khaitan & Co
One World Centre
13th& 10th Floor, Tower 1C,
Senapati Bapat Marg,
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6636 5000

Bankers to our Company

The Federal Bank Limited Large Corporate Department, C - Wing, 5th Floor, Laxmi Towers, BKC, Bandra Kurla Complex, Bandra East, Mumbai – 400051 Tel: 9819548678 Email: abhishekp@federalbank.co.in/ccscfort@federalbank.co.in Website: www.federalbank.co.in Contact Person: Abhishek Pawar	**The Karur Vysya Bank** Corporate Business Unit, 1st Floor, Gayathri Towers, 954 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025 Tel: 7045798834 Email: bijug@kvbmail.com Contact Person: Biju G	**The South Indian Bank** Mumbai Corporate Br 8, Ground floor, Embassy Centre Nariman point, Mumbai-400021 Tel: 91216 22129 Email: br0194@sib.co.in Website: www.southindianbank.com Contact Person: Sandhya
Union Bank of India Large Corporate Branch, Union Bank Bhawan, 1st Floor, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai, 400021 Tel: 89280 17550 Email: IDubin0549584@unionbankofindia.bank Website: www.unionbankofindia.co.in Contact Person: Pranab Ranjan Das	**United Overseas Bank Limited** 3 North Avenue, Maker Maxity, Bandra Kurla Complex, Mumbai-400 051 Tel: 98219 21974 Email: Navratan.Vohra@uobgroup.com Contact Person: Navratan Vohra	**Axis Bank Limited** Corporate Banking Branch-Mumbai 12. Mittal Towers, A-Wing, First Floor, Nariman Point, Mumbai-400021 Tel: 98336 62245 Email: Abhinav2.Kumar@axisbank.com Website: www.axisbank.com Contact Person: Abhinav Kumar
Bank of China India 41-B, 4th Floor, 4 North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra (East) Mumbai-400051 Tel: 9619121405 Email: yogesh.mishra@bankofchina.com Contact Person: Yogesh Mishra	**BNP Paribas** BNP Paribas House, 1, North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra East, Mumbai-400051 Tel: 98201 60903 Email: sonal.shah@asia.bmpparibas.com Website: www.bnpparibas.co.in Contact Person: Sonal Shah	**Bank of Maharashtra** 85-E, Maker Tower, Cuffe Parade, Mumbai- 400005 Tel: 9967720665 Email: bom485@mahabank co in Website: www.bankofmaharashtra.com Contact Person: Madhuri Kendale
Micro Unit Development & Refinance Agency Limited MSME Development Centre, Plot No. C-11, "G" Block, Bandra Kurla Complex, Bandra East, Mumbai-400051 Tel: 022-67531177 Email: rkumar@mudra.org.in/ shailesh@mudra.org.in Website: www.mudra.org.in Contact Person: Rajesh Kumar / Shailesh Kumar Minz	**DBS Bank India Limited** -Express Towers, 19th Floor, Nariman Point, Mumbai-400021 Tel: 99308 09642 Email: smalviya@dbs.com Website: www.dbs.com Contact Person: Siddharth Malviya	**Deutsche Bank** 14th Floor, The Capital, BKC, G-Block, Bandra East, Mumbai – 400051 Tel: 9930234815 Email: ramaswamy.hari@db.com Website: www.deutschebank.co.in Contact Person: Ramaswamy Hari
Doha Bank Sakhar Bhavan Branch, Ground Floor, Backbay Reclamation, Nariman Point, Mumbai-400021 Tel: 98193 06677 Email: smaniar@dohabank.co.in Website: http://dohabank.co.in/ Contact Person: Soma Maniar	**HDFC Bank Limited** 2nd Floor Process House Kamala Mills, Senapati Bapat Marg Tel: 88002 53420 Email: Deepti.Agarwal@hdfc.com Website: www.hdfcbank.com Contact Person: Deepti Agarwal	**HSBC Bank** HSBC Ltd. 52/60, MG Road, Mumbai 400001 Tel: 9004031202 Email: shagunahluwalia@hsbc.co.in Website: www.hsbc.co.in Contact Person: Shagun Ahluwalia
IndusInd Bank Shop No.2/3, Atlanta Building, Ground Floor Nariman Point, Mumbai- 400021 Tel: 99674 02297 Email: Digvijay Yadav@indusind.com Contact Person: Digvijay Singh Yadav	**IDBI Limited** LCG, IDBI Tower Cuffe Parade Tel: 87962 65340 Email: kunjal.lakhani@idbi.co.in Contact Person: Kunjal Lakhani	**NABARD** 4, Wellesley Road, Opposite Govt College Of Engineering, Baluchi Vasti, Shivajinagar, Pune, Maharashtra 411005 Tel: 99622 56223 Email: dor.pune@nabard.org Contact Person: Ashish Jain

Punjab National Bank ELCB, Ground Floor, E Wing, Maker Tower, Cuffe Parade, Mumbai 400005 Tel: 98000 28020 Email: LCB Mumbai bo2175@pnb.co.in Website: www.pnbindia.in Contact Person: Sumit Sahu	**Punjab and Sind Bank** 27 29 Ambalal Doshi Marg, Fort, Mumbai-400023 Tel: 9560774605 Email: 80385@psb.co.in Website: www.psbindia.com Contact Person: Sarbjeet Singh	**RBL Bank Limited** One World Centre, Tower 28, 6th Floor, 841 Senapati Bapat Marg, Lower Parel West, Mumbai-400013 Tel: 9717113241 Email: Sumant Paul@rbibank.com Website: www.rblbank.com Contact Person: Sumant Paul
State Bank of India Corporate Accounts Group Branch (09995), AMT-4, Neville House, 3rd Floor, JN Heredia Marg Ballard Estate, Mumbai-400001 Tel: 91377 57993 Email: amt4.09995@sbi.co.in Website: https://bank.sbl/ Contact Person: Pradnyanand Manohar Jadhav	**Standard Chartered Bank** Crescenzo, 5th Floor, C-38/39, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, 400051 Tel: 99878 69596 Email: Praveen Agarwal@sc.com Website: Website-www.sc.com/in/ Contact Person: Praveen Agarwal	**Small Industries Development Bank of India** MSME Development Centre, Plot No. C-11, "G" Block, Bandra Kurla Complex, Bandra East, Mumbai-400051 Tel: 90290 37369 Email: snv@sidbl.in, ifvnbfc@sidbl.in Website: www.sidbi.in Contact Person: Shashank Vyas/ Shailesh Audichya
Societe Generale Societe Generale, 19th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013 Tel: 7045754146 Email: umesh.kamath@socgen.com Contact Person: Umesh Kamath	**The Bank of Nova Scotia** Mittal Tower, B wing, Nariman Point, Mumbai – 400021 Email: aditya.jain@scotiabank.com Contact Person: Aditya Jain Website: www.scotiabank.com	

Impersonation

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

"Any person who —

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 1.00 million or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 1.00 million or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹5.00 million or with both.

Recovery Expense Fund

Our Company has created a recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and informed the Debenture Trustee regarding the creation of such fund. The Recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Inter-se allocation of Responsibility

The following table sets forth the responsibility and coordination for various activities by the Lead Manager:

No	Activities	Responsibility	Coordinator
1.	Due diligence of Company's operations/ management/ business plans/ legal etc. • Drafting and designing of the offering document. (The Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchange, RoC and SEBI including finalization of Offering Document and RoC filing). Draft Prospectus, and Prospectus (together "Offer Documents") • Coordination with the Stock Exchange for in-principle approval	A.K. Capital/JM/Trust	A.K. Capital
2.	Structuring of various issuance options with relative components and formalities etc.	A.K. Capital/JM/Trust	A.K. Capital
3.	Co-ordination with auditors for auditor deliverables and co-ordination with lawyers for legal opinion	A.K. Capital/JM/Trust	A.K. Capital
4.	Drafting and approval of statutory advertisement.	A.K. Capital/JM/Trust	A.K. Capital
5.	Appointment of other intermediaries viz., Registrar, Debenture Trustee, Consortium/Syndicate Members, printer, advertising agency and Public Issue Bank, Refund Bank and Sponsor Bank.	A.K. Capital/JM/Trust	JM
6.	Coordination with the printer for designing and finalization of Offer Documents, Application Form including memorandum containing salient features of the Offer Documents.	A.K. Capital/JM/Trust	Trust
7.	Drafting and approval of all publicity material (excluding statutory advertisement as mentioned in 5 above) including print and online advertisement, outdoor advertisement including brochures, banners, hoardings etc.	A.K. Capital/JM/Trust	Trust
8.	Preparation of road show presentation, FAQs.	A.K. Capital/JM/Trust	JM
9.	Marketing strategy which will cover, inter alia: • Deciding on the quantum of the Issue material and follow-up on distribution of publicity and Issue material including Application Forms, Offer Documents, posters, banners, etc. • Finalise collection centres; • Coordinate with Registrar for collection of Application Forms by ASBA banks; • Finalisation of list and allocation of institutional investors for one on one meetings.	A.K. Capital/JM/Trust	JM
10.	Domestic institutions/banks/mutual funds marketing strategy: • Finalize the list and division of investors for one on one meetings, institutional allocation	A.K. Capital/JM/Trust	Trust
11.	Non-institutional marketing strategy which will cover, inter alia: • Finalize media, marketing and public relation strategy and publicity budget; • Finalize centers for holding conferences for brokers, etc.	A.K. Capital/JM/Trust	JM
12.	Coordination with the Stock Exchange for use of the bidding software	A.K. Capital/JM/Trust	JM
13.	Coordination for security creation by way of execution of Debenture Trust Deed	A.K. Capital/JM/Trust	Trust
14.	Post-issue activities including - • Co-ordination with Bankers to the Issue for management of Public Issue Account(s), Refund Account and any other account and • Allotment resolution	A.K. Capital/JM/Trust	A.K. Capital
15.	• Drafting and finalization of post issue stationery items like, allotment and refund advice, etc.; • Coordination for generation of ISINs;	A.K. Capital/JM/Trust	A.K. Capital

No	Activities	Responsibility	Coordinator
	• Corporate action for dematerialized credit /delivery of securities; • Coordinating approval for listing and trading of securities; and • Redressal of investor grievances in relation to post issue activities.		

Underwriting

The Issue is not underwritten**.**

Arrangers to the Issue

There are no arrangers to the Issue.

Guarantor to the Issue

There are no guarantors to the Issue.

Minimum subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 8 Working Days from the Issue Closing Date or such time as may be specified by SEBI. The Application Amount shall be transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants. The refunded subscription amount shall be credited only to the account from which the relevant subscription amount was remitted. In the event, there is a delay by our Company in unblocking the aforesaid ASBA Account within the prescribed time limit our Company will become liable to refund the Application Amount along with interest at the rate of 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription amount was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Operational Circular.

Designated Intermediaries

Self-Certified Syndicate Bank

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=44 as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms and UPI Mechanism through app/web interface from the Designated Intermediaries, refer to the above-mentioned link.

In relation to Bids submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms from the Members of the Syndicate is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45 and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes.

Syndicate SCSB Branches

In relation to Applications submitted to a member of the Syndicate or the Trading Members of the Stock Exchanges only in the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat), the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the Members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=45) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI Operational Circular, Applicants can submit the Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the website of the Stock Exchange at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

CRTAs / CDPs

The list of the CRTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the website of NSE and BSE for CRTAs and CDPs, as updated from time to time.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds see, "*Objects of the Issue*" beginning on page 72.

Issue Programme*

ISSUE OPENS ON	As specified in the relevant Tranche Prospectus
ISSUE CLOSES ON	As specified in the relevant Tranche Prospectus
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors/or the Committee of Directors approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Committee of Directors thereof and notified to the Designated Stock Exchanges. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

**The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date (subject to a maximum period of 30 days from the date of the relevant Tranche Prospectus) as may be decided by the Board of Directors and Committee of Directors of our Company, subject to relevant approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a English daily national newspaper with wide circulation and a regional daily with wide circulation where the registered office of the Company is located (in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure) on or before such earlier or initial date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges.*

*Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m.(Indian Standard Time) ("**Bidding Period**") or such extended time as may be permitted by the Stock Exchanges, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday) (a) by the Designated Intermediaries at the Bidding Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges. It is clarified that the Applications not uploaded on the Stock Exchanges Platform would be rejected. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 PM on one Working Day after the Issue Closing Date*

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Neither our Company, nor the Lead Managers, nor any Member of the Syndicate, *Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.*

CAPITAL STRUCTURE

Details of share capital

The share capital of our Company as on June 30, 2022 is set forth below:

Share Capital	(in ₹)
AUTHORISED SHARE CAPITAL	
4,87,43,09,610 Equity Shares of ₹ 10 each	48,74,30,96,100
12,00,000 Preference Shares of ₹ 100 each	12,00,00,000
Total Authorised Share Capital	**48,86,30,96,100**
ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	
2,68,41,72,360 Equity Shares of ₹ 10 each fully paid up	26,84,17,23,600
Total	26,84,17,23,600
Securities Premium Account	**108,00,89,96,864**

Note: There will be no change in the capital structure and securities premium account due to the issue and allotment of the NCDs.

Details of change in authorised share capital of our company as on June 30, 2022, for last three years:

Except as stated below, there have been no changes in the authorised share capital of our Company as on June 30, 2022, for last three years:

Date of Change	Particulars
Scheme of Amalgamation (Effective date April 12, 2021)	In terms the Scheme of Amalgamation by way of merger by absorption between L&T Housing Finance Limited ("LTHFL") and L&T Infrastructure Finance Company Limited ("LTIFC") with our Company sanctioned by NCLT, Mumbai and Kolkata dated March 15, 2021 and March 19, 2021, respectively, effective from April 12, 2021, the authorised share capital of our Company was increased from ₹ 2664,30,96,100 divided into 265,43,09,610 Equity Shares of ₹ 10 each and 10,00,000 Preference Shares of ₹ 100 each to ₹ 48,863,096,100 divided into 487,43,09,610 Equity Shares of ₹ 10 each and 12,00,000 Redeemable Cumulative Preference Shares of ₹ 100.

Changes in the Equity Share capital of our Company in the three years preceding June 30, 2022:

Date of Allotment	No of Equity Shares*	Face Value	Issue Price (₹)*	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital (₹ in crore)	Equity Share Premium (₹ in crore)	
April 12, 2021	1,08,50,34,161	10	-	Other than Cash*	Pursuant to the Scheme of Amalgamation	2,68,41,72,360	2,684.17	10,800.89	Nil

** pursuant to Scheme by way of merger by absorption between L&T Infrastructure Finance Company Limited ("**LTIFC**") and L&T Housing Finance Limited ("**LTHFL**") with the Company under sections 230 to 232 of the Companies Act, 2013 ("**Scheme**").*

Changes in the Preference Shares of our Company in the three years preceding June 30, 2022:

Our Company has not allotted any preference shares in the three years preceding June 30, 2022.

Shareholding pattern of our Company as on June 30, 2022

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of Locked in shares		No. of Shares pledged or otherwise encumbered		No. of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	8*	2684172360*	-	-	2684172360*	100%	2684172360*	-	2684172360	100%	-	100%	-	-	-	-	2684172353*
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**8***	**2684172360**	**-**	**-**	**2684172360**	**100%**	**2684172360**	**-**	**2684172360**	**100%**	**-**	**100%**	**-**	**-**	**-**	**-**	**2684172353**

**Our Company is a wholly-owned subsidiary of L&T Finance Holdings Limited. For the purpose of complying with the provisions regarding minimum number of Members, 7 shares are held by 7 members jointly with L&T Finance Holdings Limited.*

1. **Statement showing shareholding pattern of the Promoter and Promoter Group**

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held*	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y	Total								
	(I)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	**Indian**																	
(a)	Individuals/Hindu undivided	7	7	-	-	7	-	7		7	7	-	7	-	-	-	-	-

Category	Category & Name of the Shareholder	No of Shareholders	No of fully paid up equity shares held*	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
								Class X	Class Y	Total								
	Family																	
(b)	Central Government/State Government(s)																	
(c)	Financial Institutions/Banks																	
(d)	**Any Other**	1	2684172353	-	-	2684172353	100%	2684172353		2684 1723 53	2684172353	-	2684172353	-	-	-	-	26841723 53
	Sub-Total (A)(1)																	
(2)	**Foreign**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individuals (Non-Resident Individuals/Foreign Individuals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	**Any Other**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**8***	**2684172360**	**-**	**-**	**2684172360**	**100%**	**2684172360**	**-**	**2684 1723 60**	**100%**	**-**	**100%**	**-**	**-**	**-**	**-**	**26841723 53**

**Our Company is a wholly-owned subsidiary of L&T Finance Holdings Limited. For the purpose of complying with the provisions regarding minimum number of Members, 7 shares are held by 7 members jointly with L&T Finance Holdings Limited.*

Statement showing shareholding pattern of public Shareholders

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	**Institutions**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	**Venture Capital Funds**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	**Alternate Investment Funds**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	**Foreign Venture Capital Investors**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	**Foreign Portfolio Investors**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	**Financial Institutions/Banks**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	**Insurance Companies**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	**Provident Funds/Pension Funds**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	**Any Other**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	**Central Government/State Government(s)/President of India**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	**Non-Institutions**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs*																		
	ii.Individual shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
	holding nominal share capital in excess of Rs. 2 Lakhs																		
(b)	**NBFCs Registered with RBI**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	**Employee Trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	**Overseas Depositories (Holding DRs)(Balancing figure)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	**Any Other**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	TRUSTS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	NON RESIDENT INDIANS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	CLEARING MEMBERS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	NON RESIDENT INDIAN NON REPATRIABLE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BODIES CORPORATES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(3)																		
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Statement showing shareholding pattern of non-Promoter – non-public Shareholders

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Custodian/DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Promoter-Non Public Shareholding = I(1)+(C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

List of top 10 holders of Equity Shares of our Company as on June 30, 2022:

Sr. No.	Name of the Shareholder	Total number of Equity Shares	Number of Equity Shares held in dematerialized form	Total shareholding as a % of total number of Equity Shares
1.	L&T Finance Holdings Limited	268,41,72,353	268,41,72,353	99.99
2.	Dinanath Mohandas Dubhashi*	1	-	Negligible
3.	Sachinn Roopnarayan Joshi*	1	-	Negligible
4.	Raju Dodti*	1	-	Negligible
5.	Abhishek Sharma*	1	-	Negligible
6.	Rupa Rege Nitsure*	1	-	Negligible
7.	Apurva Neeraj Rathod*	1	-	Negligible
8.	Santosh Parab*	1	-	Negligible
	Total	**268,41,72,360**	**268,41,72,353**	**100.00**

**Held jointly with L&T Finance Holdings Limited*

List of top 10 holders of non-convertible securities as on June 30, 2022 (on cumulative basis):

Sr. No.	Name of the holder of Non-convertible Securities	Amount (in ₹ crore)	% of total non-convertible securities outstanding
1.	LICI Pension Plus Non Unit Fund	5,020.00	18
2.	State Bank of India	1,950.00	7
3.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Crisil AAA Jun 2023 Index Fu	1,694.00	6
4.	HDFC Trustee Co. Ltd. A/C HDFC Ultra Short Term Fund	1,421.00	5
5.	International Finance Corporation	1,152.00	4
6.	Larsen and Toubro Limited	990.00	3
7.	Nippon Life India Trustee Ltd – A/C Nippon India Liquid Fund	872.25.00	3
8.	Bank of Baroda	690.00	2
9.	Bank of India	500.00	2
10.	Central Bank of India	400.00	1

Shareholding of the Promoter and Promoter Group in our Company as on June 30, 2022:

Sr No	Name of Promoter / Promoter Group	Total number of Equity Shares	Number of Equity Shares held in dematerialised form	Total shareholding as a % of total number of Equity Shares
1.	L&T Finance Holdings Limited	268,41,72,353	268,41,72,353	99.99
2.	Dinanath Mohandas Dubhashi*	1	-	Negligible
3.	Sachinn Roopnarayan Joshi*	1	-	Negligible
4.	Raju Dodti*	1	-	Negligible
5.	Abhishek Sharma*	1	-	Negligible
6.	Rupa Rege Nitsure*	1	-	Negligible
7.	Apurva Neeraj Rathod*	1	-	Negligible
8.	Santosh Parab*	1	-	Negligible
Total		**268,41,72,360**	**268,41,72,353**	**100.00**

**Held jointly with L&T Finance Holdings Limited.*

Shareholding of Directors in our Company

The shareholding of the Directors in our Company as on June 30, 2022 is mentioned below:

Sr. No.	Name of Director	Number of Equity Shares
1	Dinanath Mohandas Dubhashi *	1
2	Sachinn Roopnarayan Joshi*	1

** Held Jointly with L&T Finance Holdings Limited*

Statement of the aggregate number of securities of our Company and our Subsidiary purchased or sold by our Promoters, Promoter Group, our Directors and the directors of our Promoters and/or their relatives within six months

immediately preceding the date of filing of this Draft Shelf Prospectus.

No Securities of our Company and our Subsidiaries have been purchased or sold by our Promoters, Promoter Group, our Directors, directors of our Promoter and/or their relatives within six months immediately preceding the date of filing of this Draft Shelf Prospectus.

Statement of capitalization (Debt to Equity Ratio) of our Company as on March 31, 2022:

(₹ in crore, except Debt/Equity ratio)

Particulars	Pre-Issue as at March 31, 2022		Post Issue*	
	Standalone	Consolidated	Standalone	Consolidated
Debt				
Debt Securities & Subordinated Liabilities	37,963.20	45,777.60	42,963.20	50,777.60
Borrowings (Other than Debt Securities)	40,356.40	40,356.40	40,356.40	40,356.40
Total Debt (A)	78,319.60	86,134.00	83,319.60	91,134.00
Networth**	15,876.71	16,407.93	15,876.71	16,407.93
Total Networth (B)	15,876.71	16,407.93	15,876.71	16,407.93
Debt/ Equity (C= A/B)	4.93	5.25	5.25	5.55

**The debt - equity ratio post Issue is indicative on account of the assumed inflow of ₹ 5,000 crore from the proposed Issue. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.*
*** Net worth is calculated as defined in Section 2(57) of Companies Act, 2013*

For details regarding total outstanding debt of our Company, see "*Financial Indebtedness"* on page 203.

Details of Promoter's shareholding in our Company's Subsidiary

L&T Infra Credit Limited

Name of the Promoter	No. of Equity shares of ₹ 10 each held	Total shareholding as a % of total number of Equity Shares
L&T Finance Holdings Limited	11,44,91,100	23.36%

Details of Promoter's shareholding in our Joint Venture and Associate Company

Nil

Details of any acquisition or amalgamation in the last one year

Our Company has not made any acquisition or amalgamation in the last one year prior to the date of this Draft Shelf Prospectus.

Details of any reorganization or reconstruction in the last one year

Our Company has not made any reorganization/reconstruction in the last one year prior to the date of this Draft Shelf Prospectus.

Details of debt securities were issued at a premium or a discount by the Company

Except as disclosed in the section "*Financial Indebtedness*" on page 203, no debt securities were issued at a premium or a discount by the Company.

Details of shareholding of our Directors in our Subsidiaries, Associate or Joint Ventures

As on the date of this Draft Shelf Prospectus, the Directors are not holding any shares in our Subsidiaries, Associate or Joint Ventures except as stated below:

1. L&T Infra Investment Partners Advisory Private Limited:

Dinanath Mohandas Dubhashi - 1 Equity Share of ₹ 10 jointly with L&T Finance Limited.

2. L&T Infra Investment Partners Trustee Private Limited:

Dinanath Mohandas Dubhashi - 1 Equity Share of ₹ 10 jointly with L&T Finance Limited.

3. L&T Infra Credit Limited:

Dinanath Mohandas Dubhashi - 1 Equity Share of ₹ 10 each jointly with L&T Finance Limited.

Sachinn Roopnarayan Joshi - 1 Equity Share of ₹ 10 each jointly with L&T Finance Limited.

Details of change in the promoter holding in our Company during the last Fiscal beyond 26 % (as prescribed by RBI)

There has been no change in the promoter holding in our Company during the last Fiscal beyond 26%.

Employee Stock Option Scheme

Our Company does not have any employee stock option scheme.

Shares pledged or encumbered otherwise by our Promoter and Promoter Group

None of the Equity Shares held by the Promoter in our Company are pledged or encumbered.

OBJECTS OF THE ISSUE

Issue Proceeds

Our Company has filed this Draft Shelf Prospectus for a public issue of secured, redeemable, NCDs for an amount aggregating up to ₹ 5,000 crore.

The Issue is being made pursuant to the provisions of the SEBI NCS Regulations and the Companies Act and the rules made there under. Our Company proposes to utilize the proceeds raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company ("**Net Proceeds**") towards funding the objects listed under this section.

The details of the proceeds of the Issue are summarized below:

Particulars	Estimated amount (₹ in crore)
Gross proceeds of the Issue	As specified in the relevant Tranche Prospectus for each Tranche Issue
Less: Issue related expenses*	As specified in the relevant Tranche Prospectus for each Tranche Issue
Net proceeds	As specified in the relevant Tranche Prospectus for each Tranche Issue

**The above Issue related expenses are indicative and are subject to change depending on the actual level of subscription to the Issue, the number of allottees, market conditions and other relevant factors.*

Requirement of Funds and Utilization of Net Proceeds

The following table details the objects of the Issue (collectively, referred to herein as the "**Objects**") and the amount proposed to be financed from Net Proceeds:

Sr. No.	Objects of the Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of onward lending, financing and for repayment of interest and principal of existing borrowings of the Company*	At least 75%
2.	General Corporate Purposes**	Maximum up to 25%
	Total	**100%**

**Our Company shall not utilise the proceeds of this Issue towards payment of prepayment penalty, if any*

***The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised in the Issue, in compliance with the SEBI NCS Regulations.*

The main objects clause of the Memorandum of Association of the Company permits the Company to undertake its existing activities as well as the activities for which the funds are being raised through the Issue.

Issue related expenses break-up

The expenses for this Issue include, inter alia, lead management fees and selling commission to the Lead Managers, Consortium Members and intermediaries as provided for in the SEBI Operational Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to the Issue. The Issue expenses and listing fees will be paid by our Company.

The estimated breakdown of the total expenses for this Issue and the timeline for such payment for each Tranche Issue shall be as specified in the relevant Tranche Prospectus.

Purpose for which there is a requirement of funds

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Funding Plan

Our Company confirms that for the purpose of this Issue, funding plan will not be applicable.

Summary of the project appraisal report

Our Company confirms that for the purpose of this Issue, summary of the project appraisal report will not be applicable.

Schedule of implementation of the project

Our Company confirms that for the purpose of this Issue, schedule of implementation of the project will not be applicable.

Monitoring of utilization of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose in our Company's financial statements for the relevant financial year commencing from Fiscal 2023, the utilisation of the proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Issue. Our Company shall utilize the proceeds of the Issue only upon only upon receipt of minimum subscription, i.e., 75% of base issue relating to each Tranche Issue, the execution of the documents for creation of security and the Debenture Trust Deed and receipt of final listing and trading approval from the Stock Exchanges. Our Company, within forty-five days from the end of every quarter, submit to the stock exchange, a statement indicating the utilization of issue proceeds of non-convertible securities, which shall be continued to be given till such time the issue proceeds have been fully utilised or the purpose for which these proceeds were raised has been achieved.

Interim use of proceeds

Our Management, in accordance with the policies formulated by it from time to time,will have the flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds in high quality interest/ non- interest bearing liquid instruments including money market mutual funds, deposits with banks, current account of banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by our Board of Directors or a committee thereof. Such investment would be in accordance with the investment policies approved by the Board or any committee thereof from time to time.

Other Confirmations

In accordance with the SEBI NCS Regulations, our Company will not utilize the proceeds of the Issue for providing loans to or acquisition of shares of any person or company who is a part of the Promoter Group or Group Companies.

Proceeds from the Issue shall not be utilised towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property. No part of the proceeds from the Issue will be paid by us as consideration to our Promoter, the Directors, Key Managerial Personnel, or companies promoted by our Promoter except in ordinary course of business.

No part of the proceeds from the Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company. Further our Company undertakes that Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI Regulations.

Our Company confirms that it will not use the proceeds from the Issue, directly or indirectly, for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to an interest in either the capital or profit or losses or both in such business exceeding 50% thereof, the purchase or acquisition of any immovable property (direct or indirect) or acquisition of securities of any other body corporate.

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

There is no contribution being made or intended to be made by the Directors as part of the Issue or separately in furtherance of the Objects of the Issue.

General Corporate Purposes

Our Company intends to deploy up to 25% of the amount raised and allotted in the Issue for general corporate purposes, Including but not restricted to routine capital expenditure, renovations, strategic initiatives, meeting any expenditure in relation to our Company as well as meeting exigencies which our Company may face in the ordinary course of business, or any other purposes as may be approved by our Board of Directors or duly authorized committee thereof.

Variation in terms of contract or objects in this Draft Shelf Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which this Draft Shelf Prospectus is issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act, 2013. Further, in accordance with the SEBI Listing Regulations, in case of any material deviation in the use of proceeds as compared to the objects of the issue, the same shall be indicated in the format as specified by SEBI from time to time.

Benefit / interest accruing to Promoter/Directors out of the object of the Issue

Neither our Promoter nor the Directors of our Company are interested in the Objects of this Issue.

STATEMENT OF POSSIBLE TAX BENEFITS

To,

The Board of Directors

L&T Finance Limited
15th Floor, PS SRIJAN Tech Park,
Plot No 52 Block DN, Sector-V,
Salt Lake City, Kolkata Parganas,
West Bengal - 700 091.

Sub: Statement of possible tax benefits available to debenture holders of L&T Finance Limited (the "Company"), in connection with proposed public issue of secured redeemable non-convertible debentures of face value Rs. 1,000 each (the "NCDs" or the "securities"), for an amount aggregating up to Rs. 5000 crore (the "Shelf Limit") (herein referred to as the "Issue"). The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in separate Tranche Prospectus(es) for each Tranche Issue.

1. We, M S K A & Associates ("M S K A") and Kalyaniwalla & Mistry LLP ("KMLLP"), the Joint Statutory Auditors of L&T Finance Limited (the "Company"/ "Issuer") ("us"/"we"/"our"/"firms"), hereby confirm that the accompanying Statement of Possible Tax Benefits available to the Debenture holder(s) (hereinafter referred to as **"the Statement")** states the possible tax benefits available to the Debenture holders of the Company under the Income Tax Act, 1961 (read with Income Tax Rules, circulars and notifications), as amended by the Finance Act, 2022 (hereinafter referred to as the "Indian Income Tax Regulations") for the purpose of inclusion in the Draft Shelf Prospectus / Shelf Prospectus and relevant Tranche Prospectus, in connection with the "Issue" of the Company, has been prepared by the Management of the Company, which we have initialed for identification purposes. We are informed that such debentures raised in the Issue will be listed on the National Stock Exchange of India Limited and the BSE Limited (the "Stock Exchanges") and the Statement has been prepared by the Company's Management on such basis.

2. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our Firms or any of partners or affiliates, shall not be responsible for any loss, penalties, surcharges, interest or additional tax or any tax or non-tax, monetary or non-monetary, effects or liabilities (consequential, indirect, punitive or incidental) before any authority / otherwise within or outside India arising from the supply of incorrect or incomplete information of the Company.

3. The benefits discussed in the enclosed Statement are neither exhaustive nor conclusive. This Statement is only intended to provide general information to the debenture holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each debenture holder is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. We are neither suggesting nor are we advising the debenture holders to invest money based on this Statement.

We do not express any opinion or provide any assurance as to whether:

• the debenture holders will continue to obtain these benefits in similar manner in future;

• the conditions prescribed for availing the benefits have been / would be met with; and

• the revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include the Statement in the Prospectus in connection with the Issue to be filed by the Company with the Stock Exchanges, the Securities and Exchange Board of India, and the Registrar of Companies West Bengal at Kolkata, and any other regulatory authority in relation to the Issue and such other documents as may be prepared in connection with the Issue.

Limitations

Our views expressed in the Statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its reasonable interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

This Statement is addressed to you solely for the use of the Company in relation to the Issue and, except with our prior written consent, is not to be transmitted or disclosed to or used or relied upon by any other person or used or relied upon by you for any other purpose, save that you may disclose this Statement to the Registrar of Companies, West Bengal at Kolkata, the Stock Exchanges and Securities Exchange Board of India on the basis that (i) the Lead Managers cannot rely on this Statement, (ii) we do not assume any duty or liability to the Lead Managers (iii) the Lead Managers have no recourse on us.

For M S K A & Associates

Chartered Accountants

Firm Registration No: 105047W

Jiger Saiya

Partner

Membership No: 116349

UDIN: 22116349ASQEHS5836

Mumbai

September 16, 2022

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No: 104607W/W100166

Roshni R. Marfatia

Partner

Membership No: 106548

UDIN: 22106548ASOZJC2789

Mumbai

September 16, 2022

Annexure- I

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO L&T FINANCE LIMITED ("THE COMPANY") AND THE COMPANY'S DEBENTUREHOLDERS

The following tax benefits will be available to the debenture holders as per the existing provisions of law. The tax benefits are given as per the prevailing tax laws on the provisions of the Income-tax Act, 1961("Act"), as on date, taking into account the amendments made by the Finance Act, 2022, and may vary from time to time in accordance with amendments to the law or enactments thereto. The Debenture Holder is advised to consider the tax implications in respect of subscription to the Debentures after consulting his tax advisor

This Annexure intends to provide general information on the applicable provisions of the Act. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Several of these benefits are dependent on the Company or its Debenture Holders fulfilling the conditions prescribed under the relevant provisions of the Act. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor advising the investor to invest money based on this Statement.

Under the Act

I. Tax benefits available to Resident Debenture holders

A. <u>In respect of Interest on Debentures (NCD)</u>

1. Interest on NCD received by Debenture Holders would be subject to income tax at the normal rates of tax in accordance with and subject to the provisions of the Act. Interest will be assessed to Income tax on receipt basis or mercantile basis (accrual basis) depending on the method of accounting regularly employed by the NCD holder under section 145 of the Act.

2. Interest income from NCD shall be chargeable to tax under the head "Income from Other Sources" in the hands of investors after deduction of expenses, if any incurred, allowable under section 57 of the Act. If such NCDs are held as stock-in-trade, such income shall be chargeable to tax under the head "Profits and Gains of business or profession".

3. Income Tax is deductible at source on interest on debentures held by resident Indians as per the provisions of Section 193 of the Act where such interest exceeds INR 5,000. However, no income tax is deductible under section 193 of the Act where such debentures are held in dematerialized form and is listed on a recognized stock exchange. Accordingly, in the instance case, tax will not be withheld by the company from payment of interest on NCD held by a person resident in India.

4. As already mentioned above, withholding tax is not applicable under section 193 of the Act, if the Debentures are held in dematerialized form. However, after the issue of debentures, if any debenture holder converts the NCD into physical form, withholding tax will be applicable. However, tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

a) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the Act; and that a valid certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest;

b)

i. When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However, under section 197A(1B) of the Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax.

ii. Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be NIL.

iii. In all other situations, tax would be deducted at source as per prevailing provisions of the Act. Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Company before the prescribed date of closure of books for payment of debenture interest without any withholding tax.

B. In respect of Capital Gains

1. *Long-Term Capital Gains*

Under section 2(29AA) read with section 2(42A) of the Act, Listed Debentures held as Capital Asset as defined under section 2(14) of the Act is treated as long term capital asset if it is held for more than 12 Months. Whereas such listed Debentures held for a period of 12 Months or less will be treated as short term capital asset.

Long Term Capital Gain will be chargeable to tax under section 112 of the Act. at the rate of 20% (plus applicable surcharge and education cess). However, no indexation benefit is available for debentures as per fourth proviso to section 48 of the Act. Hence, in the case of listed debentures, tax payable is only 10% (plus applicable surcharge and education cess) as per first proviso to section 112(1) of the Act,. Accordingly, the tax payable on long term capital gains on transfer of listed NCD will be 10% (plus applicable surcharge and education cess) and the capital gains have to be computed without indexation.

In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long-term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

2. *Short-Term Capital Gains*

Listed Debentures held as capital asset under section 2(14) of the Act for a period of not more than 12 months would be treated as Short-term capital asset under Section 2(42A) of the Act. Short Term Capital Gains on transfer of NCD will be taxable at applicable rates in accordance with the provisions of the Act. The provisions relating to maximum amount not chargeable to tax would apply to short term capital gains.

3. *Capital Loss on transfer of Debentures*

Section 70 of the Act deals with set-off of losses from one source against income from another source under the same head of income. Capital gains constitute a head of income under the Act.

As per section 70 of the Act, short-term capital losses are eligible for set-off against both short-term capital gains and long-term capital gains. However, long-term capital losses are eligible for set-off only against long-term capital gains.

Section 74 of the Act permits a taxpayer to carry forward capital losses, if any, to be set-off against capital gains earned in 8 subsequent years. The mode of set-off is same as provided in Sec. 70 and discussed above.

The provisions of the Act state that where a taxpayer wishes to carry forward capital losses for offset against capital gains, it is required to make a claim for the same in its ROI. Further, the ROI is required to be filed by the due date prescribed under the Act, in order to be able to carry forward such losses and offset the same against future year's gains.

C. <u>In respect of Business Income</u>

In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as "Profits and Gains of business or profession" Such income is to be computed in accordance with the "Income Computation and Disclosure Standard VIII – Securities" which deals with securities held as stock-in trade, notified by the Ministry of Finance, Government of India under Section 145(2) of the Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank and Public Financial Institutions, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.

II. Tax benefits available to the Non-resident Debenture holders)

1. A 'Non – Resident Indian' has an option to be governed by Chapter XII – A of the Act, subject to the provisions contained therein which are given in brief as under:

a. Under 115C(e) of the Act, the term "non-resident Indian" means an individual, being a citizen of India or a person of Indian origin who is not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grandparents, was born in undivided India.

b. As per section 115E of the Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas long term capital gains on transfer of such Debentures will be taxable at 10% of such capital gains without indexation benefit. Short-term capital gains will be taxable at applicable rates in accordance with the provisions of the Act.

c. As per section 115F of the Act, long-term capital gains arising to a non-resident Indian from transfer of debentures acquired or purchased with or subscribed to in convertible foreign exchange will be exempt from Capital Gains tax if the net consideration is invested within six months after the date of transfer of the debentures in any specified assets or any saving certificates referred to in section 10(4B) of the Act, in accordance with and subject to the provisions contained therein. The exemption would be from whole of capital gain if the cost of the new capital asset is not less than the net consideration in respect of the original asset and on a proportionate basis if the cost of the new asset is less than the net consideration in respect of the original asset.

d. As per section 115G of the Act, it shall not be necessary for a non-resident Indian to file a return of income under Section 139(1) of the Act, if his total income consists only of investment income as defined under section 115C of the Act and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII- B of the Act in accordance with and subject to the provisions contained therein.

e. As per section 115H of the Act, where a non-resident Indian becomes a resident in India in any subsequent year, he may furnish to the Assessing Officer a declaration in writing along with return of income under Section 139 of the Act for the assessment year for which he is assessable as a resident, to the effect that the provisions of Chapter XII – A shall continue to apply to him in relation to the investment income (other than on shares in an

Indian Company) derived from any foreign exchange assets in accordance with and subject to the provisions contained therein. On doing so, the provisions of Chapter XII – A shall continue to apply to him in relation to such income for that assessment year and for every subsequent assessment year until the transfer or conversion (otherwise than by transfer) into money of such assets.

f. As per Section 115D (1) of the Act, no deduction in respect of any expenditure or allowance shall be allowed under any provisions of the Act in the computation of income of a non-resident Indian under Chapter XII – A of the Act.

g. In accordance with and subject to the provisions of Section 115-I of the Act, a Non-Resident Indian may opt not to be governed by the provisions of Chapter XII – A of the I.T. Act. In such case,

- Long Term capital gains on transfer of listed debentures, where debentures are held for a period of more than 12 months preceding the date of transfer would be subject to tax at the rate of 10% computed without indexation.

- Interest income and Short – term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxable applicable rates in accordance with the provisions of the Act.

- Where debentures are held as stock in trade, the income on transfer of debentures would be chargeable to tax as "Profits & Gains of business & profession in accordance with and subject to the provisions of the Act.

2. The provisions of section 195(1) of the Act mandate that taxes are required- to be withheld by any person on payment to a non-resident of any interest or any sum chargeable to tax under the provisions of the Act. The applicable rate of withholding under section 195 read with 115E of the Act is as follows:

Particulars	Listed/ unlisted debt securities
Interest Income	20%*
Long term capital gain	10%*
Short term capital gain	Applicable rates*

* The tax required to be deducted shall be increased by applicable surcharge & health & education cess.

Interest payable to non-resident (other than FPI) would be subject to withholding of tax at the rate of 30% / 40% as per the provisions of section 195 of the Act subject to relief under the relevant DTAA depending upon the status of the non-resident.

3. Section 90 of the Act provides that where an agreement for the avoidance of double taxation (DTAA) has been executed between the Government of India and the Government of any other country, the provisions of the Act will apply to the extent they are more beneficial to the taxpayer.

Section 90(4) of the Act provides that a taxpayer, not being a resident, to whom a DTAA applies, shall not be entitled to claim any relief under such DTAA unless a certificate of it being a resident in a country outside India is obtained by it from the Government of that country.

Further, section 90(5) of the Act, provides that a taxpayer to whom a DTAA applies, as referred to in section 90(4) of the Act, shall provide such other documents and information, as may be prescribed. A taxpayer would be required to furnish Form No 10F, where the required information is not explicitly mentioned in the aforementioned certificate of residency and the taxpayer is required to keep and maintain such documents as are necessary to substantiate the information provided.

Section 90(2A) of the Act provides that notwithstanding anything contained in section 90(2) of the Act, the provisions of Chapter X-A shall apply to the taxpayer, even if such provisions are not beneficial to the taxpayer.

Claiming of beneficial tax rate under the DTAA could also be subject to General Anti-Avoidance Rule. Chapter X-

A of the Act, effective from 1 April 2017, allows the Indian Revenue authorities to declare an arrangement entered into by a taxpayer as an impermissible avoidance arrangement, subject to specified terms and conditions therein and determine tax consequences as appropriate, including denial of tax benefits as per the provisions of a DTAA.

Further, Rule 10U of the Income-tax Rules, 1962 (Rules) provides that the provisions of Chapter X-A of the Act shall not apply to *inter-alia* income accruing or arising to, or deemed to accrue or arise to, or received or deemed to be received by, any person from transfer of investments made before 1 April 2017 by such person.

(Note: - Vide Notification No. 03/2022 dated July 16, 2022 issued by CBDT, non-resident tax payer is required to electronically furnish specific information in specified form i.e. Form 10F to avail DTAA benefits.)

4. Section 70 of the Act deals with set-off of losses from one source against income from another source under the same head of income. Capital gains constitute a head of income under the Act.

As per section 70 of the Act, short-term capital losses are eligible for set-off against both short-term capital gains and long-term capital gains. However, long-term capital losses are eligible for set-off only against long-term capital gains.

Section 74 of the Act permits a taxpayer to carry forward capital losses, if any, to be set-off against capital gains earned in 8 subsequent years. The mode of set-off is same as provided in Sec. 70 and discussed above.

The provisions of the Act state that where a taxpayer wishes to carry forward capital losses for offset against capital gains, it is required to make a claim for the same in its ROI. Further, the ROI is required to be filed by the due date prescribed under the Act, in order to be able to carry forward such losses and offset the same against future year's gains.

5. Where the withholding is done as per the rate of tax provided under the relevant DTAA, the said rate shall not be required to be increased by surcharge and health and education cess.

6. Alternatively, to avail non deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under Section 195(3) and 197 of the Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest.

7. In case the Debentures are held as stock in trade by the debenture holder, the income/loss from transfer of debentures would be taxed as "Profits and Gains of business or profession". Such income is to be computed in accordance with the Income Computation and Disclosure Standard VIII which deals with securities held as stock-in trade, notified by the Ministry of Finance, Government of India under Section 145(2) of the Act. Where debentures are held as stock in trade and unpaid interest has accrued before acquisition of Debentures and is included in the price paid for the Debentures, subsequent receipt of interest is to be allocated between pre-acquisition and post-acquisition periods, the pre-acquisition portion of the interest is reduced from the actual cost and is to be treated as interest. In the case of Debentures held by Scheduled Bank and Public Financial Institutions, income is to be recognized in accordance with the guidelines issued by the Reserve Bank of India in this regard.

8. As per section 56(2)(x) of the Act, except in cases which are specifically exempted under this clause (such as gift received from relative as defined under the section), where the debentures are received without consideration where the aggregate market value of all gifts received exceeds Rs. 50,000 the aggregate market value of the debentures shall be taxable as income in the hands of the recipient. Similarly, if debentures are received for inadequate consideration, the shortfall in the consideration will be treated as income of the recipient subject to the provisions contained in section 56(2)(x) of the Act.

III. Tax benefits available to the Foreign Institutional Investors/ Foreign Portfolio Investors (FIIs/FPIs)

1. The Finance Act, 2014, amended the definition of 'capital asset' to include any securities held by an FPI in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992. By virtue of such amendment, any income arising to an FPI from transfer of securities would be characterized as capital gains. This would, *inter-alia*, include income arising from equity shares, debt securities and exchange traded derivatives.

2. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the Act. Further, the SEBI (Foreign Portfolio Investors) Regulations, 2014 has been replaced by the SEBI (Foreign Portfolio Investors) Regulations, 2019.

3. The taxation of income earned by FPIs is prescribed under section 115AD of the Act and covers the taxation of the following types of income:

   - Gain/ loss on transfer of securities
   - Income from securities in the nature of dividends or interest
   - Other income in respect of securities

   Taxation of income earned on debt securities is governed by the provisions of section 112 of the Act read with section 115AD of the Act.

4. We have provided below the applicable tax rate under the provisions of the Act on transfer of debt securities:

Particulars	STCG	LTCG*
Listed/ unlisted debt securities	30%**	10%**

*An FPI cannot claim the benefit of cost of inflation indexation available on transfer of long-term capital assets.
**The tax required to be deducted shall be increased by applicable surcharge & health & education cess.

5. Interest on NCD may be eligible for concessional tax rate of 5% (plus applicable surcharge and health and education cess) for interest referred under Section 194LD of the Act.

6. Further, in case where section 194LD of the Act is not applicable, the interest income earned by FIIs/FPIs should be chargeable to tax at the rate of 20% under section 115AD of the Act. In such case, taxes shall be deducted under section 196D of the Act on such income at 20%. Where DTAA is applicable to the payee, the rate of tax deduction shall be lower of rate as per DTAA or 20%, subject to the conditions prescribed therein.

7. Section 194LD in the Act provides for lower rate of withholding tax at the rate of 5% on payment by way of interest paid by an Indian Company to FIIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian Company between June 1, 2013 and July 1, 2023 provided such rate does not exceed the rate as may be notified by the Government.

8. Where the withholding is done as per the rate of tax provided under the relevant DTAA, the said rate shall not be required to be increased by surcharge and health and education cess.

9. In accordance with and subject to the provisions of Section 196D(2) of the Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FIIs referred to in section 115AD of the Act.

IV. Tax benefits available to the To Mutual Funds

All mutual funds registered under Securities and Exchange Board of India or set up by public sector banks or public financial institutions or authorized by the Reserve Bank of India are exempt from tax on all their income, **including** income from investment in Debentures under the provisions of Section 10(23D) of the Act in accordance with the provisions contained therein. Further, as per the provisions of section 196 of the Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.

V. Tax benefits available to Specified Funds ("Specified Fund" as defined under section 10(4D) of the Act)

Section 10(4D) of the Act provides tax exemption in relation to any income accrued/ arisen/ received by a Specified Fund from specified sources to the extent such income is attributable to the units held by the non-residents.

For the purpose of said section a Specified Fund means a fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate, located in the IFSC, which has been granted registration as a Category III AIF under the SEBI AIF regulations or International Financial Services Centres Authority Act, 2019 ("IFSCA Act") of which all the units other than unit held by a sponsor or manager are held by '*non-resident or'*. Finance Act 2022, substituted the term '*non-resident or'* as follows:

"non-resident provided that the condition specified in this item shall not apply where any unit holder or holders, being non-resident during the previous year when such unit or units were issued, becomes resident under clause (*1*) or clause (*1A*) of section 6 in any previous year subsequent to that year, if the aggregate value and number of the units held by such resident unit holder or holders do not exceed five per cent of the total units issued and fulfil such other conditions as may be prescribed; or"

Further, vide notification 64/2022 dated 16 June 2022, CBDT notified other conditions for Specified Fund in relation to the section 10(4D) of the Act by inserting Rule 21AIA as follows:

(a) the unit holder of the specified fund, other than the sponsor or manager of such fund, who becomes a resident under clause (1) or clause (1A) of section 6 of the Act during any previous year subsequent to the previous year in which such unit or units were issued, shall cease to be a unit holder of such specified fund within a period of three months from the end of the previous year in which he becomes a resident;

The income of Specified Funds is taxable for the year beginning April 1, 2020, to the extent attributable to units held by Non-Resident (not being a permanent establishment of a non-resident in India), and in accordance with and subject to the provisions of section 115AD of the Act, as under:

a. The interest income earned are chargeable to tax at the rate of 10%

b. Long term capital gains on transfer of debentures to the specified extent are taxable at 10% (benefit of provisions of the first proviso of section 48 of the Act will not apply); and

c. Short-term capital gains are taxable at 30%.

Further, where any income in respect of NCD is payable to Specified Funds, tax shall be deducted at the rate of 10% on the income other than income by way of interest referred to in section 194LD with effect from November 1, 2020 as per Section 196D of the Act.

The income tax deducted shall be increased by applicable surcharge and health and education cess.

VI. Exemption under Section 54F & 54EE of the Act

1. As per provisions of section 54F of the Act, any long-term capital gains on transfer of a long term capital asset (not being residential house) arising to a debenture holders who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of residential house within three years from the date of transfer. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis.

This exemption is available, subject to the condition that the debenture holder does not own more than one residential house at the time of such transfer. If the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains exemption claimed earlier would become chargeable to tax as long-term capital gains in the year in which such residential house is transferred. Similarly, if the debenture holder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house (other than the new residential house referred above), then the original exemption will be taxed as capital gains in the year in which the additional residential house is acquired.

2. Under section 54EE of the Act, long term capital gains arising to the Debenture Holder(s) on transfer of debentures in the company shall not be chargeable to tax to the extent such capital gains are invested in long term specified asset (a unit or units issued before 01.04.2019) as notified by Central Government within six months after the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified bonds are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exemption claimed earlier as would become chargeable to tax as long-term capital gains in the year in which the bonds are transferred or converted into money. However, the exemption is subject to a limit of investment of INR 50 lacs during any financial year in the notified bonds. Where the benefit of Section 54EE of the Act has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the Act.

3. As per provisions of section 54EE of the Act, capital gain on the transfer of a long-term capital asset, arising to a debenture holder is exempt from tax, if the assessee / debenture holder invested the whole or any part of capital gains in the long-term specified asset at any time within a period of six months. If the cost of the long-term specified asset is less than the capital gain arising from the transfer of the original asset, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the condition that the investment in the long-term specified asset by an assessee during any financial year does not exceed fifty lakh rupees: If the long term specified asset in which the investment has been made is transferred within a period of three years from the date of its acquisition, the amount of capital gains tax claimed earlier would became chargeable to tax as capital gains in the year in which such long term specified asset is transferred. Specified Asset means a unit or units, issued before the 1st day of April, 2019, of such fund as may be notified by the Central Government in this behalf.

VII. General Anti-Avoidance Rule ('GAAR)

In terms of Chapter XA of the Act, General Anti-Avoidance Rule may be invoked notwithstanding anything contained in the Act. By this Rule, any arrangement entered into by an assessee may be declared to be impermissible avoidance arrangement as defined in that Chapter and the consequence would be interalia denial of tax benefit. The GAAR provisions can be said to be not applicable in certain circumstances viz. the main purpose of arrangement is not to obtain a tax benefit etc. including circumstances enumerated in CBDT Notification No. 75/2013 dated

September 23, 2013. The provisions of GAAR came into effect from April 01, 2017.

VIII. Multilateral Convention to implement Tax Treaty related measures to prevent Base Erosion and Profit Shifting (“MLI”)

The Organisation of Economic Co-operation and Development (“OECD”) released the MLI. The MLI, amongst others, includes a "principal purpose test", wherein DTAA benefits can be denied if one of the principal purpose of an arrangement or a transaction was to, directly or indirectly, obtain tax benefit. India has been an active participant in the entire discussion and its involvement in the BEPS project has been intensive. In a ceremony held in Paris on 7 June 2017, various countries including India, signed the MLI.

On 25 June, 2019, India has deposited the Instrument of Ratification to OECD, Paris along with its Final Position in terms of Covered Tax Agreements (CTAs), Reservations, Options and Notifications under the MLI, as a result of which MLI will enter into force for India on 1st day of October, 2019 and its provisions will have effect on India’s DTAAs from FY 2020-21 onwards.

IX. Requirement to furnish PAN/filing of returns under the Act

1. Section 139A(5A) of the Act:

   Section 139A (5A) requires every person from whom income tax has been deducted at source under chapter XVII – B of the Act to furnish his PAN to the person responsible for deduction of tax at source.

2. Section 206AA of the Act:

   a. Section 206AA of the Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB (‘deductee’) to furnish his PAN to the deductor, failing which tax shall be deducted at the higher of the following rates:
   - at the rate specified in the relevant provision of the Act; or
   - at the rate or rates in force; or
   - at the rate of twenty per cent.

   b. A declaration under Section 197A (1) or 197A (1A) or 197A (1C) of the Act, shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per Para (a) above in such a case.

   c. Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (a) above will apply.

   d. As per Rule 37BC the Rules, the higher rate under section 206AA shall not apply to a non-resident, not being a company, or to a foreign company, in respect of payment of interest, if the non-resident deductee furnishes the prescribed details *inter-alia*, Tax Residency Certificate (‘TRC’) and Tax Identification Number (TIN).

3. Section 206AB of the Act:
   Further, *Vide* Finance Act 2021, tax is required to be deducted by the payer at the higher rate under section 206AB of the Act (effective from 1 July 2021) which is further amended by Finance Act 2022, in instances where the person entitled to receive the sum of money:

   1. has not filed the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted,

   2. has an aggregate of tax deducted at source and tax collected at source of INR 50,000 or more in the said pervious year; and

3. for whom the time limit of filing return of income under section 139(1) of the Act has expired.

It is clarified that these provisions shall not apply to

1. non-residents who do not have a permanent establishment in India (i.e. a fixed place of business in India through which the business of the enterprise is wholly or partly carried on)
2. taxes deducted at source pursuant to Sections 192, 192A, 194B, 194BB, 194LBC or 194N of Act.

In the event that a tax payer qualifies as a Specified Person under section 206AB of the Act, tax is proposed to be withheld at the higher of the following rates:

1. at twice the rate specified in the relevant provision of Act; or
2. at twice the rate or rates in force; or
3. at the rate of 5 percent

4. Section 206C(1H) of the Act - Tax collected at source ("TCS") by seller of goods

The Finance Act, 2020 had made certain amendments in TCS provisions which mandates that with effect from 1 October 2020, seller of goods shall collect tax @ 0.1% as TCS if the receipt of sale consideration from a buyer exceeds INR 50 lakhs in the financial year. Further, it has been provided that the Seller would be required to collect such tax only if his total sales, gross receipts or turnover from his business exceeds INR 10 crore during the financial year immediately preceding the financial year in which the sale of goods is carried out.

The CBDT has issued a circular[1] clarifying that the above provision shall not apply to transactions in shares and commodities transacted through recognised stock exchanges/ recognised clearing corporations, including those located in International Financial Service Centres. The circular is silent regarding other shares and securities. It is possible that the TCS provisions may be held to be applicable in case of such other shares and securities.

5. Section 194Q of the Act – Withholding tax deduction on Purchase of goods:

The Finance Act, 2021 has introduced a new section 194Q under the Act to provide that, with effect from 1 July 2021, buyer of goods shall deduct tax @ 0.1% as TDS at the time of credit or payment to the resident seller, whichever is earlier, if the purchase of any goods from such resident seller exceeds INR 50 lakhs in the financial year. Further, it has been provided that the buyer would be required to deduct such tax only if his total sales, gross receipts or turnover from his business exceeds INR 10 crore during the financial year immediately preceding the financial year in which the purchase of goods is carried out.

The provision of section 194Q should not be applicable where TDS or TCS (other than section 206C(1H) of the Act) is required under the provisions of the Act. Further, where the deductee i.e., Seller fails to furnish the PAN to the buyer, tax shall be deducted at the higher of the following rates namely, at the rate specified in the relevant provision of the Act; or at the rate or rates in force; or at the rate of five per cent. Where, Section 194Q is not applicable provisions of section 206C(1H) discussed above will need to be evaluated. Clarification with respect to interplay of section 194Q of the Act and section 206C(1H) has been issued by CBDT vide notification (F. No. 370142/26/2021-TPL) dated June 30, 2021.

6. Section 194R of the Act - TDS on Benefit or Perquisites (applicable w.e.f 1st July, 2022)

The Finance Act 2022 introduced section 194R, which states that, any person responsible for providing to a resident, any benefit or perquisite whether convertible into money or not arising from business or profession, shall, ensure that tax has been deducted in respect of such benefit or perquisite at the rate of ten per cent of the value or aggregate of value of such benefit or perquisite. TDS is applicable only if the value of the benefit or perquisite provided during the financial year exceeds Rs. 20,000/-
CBDT vide circular 12/2022 (dated 16 June 2022) and 18/2022 (dated 13 September 2022) issued guidelines to provide clarifications for removal of difficulties with respect to section 194R of the Act.

[1] Circular No. 17/ 2020 dated 29 September 2020.

X. Taxability of Gifts received for nil or inadequate consideration

As per section 56(2)(x) of the Act, where any person receives debentures from any person on or after 1st April, 2017:
a. without consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such debentures or;
b. for a consideration which is less than the aggregate fair market value of the debenture by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such debentures as exceeds such consideration shall be taxable as the income of the recipient at applicable rate in accordance with the provisions of the Act.

The above is subject to few exceptions as stated in section 56(2)(x) of the Act.

Notes forming part of Statement of Tax Benefits

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debenture/bonds.

2. The above statement covers only certain relevant benefits under the provisions of the Act and does not cover benefits under any other law.

3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the Assessment Year 2023-2024 (Financial Year 2022-23) and taking into account the amendments made by the Finance Act, 2022.

4. This statement is intended only to provide general information to the Debenture Holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each debenture Holder is advised to consult his/her/its own tax advisor with respect to specific consequences of his/her/its holding in the debentures of the Company.
5. Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to Chapter X and Chapter XA of the Act.

6. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.

7. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant tax treaty, if any, between India and the country in which the non-resident has fiscal domicile.

8. In respect of non-residents, taxes paid in India could be claimed as a credit in accordance with the provisions of the relevant tax treaty and applicable domestic tax law.

9. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV - ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information under this section has been derived from the industry report titled "NBFC Report 2021" (June, 2022 update) prepared by CRISIL Research, ***,*** *report titled "Macro-Economic Overview" released by CRISIL Research as published in September 2022 and RBI bulletin August 2022, Volume LXXVI Number 8 in an "as is where is basis" and the information in this section has not been independently verified by the Company, the Lead Managers, our Legal advisors or any of their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources they believe to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information. Figures used in this section are presented as in the original sources and have not been adjusted, restated or rounded off for presentation in this Draft Shelf Prospectus.*

Overview of Global Economy:

Global growth prospects have turned gloomier over the month. Easing of supply chain pressures and the recent ebbing of commodity prices are providing some breather from record high inflation. In India, supply conditions are improving, with the recent monsoon pick-up, strong momentum in manufacturing and a rebound in services. The onset of festival season should boost consumer demand, including rural, also as sowing activity picks up. Robust central government capital outlays are supporting investment activity. Inflation has edged down, but its persistence at elevated levels warrants appropriate policy responses to anchor expectations going forward.

The pace of global growth has tapered off in recent months amidst volatile financial conditions and persisting uncertainty surrounding the geo-political situation. Heightened recession risks are shadowing aggressive and synchronized monetary tightening across jurisdictions. In its July 2022 update of the World Economic Outlook (WEO), the International Monetary Fund (IMF) revised down its global growth projection by 40 basis points (bps) for 2022 and by 70 bps for 2023 to 3.2 per cent and 2.9 per cent, respectively. In a downside scenario characterized by a drastic fall in energy imports from Russia, elevated and persistent inflation expectations and tighter financial markets conditions, global growth may fall further to about 2.6 per cent and 2.0 per cent in 2022 and 2023 respectively7 (Table 1).

Table 1: GDP Growth Projections – Select AEs and Emerging Market Economies (EMEs)

(Per cent)

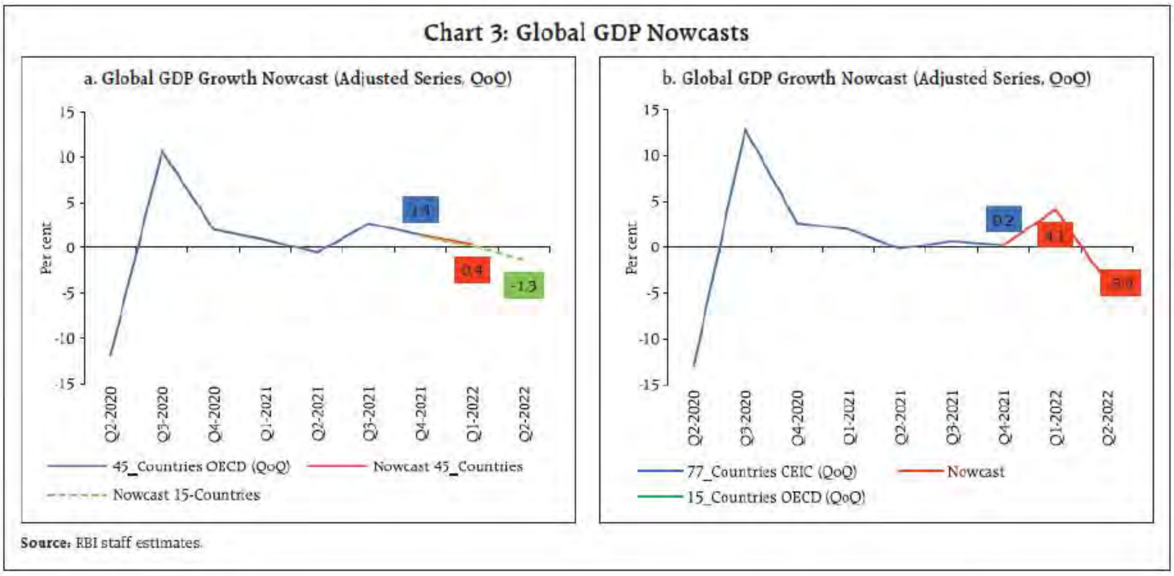
Country	2022		2023	
	April 2022*	July 2022*	April 2022*	July 2022*
World	3.6	3.2	3.6	2.9
Advanced Economies				
US	3.7	2.3	2.3	1.0
UK	3.7	3.2	1.2	0.5
Euro area	2.8	2.6	2.3	1.2
Japan	2.4	1.7	2.3	1.7
Emerging Market Economies				
Brazil	0.8	1.7	1.4	1.1
Russia	-8.5	-6.0	-2.3	-3.5
India	8.2	7.4	6.9	6.1
China	4.4	3.3	5.1	4.6
South Africa	1.9	2.3	1.4	1.4

*: Month of projection.
Source: IMF.

(Source: RBI bulletin August 2022, Volume LXXVI Number 8)

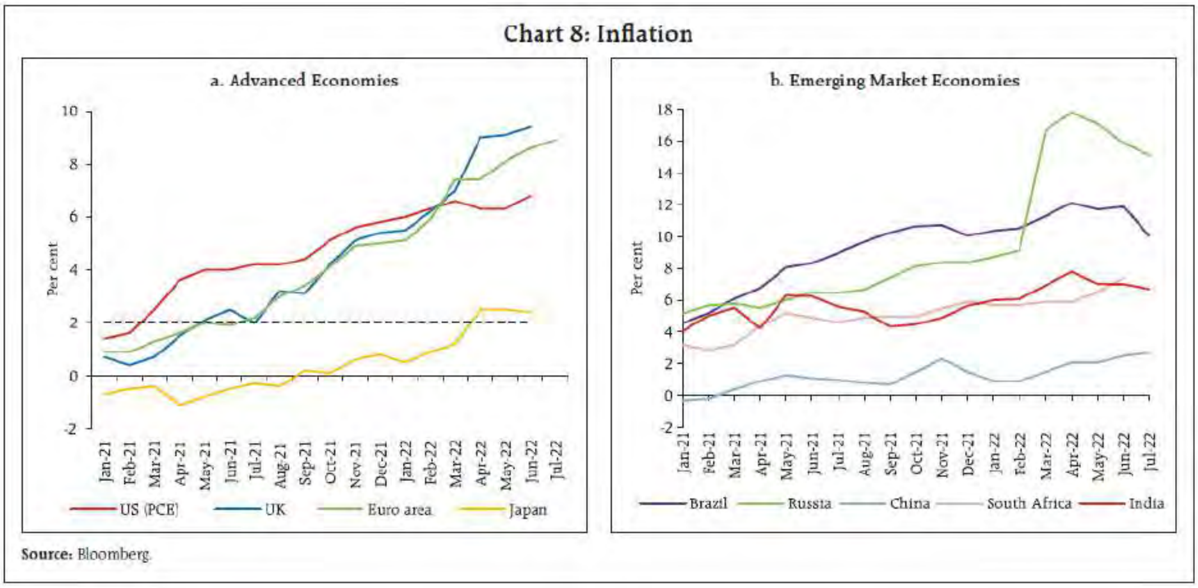
The updated nowcasts of global GDP for Q2:2022 point to global growth momentum entering the contractionary zone.

This is also reflected in the movement of high frequency indicators.



(Source: RBI bulletin August 2022, Volume LXXVI Number 8)

In spite of the moderation in commodity prices and supply chain pressures, the globalisation of inflation and its persistence remains the major fault line in the evolving global outlook. In July 2022, the IMF revised up its inflation projection by 0.9 percentage points for AEs to 6.6 per cent and by 0.8 percentage points for emerging market and developing economies (EMDEs) to 9.5 per cent (relative to projections in the April 2022 WEO), driven by food and energy prices as well as supply-demand imbalances.



(Source: RBI bulletin August 2022, Volume LXXVI Number 8)

Overview of the Indian economy:

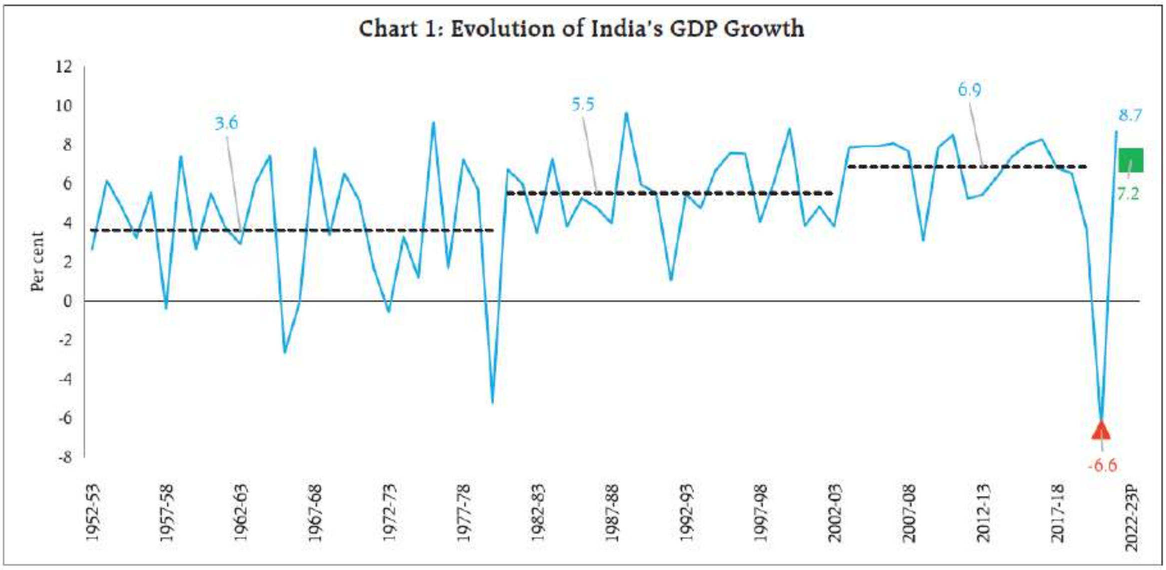
The Indian economy has naturally been impacted by the global economic situation. We have been grappling with the problem of high inflation. Financial markets have remained uneasy despite intermittent corrections. Nevertheless, with strong and resilient fundamentals, India is expected to be amongst the fastest growing economies during 2022-23 according to the IMF, with signs of inflation moderating over the course of the year. Export of goods and services together with remittances are expected to keep the current account deficit within sustainable limits. The decline in external debt to GDP ratio, net international investment position to GDP ratio and debt service ratio during 2021-22 impart resilience against external shocks.

Domestic economic activity is exhibiting signs of broadening. The south-west monsoon rainfall and reservoir levels are above normal; kharif sowing is progressing well, although it is marginally below last year's level due to uneven rainfall distribution. On the demand side, indicators such as production of consumer durables, domestic air passenger traffic and sale of passenger vehicles suggest improvement in urban demand. Rural demand indicators, however, exhibited mixed signals – while two-wheeler sales increased, tractor sales contracted in June over a high base though.

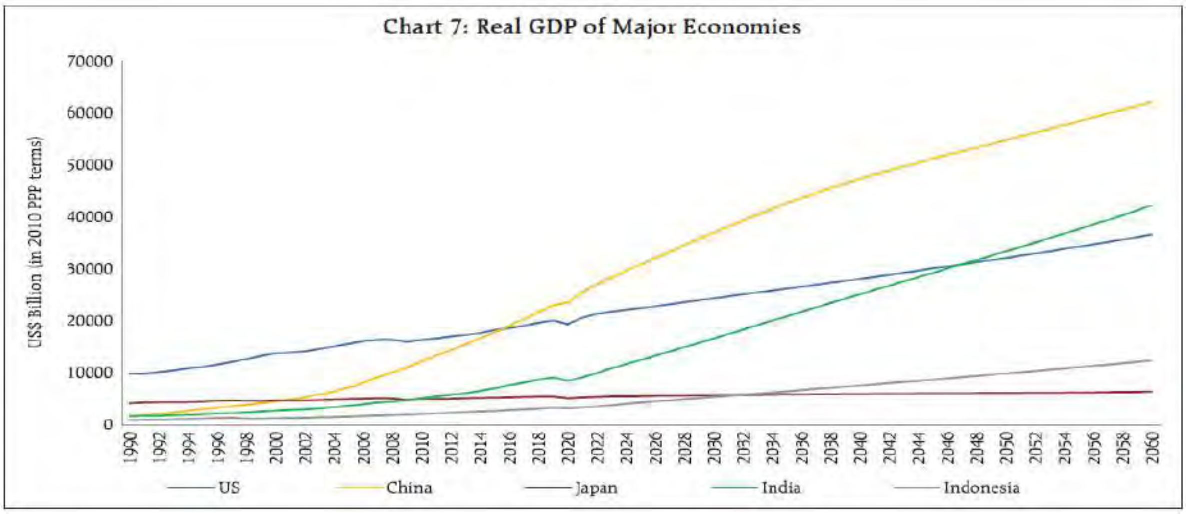
For the year 2022, the International Monetary Fund (IMF) projects global growth at 3.2 per cent in 2022, lower than 6.1 per cent in 2021. India is projected to grow by 7.4 per cent in 2022. In spite of the pandemic and the war in Europe, India is going to contribute about 14 per cent of global growth. In fact, India is likely to be the **second most important** driver of global growth in 2022 after China.

Currently, India is the third largest economy in the world in terms of purchasing power parity (PPP) terms, with a share of 7 per cent of global GDP [after China (18 per cent) and the US (16 per cent)].

The OECD's 2021 calculations indicate that the Indian economy will be overtake the US by 2048. This would make India the largest economy in the world after China.



(Source: RBI bulletin August 2022, Volume LXXVI Number 8)



(Source: RBI bulletin August 2022, Volume LXXVI Number 8)

Information given hereinafter is derived from the industry report titled "Macro-Economic Overview" released by

CRISIL Research as published in September 2022 in an "as is where is basis".

Macroeconomic outlook –

Macro variable	FY21	FY22	FY23P	Rationale for outlook
Real GDP (%, y-o-y)	-6.6	8.7	7.3	Downside risks to GDP growth have risen on account of surging commodity prices and global supply disruptions. That said, growth will receive support from improving growth in contact-based services and pickup in investments.
Consumer price index-linked (CPI) inflation (%, y-o-y)	6.2	5.5	6.8	CPI inflation is expected to rise to 6.8%, on average, this fiscal compared with 5.5% in the previous year. Inflationary pressures are rising and becoming broad-based, driven by elevated commodity prices and persistent supply shocks A wide-ranging surge in prices of food, energy and industrial commodities has raised cost pressures for Indian producers further, marking the second year of elevated input costs. Producers will try to pass on these cost pressures to consumers, which will raise core inflation
Current account balance/ GDP (%)	0.9	-1.2	-3.0	India's trade and current account deficit are expected to widen in fiscal 2023 as imports of crude and commodities remain sticky, exports slow in response to slowing global growth and import prices rise faster than export prices Surging international commodity prices, in particular crude oil, will push up import vis-à-vis the export growth on account of impact in global growth
Rs/$.	72.8	76.2	78.0	The rupee is likely to depreciate further due to higher energy prices, widening current account deficit, and rate hikes by the United States Fed resulting in capital outflow. However, with the Reserve Bank of India's intervention in the forex markets assisting in managing volatility, a sharp depreciation in the rupee may be avoided though it could face volatility in the near term so long as geopolitical tensions persist

Note: P – Projected
Source: RBI, NSO, And CRISIL Research

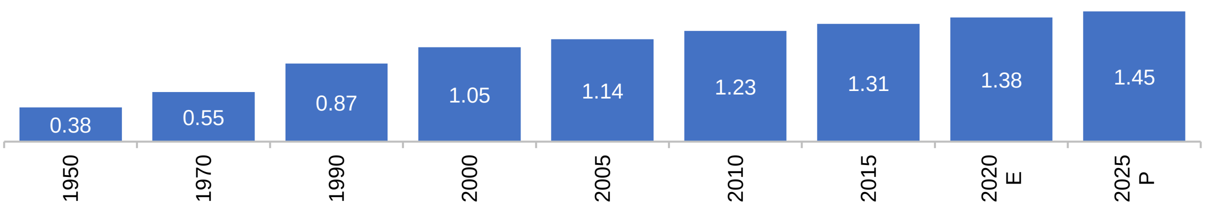
Indigenous advantages to result in stronger economic growth rate in the longer term

India has the second-largest population in the world

As per Census 2011, India's population was 1.2 billion, comprising nearly 246 million households. The population increased by more than 181 million during 2001-2011 and is expected to increase to 1.45 billion by 2025.

India's population growth trajectory

(billion)



Source: United Nations Department of Economic and Social affairs, CRISIL Research

Favourable demographics:

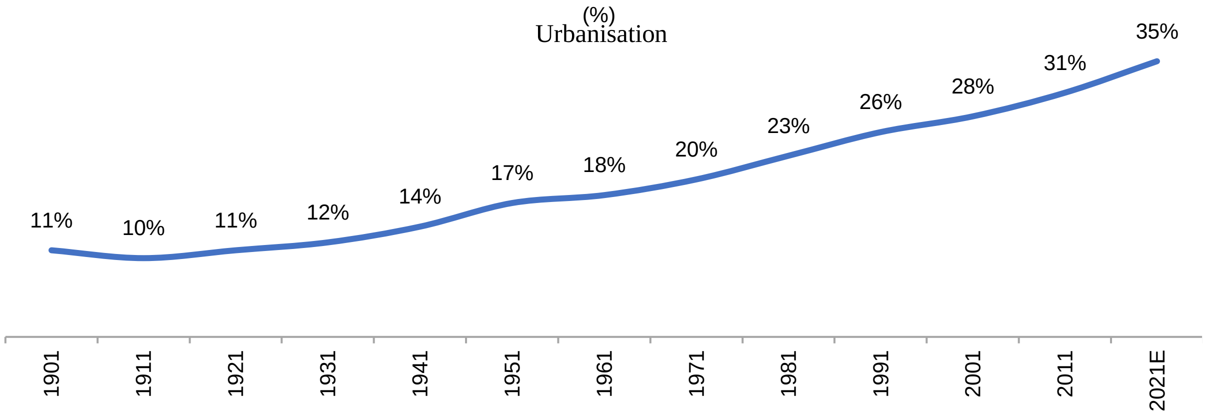
India is also one of the nations with the highest young population, with a median age of 28 years. About 90% of Indians are aged below 60 years. CRISIL Research estimates that 63% of this population is aged between 15 and 59 years. We expect that the existence of a large share of working population, coupled with rapid urbanisation and rising affluence, will propel growth of the Indian financial services sector.

Rise in urbanisation:

Urbanisation is a key growth driver for India, as it leads to faster infrastructure development, job creation, development of modern consumer services and the city's ability to mobilise savings. The share of urban population in total population has been consistently rising over years and is expected to reach 35% by 2021 from 31% in 2011, spurring more demand.

Urban consumption in India has shown signs of improvement and given India's favourable demographics coupled with rising disposable incomes, the trend is likely to continue and drive economic growth for the country.

Urbanisation in India:



Source: United Nations Department of Economic and Social affairs, IMF

Overview on NBFC sector -

Inflation surprised on the upside and so did the Reserve Bank of India (RBI) with its mid-cycle rate hike of 40 basis points (bps) in May 2022 and 50 bps each in June & August 2022. The rate hike by RBI was not telegraphed but became unavoidable due to broad basing of inflationary pressures as well as rising risks of capital outflows and currency volatility. Following the rate tightening action, both CPI and WPI inflation for July printed at relatively lower (but higher than the RBI's tolerance level) of 6.71% and 13.93%, respectively. Interestingly, economic activity was quite robust for August: Purchasing Manager's Index (PMI) for manufacturing and services was in expansion zone at 56.2 and 57.2, respectively, and exports grew cumulatively by 17.12% (y-o-y) during April-August, 2022. Some of the downside risks that have contributed for GDP growth projections to be at 7.3% for fiscal 2023 are slowing global growth, persistent high crude prices and rising domestic interest rates.

Recent data indicates strong growth in banking credit to retail and MSME verticals

Non-food credit in July 2022 grew by 15.1% on YoY basis indicating strong recovery across all lending verticals. However, it should be noted that growth was led by strong rebound in retail and MSME lending which grew by 18.5% & 24.2% on YoY basis respectively which is a significant growth over the low base of last year. This clearly indicates strong recovery in underlying sub verticals of retail and MSME lending sectors as evident in broad based normalization of economic activity. Given that banking sector leads MSME lending with a market share of ~80%, robust growth in the first four months of fiscal 2023 indicates strong demand in MSME sector.

Strong demand, increased prices and exports support growth in MSME sector translating in lending growth

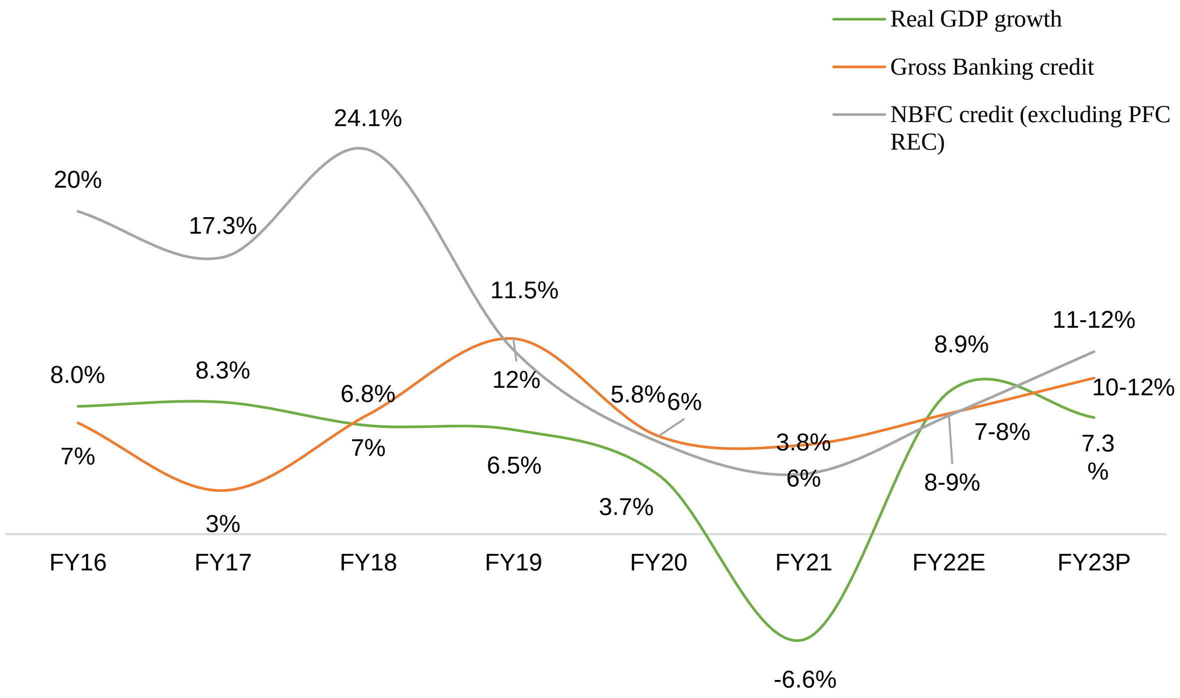
In fiscal 2021, when corporate India revenue declined by 1%, MSMEs witnessed steeper decline of 6-8%. In fiscal 2022, though corporate India grew at 22-24%, MSME recovered at a slower pace of 18-20% as compared to them. MSME industry revenues surpassed pre-covid levels in fiscal 2022 thanks to healthy exports, higher commodity prices and increased healthcare demand due to pandemic. Industry is expected to continue growing at a healthy pace of 9-11% in fiscal 2023. Growth will be led by construction and consumption verticals growing at 10-15% and 12-17% on-year respectively. Government's focus on infrastructure for economic revival will aid construction vertical. Economic activity uptick will fuel transport operator revenues while higher enrolment will aid coaching classes in consumption services vertical. Improved domestic demand and rising Production Linked Incentive scheme investments will propel auto components and electronics sector which will drive growth in industrial vertical. Further, over 40% of MSME sectors in terms of market size is expected to outperform average industry growth in fiscal 2023. (Source: CRISIL Research)

Information given hereinafter is derived from the industry report titled "NBFC Report 2021" (June, 2022 update) prepared by CRISIL Research in an "as is where is basis".

Overview on NBFC sector -

NBFC segment to grow at 11-12% in fiscal 2023, with revival in the economy –

NBFC growth to be led by retail segments during fiscal 2023 –

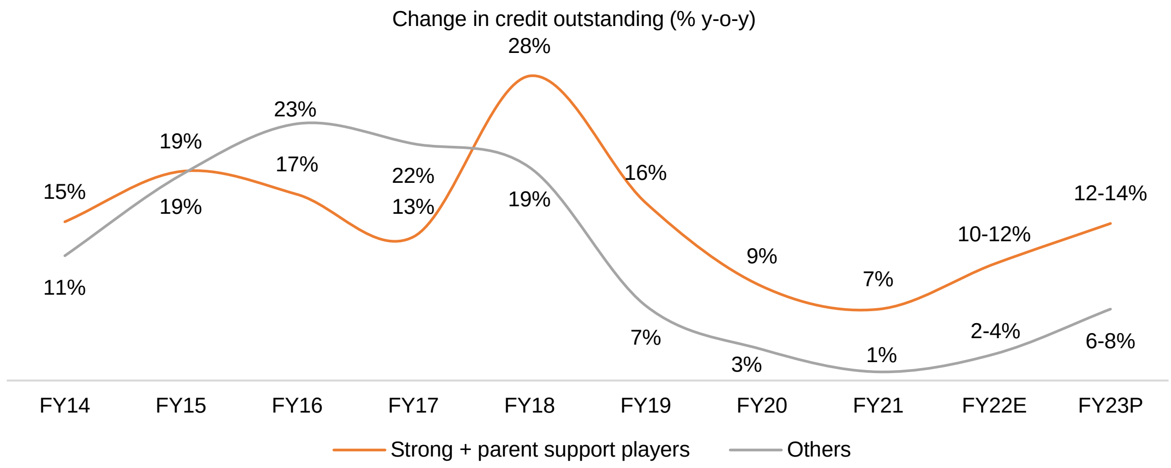


Source: RBI, National Housing Bank, Ministry of Finance, Company reports, CRISIL Research

The overall NBFC outstanding book is estimated to aggregate to ~Rs 25 trillion as of March 31, 2022 and is projected at ~Rs. 28 trillion as of March 31, 2023. With the visible recovery in economic activities across most lending verticals, overall NBFC credit is expected to grow at 11-12% during fiscal 2023 following an estimated growth at 7-8% during fiscal 2022. The growth will be mainly driven by retail vertical including housing, gold and auto segment. Rapid revival in the economy is expected to drive the consumer demand this fiscal leading to a healthy growth for NBFCs in fiscal 2023. Players have been mentioning about pick-up in the disbursements since second half of fiscal 2022, with the trend expected to continue in fiscal 2023.The asset quality is expected to improve on account of normalcy in economic activities and improved collection efficiency. However, the impact on asset quality due to the slippages from the restructured portfolio and impact of revised NPA classification norms by RBI remains monitorable.

NBFCs logged a healthy CAGR of 14% over fiscals 2016 to 2020. However, their book grew at a slower rate of 5.8% during fiscal 2020 mainly due to the liquidity and funding shortages that started after the IL&FS default in mid of fiscal 2019 and continued during fiscal 2020. With the outbreak of Covid-19, the growth in the loan book slowed down to 4% in fiscal 2021. In fiscal 2022, with the impact of second wave in the first quarter, the estimated growth seen by NBFC’s was 7-8%, and is expected to follow an upward trend of 11-12% in fiscal 2023.

Strong players are expected to continue outpacing rest of the industry in fiscal 2023



Note: Strong players here indicate 11 players with large market share and have strong parental support

Source: RBI, National Housing Bank, Ministry of Finance, Company reports, CRISIL Research

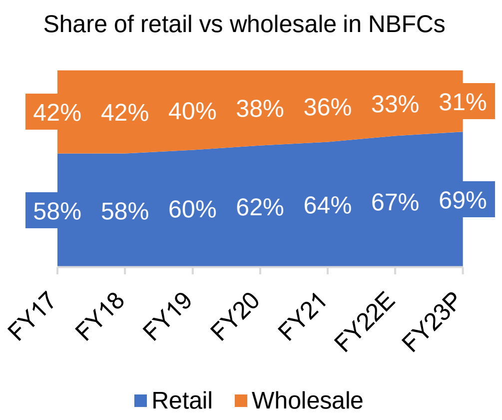
Prior to fiscal 2018, smaller NBFCs were aggressively expanding both in terms of market penetration and lending across asset classes, which led to rising asset quality concerns. After the NBFC crisis in fiscal 2019, smaller NBFCs slowed down their lending activity and focused on improving their asset quality and shifting to retail segments which are less risky.

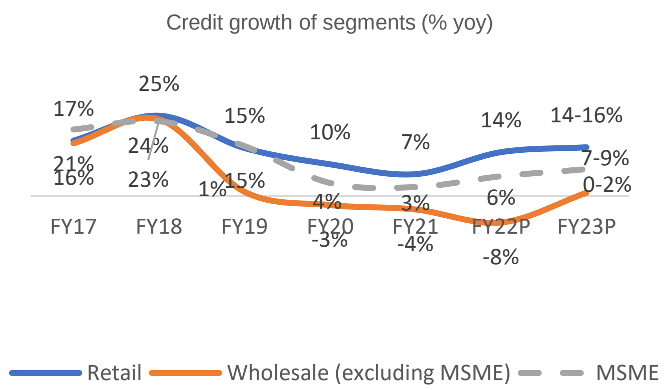
Meanwhile, prime NBFCs with strong parental support, which have robust balance sheets, healthy liquidity and better ratings started growing at a higher pace. In fiscal 2022, larger NBFCs have been able to grow at 10-12%, while growth of other NBFCs has slowed down and have grown at a rate of 2-4%. In the coming fiscal 2023 a similar trend of stronger NBFC's outperforming others is expected with these players growing at 12-14% and others are expected to see a pickup in growth at 6-8%.

The strong players held a market share of 50% in fiscal 2014, which declined to 48% in fiscal 2018 and are estimated to hold ~58-62% in fiscal 2022. With faster growth, they are expected to gain around 100-200 bps market share by fiscal 2023.

Retail segment, which showed resilience in fiscal 2021 and 2022 to drive growth again this fiscal

Retail segment gaining share due to risk averseness by the lenders





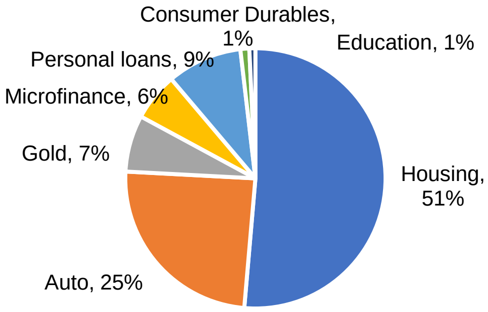
Note: 1) Retail includes housing, auto, gold, microfinance, personal loans, consumer durables and education

2) Wholesale includes MSME, real estate and large corporate, infrastructure (excluding PFC and REC) and construction equipment

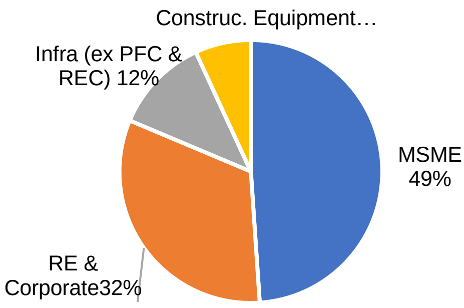
Source: Industry, CRISIL Research

The retail segment is again expected to support NBFC sector growth by growing at 14-16% in fiscal 2023 as against stunted growth in the wholesale segment of 4-6%. The segment is expected to gain market share of 69% by the end of fiscal 2023, from 67% as of fiscal 2022. After NBFC crisis, the growth in the NBFC segment has been mainly led by retail segment, while wholesale segment has shown muted performance since fiscal 2020 until fiscal 22 but is expected to see a reversal in fiscal 23 with slow recovery.

Breakup of Retail vs. Wholesale Segment in fiscal 2022



Retail break-up (FY22E)



Wholesale break-up (FY22E)

E: Estimated

Source: Industry, CRISIL Research

Growth in fiscal 2023 to be led by housing, auto, gold and microfinance

	Change in credit at NBFCs (% yoy)			
	CAGR FY16-20	FY21 y-o-y	FY22E y-o-y	FY23P y-o-y
Housing	13%	7%	13%	13-15%
Auto (all segments)	12%	3%	4.6%	6-8%
Gold	14%	27%	8%	11-13%
Microfinance	39%	11%	18.6%	15-20%
Consumer durables	18%	-10%	27%	25-30%
MSME	16%	3%	6%	7-9%
Corporate, real estate	14%	-6%	-7%	0-1%
Infrastructure (ex PFC REC)	-1%	5%	-14%	3-5%

Note: Red colour: < 5%; Amber colour: 5-10%; Green colour: > 10%;

Source: Company Reports, CRISIL Research

Housing finance: Housing book at HFCs grew at a healthy compounded annual growth rate (CAGR) of 15% from fiscal 2015-2020 which was led by increasing demand from Tier II and III cities, rising disposable incomes, and government initiatives such as Pradhan Mantri Awas Yojana, interest rate subvention schemes, and fiscal incentives. In fiscal 2021, due to onset of pandemic growth slowed down in first half, however there was a faster-than-envisaged revival in the second half of the fiscal supported by RBI, and the Centre and state governments providing impetus which led to 7% growth for fiscal 2021. The second Covid-19 wave impacted disbursements in the first quarter of fiscal 2022, however, with income levels of salaried customers largely intact and home loan rates at historical low during fiscal 2022, disbursements rebounded in the second half of fiscal 2022. With the visible recovery across most sectors and increasing demand for housing, CRISIL Research expects the NBFC housing credit to grow at 13-15% for fiscal 2023 following a healthy growth of 13% during fiscal 2022.

Auto finance saw a growth of 4.6% is fiscal 2022, driven mainly by asset growth in the PV and CV segments. This was primarily led by increase in sales post two consecutive fiscals of decline. Book growth in fiscal 2023 will be led by growth in sales across all asset classes, along with an ease in chip shortages. Customers who have been deferring their purchasing decisions due to pandemic, will be opting for the same in fiscal 2023, leading to demand from the replacement front as well. Along with a healthy book growth, segments are expected to see further price growth as well in fiscal 2023, leading to disbursements growth rebounding in fiscal 2023.

Microfinance sector grew by ~19% in fiscal 2022. Disbursements in second half of fiscal 2022 grew by 11% over second half of fiscal 2021, and by more than 80% on a sequential basis over first half of fiscal 2022 as the second wave did not pose any significant stress in the industry. The gross loan portfolio will continue to grow at 15-20% range in fiscal 2023, driven by pick-up in economic activity, and collection efficiencies back to 97-98% levels for most of the major players.

MSME: This sector witnessed high impact of the first and second wave of the pandemic in fiscal 2021 and in first quarter of fiscal 2022 respectively. With sector's close linkage to economic activities, the magnitude of impact was significant due to frequent lockdowns and restrictions which impacted demand and supply. During the first half of the fiscal 2022, MSME book remained flat, however with the improving economic condition and the mild third wave assisted in the revival of MSMEs in second half of fiscal 2022. It has been observed that MSME book has grown faster in comparison to the overall wholesale book (including MSME) due to increased demand and businesses returning to normalcy. CRISIL Research expects the outstanding book of NBFCs in the MSME segment to grow at 7-9% in fiscal 2023 following an estimated growth of 6% in fiscal 2022.

Real estate and Corporate: Lower disbursements resulted in degrowth of 6% at NBFCs in fiscal 2021. Going forward, the wholesale segment at NBFCs is estimated to witness a further decline on account of stress in the real estate and corporate sectors with many players have announced strategies to reduce their exposure to real estate segment. CRISIL Research estimate the NBFCs wholesale segment to remain muted or grow marginally at 0-1% for fiscal 2023 following a further de-growth of 7% during fiscal 2022.

Infrastructure including PFC and REC: With the segment majorly dominated by PFC and REC, growth in fiscal 2022 has been to the tune of (0-2%) compared to 11% growth seen in fiscal 2021. This is primarily due to the fall in disbursements seen in second half of fiscal 2022, which saw a growth in fiscal 2021 primarily due to the Atmanirbhar led disbursements by both PFC and REC to power distribution companies. For fiscal 2023, CRISIL Research expects the book to grow at 3-5%, led by investments in the renewable segments of solar and wind energy, along with further investments into conventional power transmission and distribution. Growth will also be driven by investments into National Highways, State and Rural Roads.

(Source: CRISIL Research)

Asset quality to see a gradual improvement

		GNPA FY21	Stressed Assets FY22E	Stressed Assets FY23P
Retail	Housing	1.7%	3.5-3.6%	2.6-2.7%
	Auto (all segments)	6.3%	10-11%	8-9%
	Gold	1.2%	1.3-1.5%	1.2-1.4%
	Micro Finance	5.4%	14-15%	10-11%
Wholesale	MSME	7-9%	8-10%	8-10%
	Real estate, Corporate	n.m	n. m	n. m
	Infrastructure (including PFC REC)	5.1%	5-6%	4-5%

Note: 1) Stressed advances refer to both GNPA and estimated segmental restructuring amounts put together

2) Green colour: < 2.5%; Amber colour: 2.5-7.5%; Red colour: > 7.5%

3) Stressed assets in Real estate and Corporate loans are not meaningful due to addition of contractual moratorium, DCCO extension, one-time restructurings

Source: Company Reports, CRISIL Research

The second wave adversely affected the fragile recovery witnessed in the fourth quarter of last fiscal and had affected the collection efficiencies across asset classes in first quarter of fiscal 2022. The collection efficiency, however, has seen a recovery since second half of fiscal 2022 and most segments have reported collection efficiencies back to pre-pandemic levels.

With the NPA standstill provision lifted in March 2021, gross non-performing assets (GNPAs) in segments such as auto, microfinance and MSME have spiked as of March 2021 and further impacted in the first quarter of fiscal 2022. However, the impact was not as severe as compared to the first wave, and players across segments have reported improvement in GNPAs from the second quarter.

The relief measures from government and RBI such as moratorium and restructuring provided a breather to all customers and industries in fiscals 2021 and 2022. After a moratorium of six months (between March 2020 and August 2020), accounts that were stressed because of the Covid-19 outbreak (and were standard as of February 29, 2020) were eligible for a one-time restructuring (OTR) under the RBI's Resolution Framework. Stressed customers whose incomes were hit hard due to economic slowdown have opted for restructuring. With second wave shattering the growing economy once again, the RBI has introduced second phase of restructuring in May 2021:

- Borrowers, i.e., individuals, small businesses and MSMEs, having aggregate exposure of up to Rs 25 crore, and who have not availed of restructuring under earlier frameworks (including Resolution Framework 1.0), and who were classified as 'standard' as on March 31, 2021, will be eligible under Resolution Framework 2.0. Restructuring under the proposed framework can be invoked up to September 30, 2021, and will have to be implemented within 90-days post invocation
- With respect to individual borrowers and small businesses who have availed loan restructuring under Resolution Framework 1.0, where the resolution plan permitted a moratorium of less than two years, lending institutions are permitted to use this window to modify such plans to the extent of increasing the period of moratorium and/or extending the residual tenure up to two years

Retail segments like housing and gold loans will be least impacted in fiscal 2022 as well, whereas MSME and real estate loans will take a bigger hit because of the vulnerability of the underlying borrower class.

Housing segment is expected to perform relatively better, as salaried class which is the primary customer profile of housing loans are not majorly affected this time during both pandemic years. Further, the GNPAs of fiscal 2022 is estimated to have increased marginally on account of inherent stress in economically weaker sections (EWS) and low-income group (LIG) customers and implement of the new NPA recognitions norms basis RBI circular dated November 12, 2021. The applicability of circular is from September 2022; however, companies have proactively been transitioning to new classification norms. CRISIL Research estimated the portfolio under stress (OTR 1.0 and 2.0) for individual housing loans to be in range of 1.6-1.7% as of March 2022.

Auto Finance GNPAs have improved for most of the players in second half of fiscal 2022, due to improvement in borrower repayment levels as the economic activities inched back to normalcy. The top four players have seen their GNPAs fall by ~130 bps on a sequential basis to 6.6%, in fourth quarter fiscal 2022 over third quarter fiscal 2022. However, we expect some amount of OTR related stress to still persist amongst the players. Amongst the players we analyse, around 3.3% of their total book is under restructuring as on fourth quarter of fiscal 2022. This along with additional stress on account of implementation of new NPA recognitions norms basis RBI circular dated November 12, 2021 has led to stress being in the range of 10-11%. CRISIL Research expect the stressed assets for fiscal 2023 to be in the range of 8-9%.

Microfinance players have seen their collection efficiencies to be back to pre-covid levels from third quarter of fiscal 2022. The same can be reflected in their GNPAs as well, where top three players in the segment have reported fall in GNPA levels on a sequential basis in fiscal 2022. The industry GNPA in fiscal 2022 stood at 6% levels. The collection efficiency of major players have come back to pre-pandemic levels of 97-99%. However, there is a significant portion of the book of these players which is currently under restructuring. That, coupled with some incremental stress due to the regulatory impact, we expect the stressed assets in fiscal 2022 to be around 14-15%. With a fall in GNPA levels in fiscal 2023, and a portion of the book moving out of restructuring, CRISIL Research expects the GNPA in fiscal 2023 to reduce to 4-5% levels, and overall stress to be in the industry to be in the range of 10-11%.

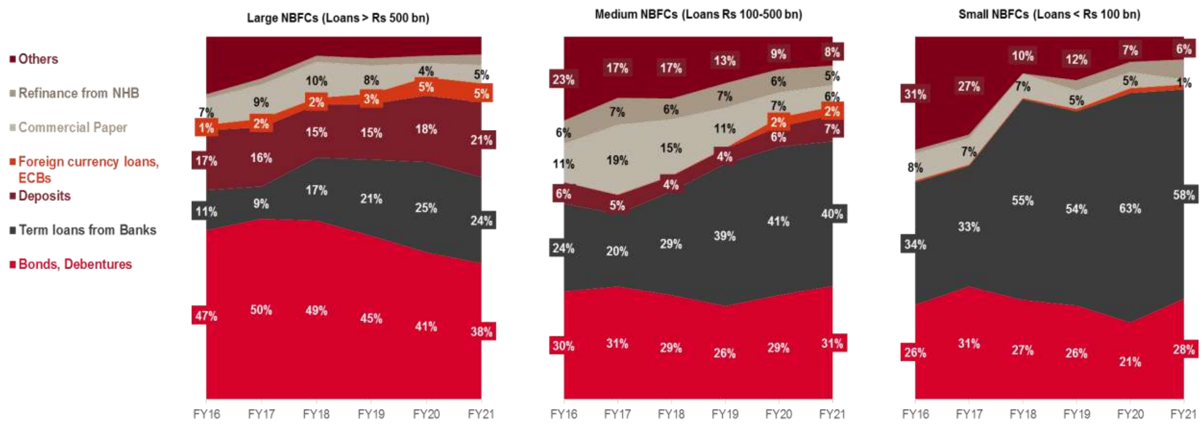
MSME: In fiscal 2021, GNPAs are expected to have reached 7-8% due to increased stress in the MSME borrowers, who were hit the hardest due to Covid-19. Further in first quarter of fiscal 2022, second wave of pandemic again impacted the economic activities in turn leading to increase in stress in MSME segments. However, the impact on asset quality was cushioned by the OTR 2.0 announced by RBI in May 2021. With improvement in economic activities and mild impact of waning pandemic, CRISIL Research expects the asset quality stress (GNPA and restructuring) to be in range of 8-10% for fiscal 2022 and 2023.

Real estate and Corporate: Overall stress in the real estate and corporate segment is highest compared to other segments. CRISIL Research estimates overall stress in the wholesale book to be high. This includes contractual moratorium, book under extension by "date for commencement for commercial operations (DCCO) extension" and book that is estimated to have opted for one-time restructuring.

(Source: CRISIL Research)

Banks continue to gain share in borrowing mix of NBFCs

Bonds, debentures remain largest source of funds for large NBFCs, while small NBFCs depend on term loans



Source: Company Reports, CRISIL Research

Large NBFCs (with loan book > Rs 500 billion) are largely dependent on bonds & debentures for their funding requirements, due to strong performance as well market presence for these NBFCs. However, after NBFC crisis in fiscal 2019, the share of bonds in the borrowing mix has been declining and currently stood at 38% in fiscal 2021, compared to 50% in fiscal 2017.

Meanwhile medium sized NBFCs and small NBFCs largely depend on term loans as their principal source of borrowing mix. In addition, majority of the small NBFCs are non-deposit taking. Share of term loans increased rapidly in small and medium NBFCs after the crisis, which hit these NBFCs the hardest, compared to large NBFCs.

Liquidity issues in the domestic market have led to some large NBFCs tapping overseas funding options through the external commercial borrowing (ECB) route, leading to ECBs holding a 5% share in borrowing mix compared to 2% in fiscal 2017.

In addition, short term borrowings from commercial paper have been reducing across all NBFCs and are being replaced by borrowings from NHB (in case of HFCs) and short term loans from banks.

Going forward, bank funding to NBFCs is expected to continue, given the higher liquidity with banks and the limited lending opportunities until growth revives. This will result in banks gaining further share in borrowing mix across all NBFCs.

(Source: CRISIL Research)

Lower credit cost to improve ROAs in fiscal 2023

Note: The above ratios are calculated on average total assets

Source: Company Reports, CRISIL Research

Decrease in the credit cost, with improved net interest margin to be the key reason for increase in profitability across segments in fiscal 2023. With credit costs expected to decline across all segments the RoA is expected to improve following slight improvement in net interest income as well.

The yield in the retail segments are expected to go up during fiscal 2023 due to increasing interest rates. It should be noted that, the Reserve Bank of India has already hiked policy rate by 90 bps in the first quarter of fiscal 2023. In addition, 75 bps increase is expected in rest of the quarters with front loading of interest rate hike.

Housing: The yield on advances reduced by 70-80 bps during fiscal 2022 on account of home loan rates at a historical low (starting from 6.5%) and heightened competition from banks. The RBI having maintained an accommodative stance during fiscal 2022 and no increase in repo assisted in reduction in the cost of borrowing by 40-50 bps. This narrowed the spreads and lowered return on assets to 1.7% in fiscal 2022. CRISIL Research expects yield on assets to improve vis-à-vis the increase in weighted average cost of funds at a slower pace (due to structure of the borrowing mix), translating into improvement in margins and return on assets to 2.6% and 2.2% respectively, in fiscal 2023.

Auto: With the recent revision in repo rates by the RBI, yields and cost of borrowings for NBFCs are expected to rise as compared to fiscal 2022. The expected rise in borrowing cost is ~70 bps as against yields likely to increase by 80-90 bps giving leverage to players on account of borrowing mix. NIMs for most of the players have remained stable in fiscal 2021 and 2022. Almost all players have seen their credit costs fall by 80-100 bps from fiscal 2021 to fiscal 2022. CRISIL Research expects the same in fiscal 2023 as well, where credit costs will fall further to 2019 levels. Due to this, the ROA in this segment is expected to improve in fiscal 2023, and inch closer to pre pandemic levels

Securitisation clocks Rs 1350 billion, but remains below pre-pandemic levels

CRISIL-rated securitisation transactions have shown tremendous resilience during the last two years that have been impacted by various waves of the pandemic. Despite bouts of tremendous stress on underlying borrowers in pools, there were very few downward rating actions. During the times when collection ratios were dented severely, credit enhancements (provided initially) came to the fore to iron out the collection shortfalls. These were subsequently replenished as a large majority of the rated transactions have witnessed smart recoveries and returned to performance on expected trajectory.

The securitisation market saw increased activity in the fourth quarter of fiscal 2022, with volume crossing Rs 50,000 crore. That took the cumulative value of loan assets securitised last fiscal to Rs 1.35 lakh crore, a good 50% higher compared with around Rs 90,000 crore in fiscal 2021. That compares with the pre-pandemic volume of ~Rs 1.9 lakh crore seen fiscals 2019 and 2020.

Disbursements also picked up, necessitating incremental funding requirements. More than 130 financing entities securitised their assets in the past 12 months. Investors such as mutual funds and foreign-owned financing entities, which were chary in the recent past, picked up such securitised instruments.

Within asset-backed securitisation (ABS), commercial vehicle (CV; 25%), gold (10%) and two-wheeler (2%) loans remained important asset segments. In addition, microfinance loans drew traction, comprising 10% of volume, especially in the last quarter of fiscal 2022, amid indications of resilience among low-ticket size borrowers.

(Source: CRISIL Research)

Housing finance – Industry overview -

The housing finance sector in India comprises financial institutions (FIs), scheduled commercial banks, scheduled cooperative banks, regional rural banks, agriculture and rural development banks, housing finance companies (HFCs), state level apex co-operative housing finance societies, NBFCs, MFIs, and self-help groups.

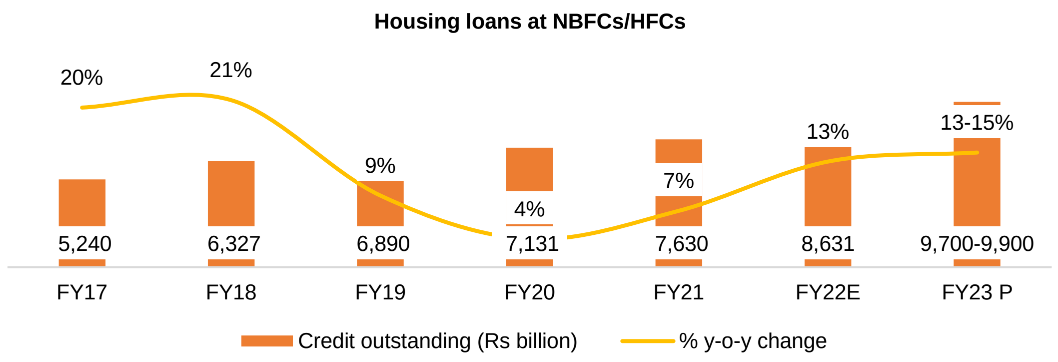
In the past, demand for home loans rose on account of increasing demand from tier-II and tier-III cities, rising disposable incomes, and government steps, such as interest rate subvention schemes and fiscal incentives.

Housing finance to continue growth momentum in fiscal 2023

Housing finance segment is estimated at Rs 24,524 billion as of fiscal 2022, of which housing loans at non-banking finance companies (NBFCs), including housing finance companies (HFCs), stood at Rs 8,631 billion, 13% higher on-year.
Increased affordability on account of stable property rates, improved annual income of individual borrowers over the past 4-5 years, coupled with historically low interest rates provided substantial growth opportunities for the housing finance segment over the last two years. The second wave of Covid-19 impacted disbursements in the first quarter of fiscal 2022 to 40-60% decline in disbursement vis-a-vis fourth quarter of fiscal 2021. However, with income levels of salaried customers largely remaining intact and home loan rates hovering at historical low during fiscal 2022, disbursements rebounded in the second half of fiscal 2022.

With the visible recovery across most sectors, growth is expected to continue further in fiscal 2023 also supported by the pent-up demand for housing with individuals working from home accelerating the decision to own a house or purchase a larger unit because of deteriorating but still favourable affordability. CRISIL Research forecasts the HFCs / NBFCs housing credit growth at 13-15% for fiscal 2023 following a healthy growth of 13% during fiscal 2022. However, new Covid-19 waves and regulatory changes can pose downside risks in fiscal 2023.

Housing credit to continue the growth momentum in fiscal 2023



Note:1. E: Estimated; P: Projected
2. The merger of HDFC Limited and HDFC Banks as announced by the management is under approval process and was not effective as of March 2022. Hence, the impact of merger is not considered for the analysis.

Source: Company reports, RBI, CRISIL Research

Home loans outstanding at NBFCs grew at a healthy 15% compound annual growth rate (CAGR) from fiscals 2015-2020. It was led by increasing demand from Tier 2 and 3 cities, rising disposable incomes, and government initiatives such as Pradhan Mantri Awas Yojana, interest rate subvention schemes, and fiscal incentives.

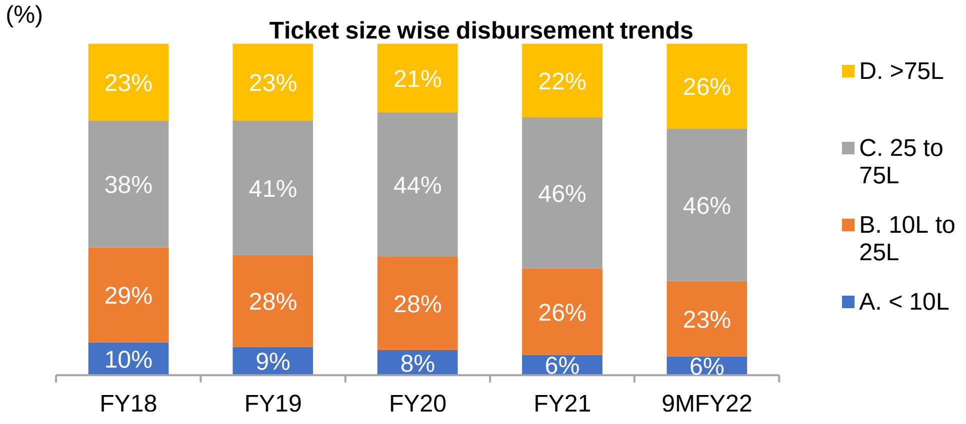
The pandemic and subsequent nationwide and local lockdowns took a toll on the economy in early fiscal 2021. Incomes were impacted too, especially for low-income group (LIG) and middle-income group (MIG) customers. With reduced disbursements in the first half of fiscal 2020, growth in housing loans outstanding of HFCs/NBFCs was low at 2% on-year as of September 2020 versus March 2020. However, there was a faster-than-envisaged revival in the third and fourth quarters of fiscal 2021, with the Reserve Bank of India (RBI), the Centre and state governments providing impetus. Real estate developers offered discounts and/or freebies, and a few states such as Maharashtra and Karnataka cut stamp duty on real estate. Home loan interest rates were also slashed to historic lows of 6.5% (starting rate). Therefore, NBFCs were able to clock decent 7% growth in fiscal 2021, despite gloomy indicators at the beginning of the fiscal. The first quarter of fiscal 2022 witnessed the second wave of pandemic affecting the credit growth, however, on account of improved affordability, pent-up demand and historically low interest rates the growth picked up significantly in second half of the fiscal leading to an estimated credit growth of ~13% in fiscal 2022.

On the asset front the share of top 10 cities in India is more than 35% in terms of outstanding retail housing finance loans. CRISIL Research expects the growth for the top 10 cities to be in range of 5-10% during fiscal 2023 following an estimated growth of 33-38% in fiscal 2022 (which was on account of lower base of fiscal 2021 and degrowth in the real estate segment since last few years). This coupled with an expected growth in capital values of 6-10% in fiscal 2023 and incremental construction in PMAY will support estimated housing loan growth of 13-15% during fiscal 2023.

(Source: CRISIL Research)

Mid-ticket gaining share over the years within NBFCs

Rs 25-75 lakh segment's share increased from 38% in fiscal 2018 to 46% in fiscal 2021

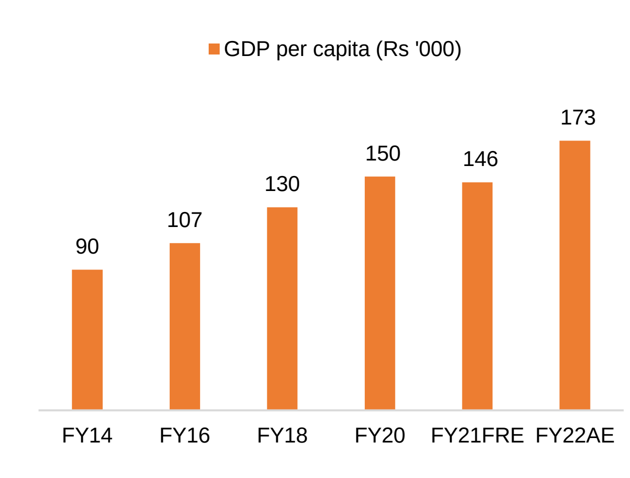
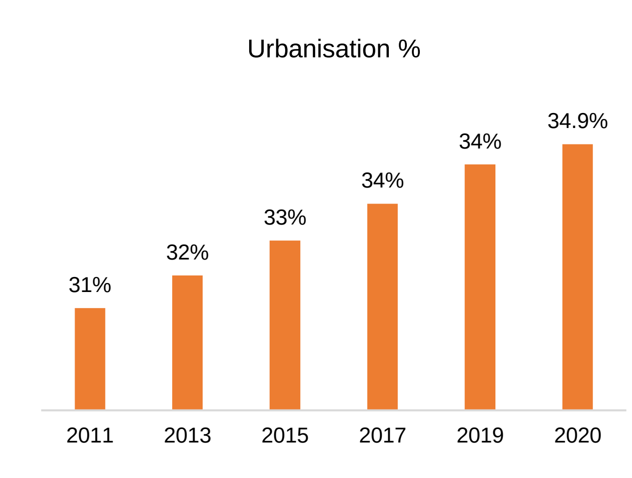


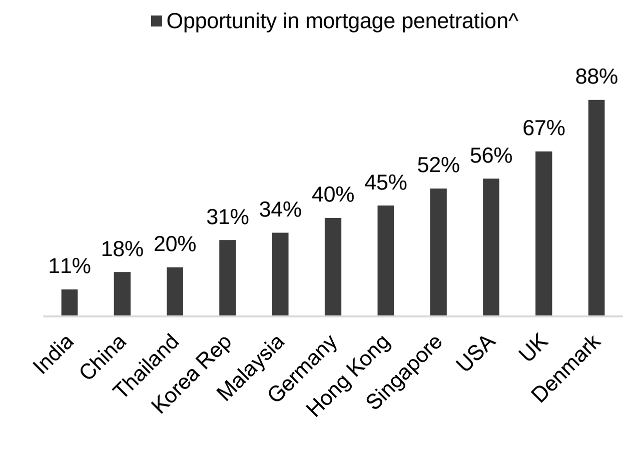
Note: 1. The ticket size wise share is calculated basis the value of loans disbursed during the coverage period. Source: Credit Bureau, CRISIL Research

Within the NBFC housing segment, the mid-ticket segment (in value terms), i.e., Rs 25-75 lakh, increased from 38% during fiscal 2018 to 46% during fiscal 2021 due to increased income levels of customers and improved affordability. Further, the loans with ticket size more than Rs. 75 lakh increased in fiscal 2022 by 400 bps on account of increase in demand for account of increase in demand in tier I cities as customer accelerating decision of buying home due to historically low interest rate and favorable affordability. However, in volume terms i.e., number of loans were concentrated in range of 65-70% for ticket size less than Rs. 25 lakhs during nine-month fiscal 2022

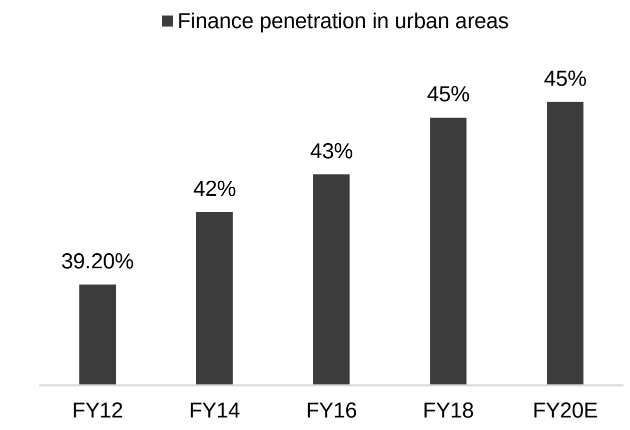
(Source: CRISIL Research)

Long term growth drivers of housing finance sector

Rising per capita income	Rapid urbanization
	
Rising income levels lead to higher disposable income, and, therefore, increasing affordability	Urbanisation increases number of nuclear families, leading to formation of more urban households
Significant opportunity in mortgage penetration	Increasing finance penetration



India's mortgage penetration, although low, is improving owing to ease of financing, tax incentives, and increasing reach of financiers



Rising demand of housing in tier II cities has aided financing penetration in such areas

^ India data is of fiscal 2021; others, it is for 2015
FRE: First revised estimate; AE: Advance estimate

Source: MOSPI, United Nations Department of Economic and Social Affairs, International Monetary Fund, European Mortgage Federation, Housing Finance Information Network, National Housing Bank, company reports, CRISIL Research

Auto finance – Industry overview

Growth to pick up with positive asset increase in all vehicle segments; asset quality back to pre-pandemic levels

Outstanding book (Rs billion)	Share (FY22E)	CAGR (FY16- FY21)	FY21	FY22E	FY23P
Overall	100%	13%	4%	6-7%	8-9%
NBFC	**46%**	**11%**	**3%**	**4-5%**	**7-9%**
Banks	54%	14%	5%	9.5-10.5%	9-10%

Source: CRISIL Research

Auto finance disbursements are expected to pick up by 14-16% this fiscal, backed by healthy growth in asset sale across all vehicle segments. Disbursements had taken a hit in fiscal 2021, and had remained muted for some segments in fiscal 2022 as well, due to the stress induced by the two Covid-19 waves. Disbursements in this fiscal will also be supported by the continued rise in vehicle prices, which had increased in the previous fiscals as well. That, along with a healthy offtake from the domestic front and the easing chip shortage, will ensure the industry clocks healthy disbursements.

Sales to grow across all vehicle segments

We expect vehicle sales to recover for all segments in this fiscal, given the normalising economy and replacement and pent-up demand driving volume growth.

The recovery in scooter sales will likely push two-wheeler volumes, with educational institutions and offices re-opening, more people commuting to office and urban income sentiment improving. The normal monsoon forecast is expected to support demand for motorcycles.

Tractors: Normal monsoons to boost tractor sales in this fiscal

- Asset trend: Tractor volumes are expected to rebound in fiscal 2023, after declining in the previous fiscal due to rising tractor prices amid price hikes taken by original equipment manufacturers, higher inventory at the dealer end, lower commercial demand, and negative farmer sentiment due to rising cost of cultivation.
- LTVs are expected to improve marginally as lenders have a positive sentiment towards the upcoming monsoon season and the ability of farmers to repay loans.
- FP is expected to improve marginally as well.

Disbursement growth for fiscal 2023

7-9%

Two-wheeler: Volumes to grow this fiscal, post two consecutive years of decline

- Asset trend: Post consecutive years of decline in wholesale domestic volumes since fiscal 2020, two-wheeler volumes are projected to improve ~3-8% in fiscal 2023.
- Volumes are expected to be driven by the recovery in scooter sales as educational institutions and offices re-open, more people commute to office, and urban income sentiment improves. The forecast for a normal monsoon is expected to support demand for motorcycles.
- LTVs are also expected to rise as two-wheeler prices will likely increase further in this fiscal, over and above the ~6% price rise in fiscal 2022.
- FP to also improve going forward.

Disbursement growth for fiscal 2023
18-20%

Source: CRISIL Research

Pent-up demand to drive revival in disbursements this fiscal

Vehicle finance segments	Disbursement YoY %					LTV	NBFCs share as of 2022
	FY20	FY21	FY22P	FY23P			
Passenger vehicle: new	-19%	-4%	25%	18%	↑	50 bps	21-22%
Commercial vehicle: new	-45%	-6%	46%	24%	↑	100 bps	57-60%
Two-wheelers	-10%	-5%	-6%	19%	↓	50 bps	64-65%
Three-wheelers	-12%	-64%	22%	48%		↔	42-44%
Tractor	-8%	22%	-2%	8%	↑	50 bps	53-55%
Passenger vehicle: used	3%	1%	15%	13%	↑	200 bps	23-25%
Commercial vehicle: used	5%	0%	11%	10%	↑	200 bps	89-90%

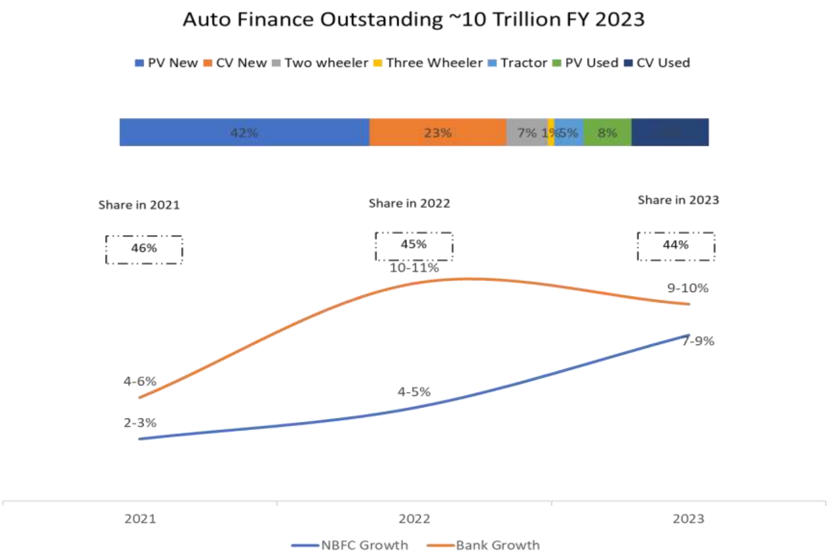
Note: The figure represents overall disbursement by banks and non-banking finance companies; LTV represents improvement from current levels; share of NBFCs: Red represents banks to gain market share over the medium term
Source: CRISIL Research

Going forward, repayments are expected to stabilise as collections reach pre-Covid levels. Player-wise disbursements have already recovered in the fourth quarter of fiscal 2022, with further asset sales in this fiscal likely to propel disbursements growth.

We expect the book growth of non-banking finance companies (NBFCs) to increase 7-9% on-year in this fiscal, supported by strong sales in CVs, PVs and the two-wheeler segment. Banks have a larger presence in the retail segment with a higher market share in the new CV and PV segments. Historically, banks have been more aggressive in the retail segment due to lower asset quality concerns and better customer profile.

Banks should see their books continue to grow at 9-10% in this fiscal, after growing at 9.5-10.5% in the previous fiscal. NBFCs are expected to clock a growth of 7-9% after clocking 4-5% growth in fiscal 2022.

Outstanding vehicle finance growth of NBFCs to show moderate increase of 5-7% this fiscal



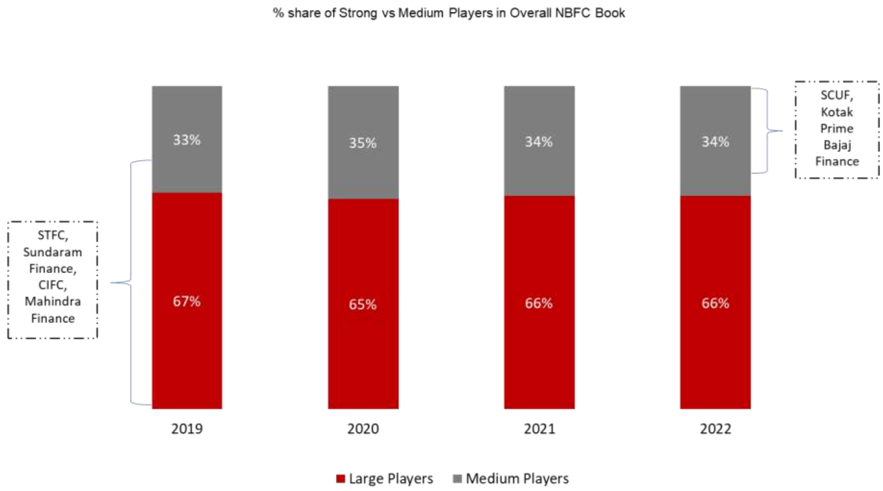
Note: Segment-wise share represents banks as well as NBFCs
Source: CRISIL Research

Market share of banks to continue rising; asset quality stress to force NBFCs to go slow on disbursements

Share NBFC					
2022	21-22%	57-58%	63-64%	43-44%	54-55%
2023	20-21%	57-58%	64-65%	44-45%	54-55%

Source: CRISIL Research

On the other hand, the two-wheeler financing segment is increasingly becoming the stronghold of NBFCs due to their greater ability to tap rural markets by offering loans at rates much lower than those offered by the unorganised sector. The relatively higher risk in this segment will keep banks cautious towards this segment. Thus, NBFCs are expected to increase their share by 50-100 bps in this fiscal.



Note: The players mentioned account for ~75-80% of the total NBFC auto loan segment

STFC- Shriram Transport Finance Company, SCUF- Shriram City Union Finance, CIFC- Cholamandalam Investment and Finance Company

Source: CRISIL Research

Micro finance – Industry overview

Collection efficiency, disbursements surpass pre-pandemic levels: Book outstanding to grow at 15-20% in fiscal 2023

Non-banking financial company-microfinance institutions (NBFC-MFIs) saw their disbursements surpass pre-Covid levels in the second half of fiscal 2022. With decline in cases, collections improved and players saw significant uptick in collection efficiency on sequential basis. Indeed, collection efficiency of most players reached 98-99% in the fourth quarter of the fiscal.

Disbursements in the sector have also seen a similar trend. Collection efficiency, which fell from ~85% in April to 75% in May-June, rebounded to normal levels of 98-99% for most of the players in the industry. Improvement in collection efficiency was led by players such as Satin Creditcare and Creditaccess Gramen. Disbursements and repayments also grew at a faster rate than previously expected, indicating quick recovery in the industry, with repayment rates growing on a sequential basis in the third quarter of the fiscal.

Asset quality, however, remains a key monitorable due to portfolio restructuring by players. With the industry's gross non-performing assets (GNPAs) rising from 5.4% in fiscal 2021 to 6.4% in the third quarter of fiscal 2022, players' books remained under stress. That said, key players in the industry saw their GNPAs fall both on a sequential and an on-year basis as of the fourth quarter of the fiscal.

Though the third wave of the pandemic is expected to have had a slight impact on repayments and disbursements, the industry is estimated to have grown at 18-20% in fiscal 2022, and is expected to log a growth of 15-20% in fiscal 2023.

Share of NBFC-MFIs grew from 31% in FY21 to 35% in FY22

	Share in book FY22E	Outstanding Book (Rs Billion) FY22E	CAGR (FY17-21)	FY22E	Growth Outlook for FY23
NBFC- MFI	**35%**	**966.10**	**15%**	**19%**	**15-20%**

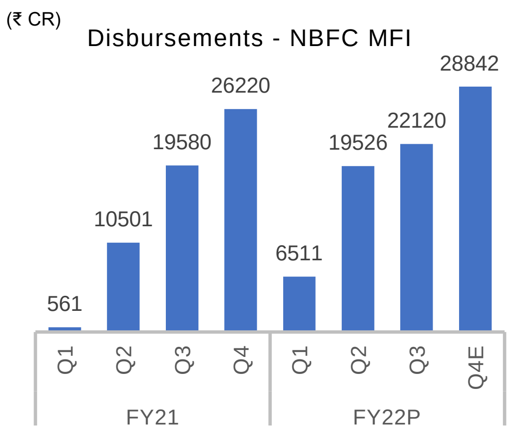
Source: CRISIL Research, Microfinance Institutions Network (MFIN)

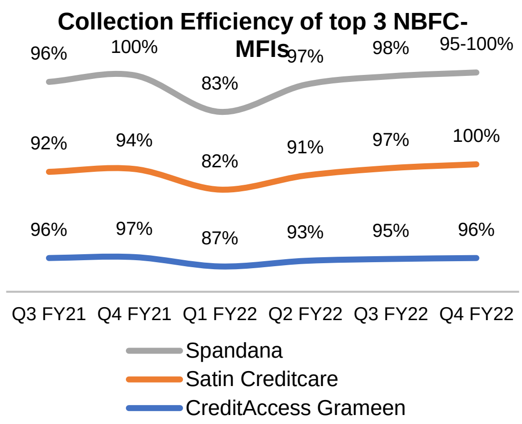
Disbursements to pick up, growth to exceed pre-pandemic levels this fiscal

While disbursements had surpassed pre-Covid levels in the fourth quarter of fiscal 2021 itself, the second wave proved to be a dampener. However, as per player commentaries, fresh disbursements are healthy and repayment rates have also returned to pre-Covid levels. Given that the omicron wave had a negligible impact in the overall economic activity, disbursements are estimated to have remained healthy in the fourth quarter of fiscal 2022 as well.

Disbursements are expected to increase 40-45% on-year this fiscal, over a growth of ~35% seen in fiscal 2022. MFI customers require funds to meet their day-to-day expenses and release of additional funds depends on prompt repayments. With improvement in cash flows as business activities attain normalcy, disbursements should increase going forward.

Disbursements surpassed pre-Covid levels in Q3FY22; Quarterly collection efficiency trend of top three players shows recovery





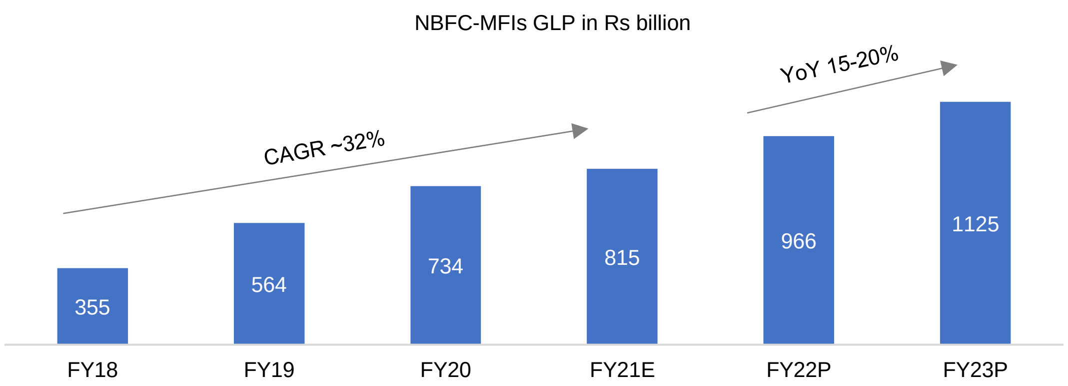
Source: CRISIL Research, MFIN

Collection efficiency has also fully recovered to pre-pandemic levels. However, the restructured book remains a monitorable. Improvement in business activities following easing of restrictions restored collections to almost pre-pandemic levels at 95-100% in the fourth quarter, leading to healthy pick-up in disbursements. Of the total disbursements in fiscal 2022, ~70% was in the second half. Traditionally, too, disbursements have been higher in the second half of the fiscal.

Even though repayments were affected in fiscal 2021 and early fiscal 2022, they started to improve from the third quarter and are expected to revert to normal levels in fiscal 2023.

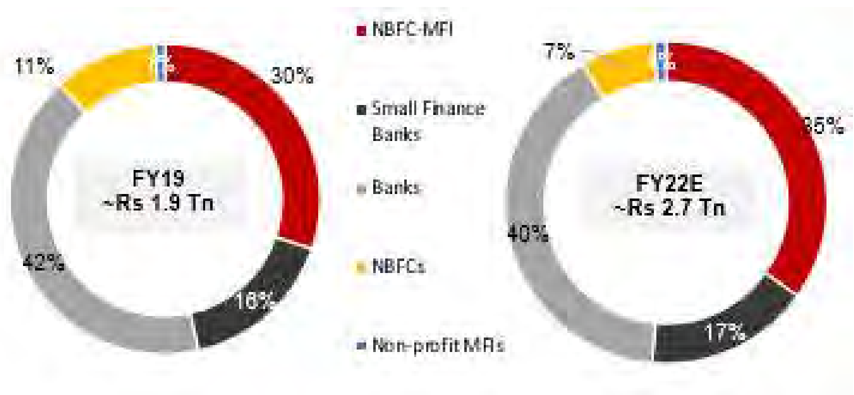
Outstanding book will continue to grow at 15-20% in fiscal 2023, supported by continued momentum in disbursements and repayment rate recovering to normalcy.

NBFC-MFIs to grow 15-20% on-year in FY23



Source: CRISIL Research, MFIN, company reports

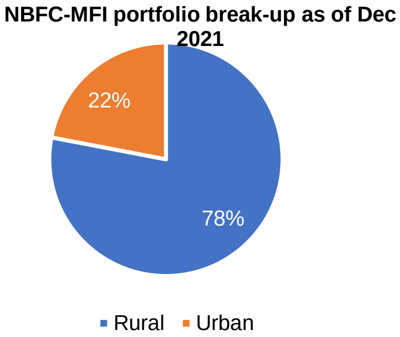
NBFC-MFIs witnessed robust growth in the past 2-3 years, gaining market share

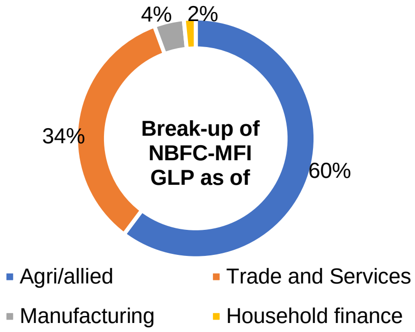


Source: CRISIL Research, MFIN

Rural segment to dominate NBFC-MFI book

NBFC-MFI portfolio break-up as of December 2021 [Gross loan portfolio (GLP): Rs 874.44 billion]





Source: CRISIL Research, MFIN, company reports

Rural areas account for more than three-fourths of the total NBFC-MFI book. MFIs largely serve in rural and semi-urban areas. The penetration of digital infrastructure in such areas is low and internet connectivity is poor. Lack of access is accentuated by low literacy among microfinance borrowers, who are generally daily wage earners and tend to transact in cash.

The main objective of microfinance lending is to support capital formation in agriculture and allied sectors. With disbursements being more focused in the rural parts of the country, NBFC-MFIs promote alternate employment opportunities by supporting farm and manufacturing sectors.

If we look at the state-wise split, as of the first half of fiscal 2022, the top 10 states accounted for ~80% of the NBFC-MFI book and the top five states accounted for 50%. The top five states have a higher proportion of rural population, thus contributing to the higher share of rural segment. Karnataka accounts for 38% of CreditAccess Grameen’s GLP and 12% of Spandana’s. Uttar Pradesh accounts for 21% of Satin Credit Care’s GLP. Though Madhya Pradesh accounts for just 8% of the GLP, it is covered by major players such as CreditAccess Grameen, Satin and Spandana.

Tamil Nadu, Karnataka, Bihar, Maharashtra and Uttar Pradesh were the worst affected by the second wave of the pandemic, which weakened collections and disbursements in the first half of fiscal 2022. Overall delinquencies of these state, which were high in 2021 itself due to the first wave, was impacted in 2022 as well. The situation has not improved so far. Delinquencies of Tamil Nadu, Karnataka, Odisha and Maharashtra (~40% of the overall GLP) have increased because of the repayment stress caused the pandemic’s waves. If collection efficiency reported by players having exposure in these states is any indication, the situation is expected to improve.

Demand drivers for MFI industry

- **Huge potential market, sustainable model** – Given the sheer size of the Indian population and considering that a large section still lacks access to formal banking services, driving financial inclusion has always been a key priority for the government. The banking system and 'priority sector' lending have been the most explored channels to bring majority of the population under the ambit of formal credit institutions.

  Within the large suite of products and services under financial inclusion, microfinance institutions have a major role to play in the provision of credit. The sheer size of the market (in terms of financially excluded households), a business model that offers sustainable credit to the poor at affordable rates and a repayment cycle spread over a longer duration, have been key growth drivers for MFIs operating in India.

- **Group lending model helps MFIs widen reach to low-income households –** Group lending models are based on certain common principles, such as identifying individuals with similar credit requirements and using peer pressure to curb delinquencies. Under JLG, the amount is lent to individuals, who subsequently repay the amount directly to the lender. Under the SHG model, funds are lent to groups, which are trained to maintain financial records and are responsible for collections required to repay loan amounts to lenders. If a member defaults within a group, other members can pool in funds to ensure timely repayment and prevent the group from getting blacklisted.

  Furthermore, in comparison with banks, MFIs are able to charge higher interest rates to cover the financing and operational costs, and yet maintain sustainable profit margin. In a nutshell, MFIs have been able to provide a viable alternative mechanism to drive the financial inclusion agenda.

Key risks for MFI industry

- Exposure to low-income households raises MFIs' vulnerability to political intervention
- Natural calamities could impair borrowers' repayment ability
- Cash-in-transit losses,
- Inadequate monitoring mechanisms pose risk for MFIs
- MFIs with concentrated portfolios face local political and event-related risks
- Players converting into SFBs to face risk of not meeting stringent regulatory norms, as well as expected decline in profitability and market share
- Difficulties in securing funding
- Managing operating expenses - critical for MFIs

Personal Loan finance - Industry overview

The growth trajectory of personal loans to continue in fiscal 2023

Outstanding book (Rs billion)	Share (FY22E)	CAGR (FY16- FY21)	FY21	FY22E	FY23P
Overall	100%	31%	16%	20-25%	35-40%
NBFC	19%	32%	3%	45-50%	35-40%
Banks	81%	30%	19%	15-20%	32-38%

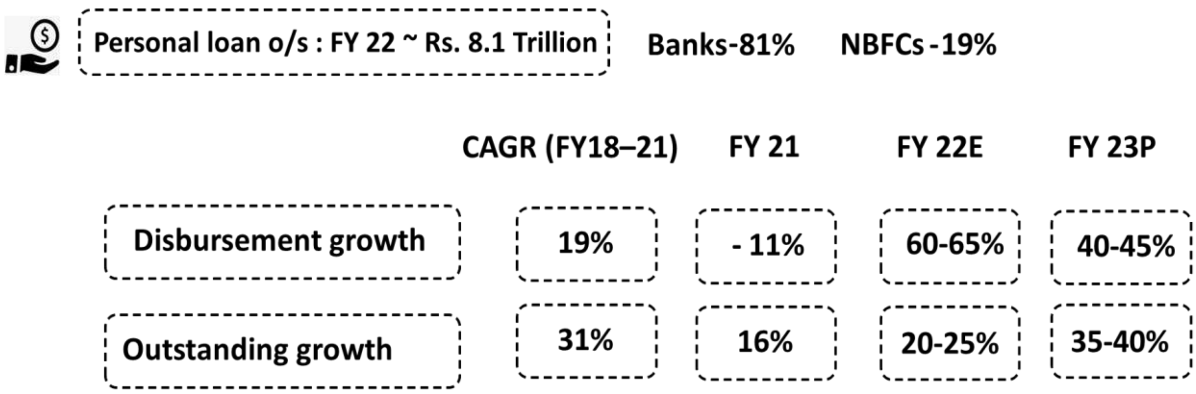
E: Estimated, P: Projected

Source: CRISIL Research, Credit Bureau

Key points:

- Small ticket loans below Rs 0.1 million accounted for 85-90% of the loans disbursed and their rising share (a 10-15% share in terms of value) is driven by borrowers in the lower age bracket
- Personal loan disbursements saw a recovery past pre-pandemic levels in fiscal 2022
- Individuals with income less than Rs 0.3 million form a majority of borrowers in the personal loan market
- Rising digital penetration, driven by financial technology companies (fintechs), to result in a considerable rise in low ticket size loans
- The share of towns/cities Tier II and below in overall disbursement rising continuously; a sharper focus of non-banking financial companies (NBFCs) on these regions to support the growth trajectory with a fall in the contribution from top 5 metro cities

Market at a glance



E: Estimated, P: Projected

Source: CRISIL Research, Credit Bureau

The personal loan book is projected to grow to ~Rs 11 trillion by fiscal 2023 from an estimated ~Rs 8.1 trillion in fiscal 2022. The personal loan market saw an uptick in fiscal 2022 with the economy normalising and the overall market sentiment being positive. Post slower growth in fiscal 2021 at 16%, personal loans are estimated to have grown 20-25% in fiscal 2022 and expected to grow 35-40% in fiscal 2023 driven by the economic recovery and lenders' willingness to disburse more. Gross non-performing asset (GNPA) levels are expected to normalise in fiscal 2023 to pre-pandemic levels led by a continued recovery collection efficiency. All these factors are expected to spur lenders to boost disbursements as the job market improves and income-related risks subside.

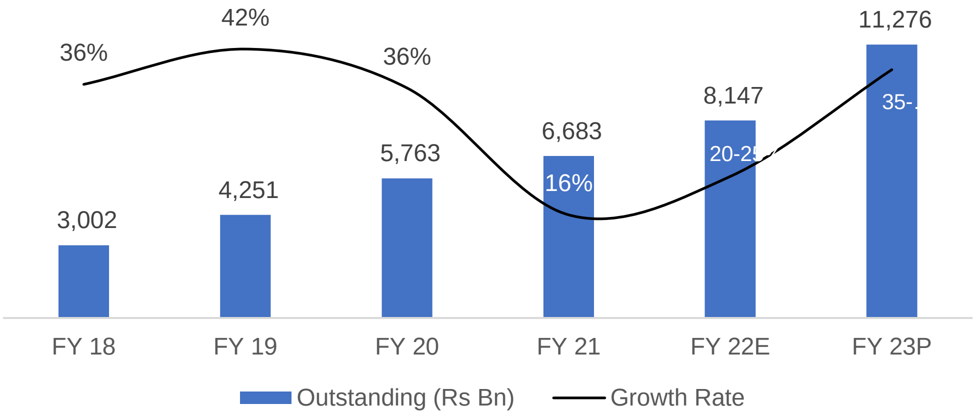
The disbursement growth momentum is projected to continue in fiscal 2023 at 45-50%, following a 60-65% on-year rise in fiscal 2022. Disbursements by NBFCs are estimated to have grown 110-115% on-year in fiscal 2022 on a lower base last year, following a subpar performance in fiscal 2021 due to pandemic-related stress. Banks have grown at a lower pace than NBFCs and their disbursements are projected to increase 40-45% in fiscal 2023, following estimated disbursement growth of 50-55% in fiscal 2022.

Prior to fiscal 2021, disbursement growth was strong for both the categories. Between fiscals 2018 and 2020, banks logged a compound annual growth rate (CAGR) of 33% as they aggressively grew their retail portfolio by focusing on salaried customers opting for an unsecured loan portfolio. Growth in NBFC disbursements in the same period was much higher at a 55-60% CAGR as these players expanded their footprint into towns/cities Tier II and below, and fintechs targeted new customers with a low ticket size requirement.

Strong disbursements and improving collections to support personal loan book growth in fiscal 2023

Personal loan outstanding is estimated at Rs 8.1 trillion in fiscal 2022 and expected to witness persistent growth in fiscal 2023. The personal loan segment is expected to grow to ~Rs 11.4 trillion in fiscal 2023, with NBFCs aggressively building their retail book through personal loans and banks focusing on the salaried middle age group borrowers to improve their GNPA. The overall personal loan book, which increased at a 39% CAGR between fiscals 2018 and 2020, moderated to 16% on-year in fiscal 2021 and is expected to grow at a 28-32% CAGR between fiscals 2021 and 2023.

Outstanding book for personal loans



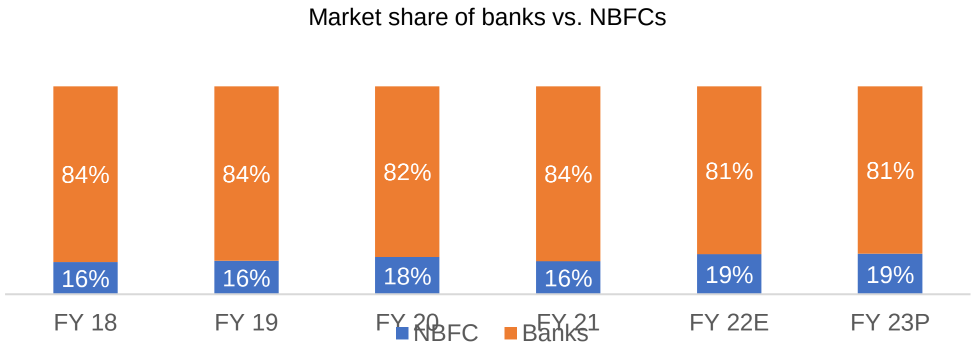
E: Estimated, P: Projected
Source: CRISIL Research, Credit Bureau

NBFCs have outpaced banks in terms of outstanding growth as their aggressive push for smaller ticket size loans among the younger age group led to 45-50% growth. Although credit growth of banks was lower at 15-20%, expected delinquencies are also lower due to the improved credit profile of the players. Salaried customers working with top-rated corporates did not see much impact on incomes, and thereby banks realised prompt payments and the share of defaulting customers was lower. In the case of NBFCs, borrowers are primarily self-employed and salaried customers working at lower-rated corporates. Given the impact on their income was significant, the proportion of customer defaults were higher for NBFCs.

The trend in fiscal 2023 is projected to be similar with overall personal loan book growing at 35-40% and NBFCs leading the show with growth expectations of 35-40% due to better market reach and their focus on catering to smaller ticket size borrowers.

Typically, repayment rates are 25-30% for the personal loan book as loans are up to three years. There was a drop in fiscal 2021 but the repayments have now stabilised at historical levels. Better collection efficiency and an increase in disbursements are the major reasons for the pickup in loan book.

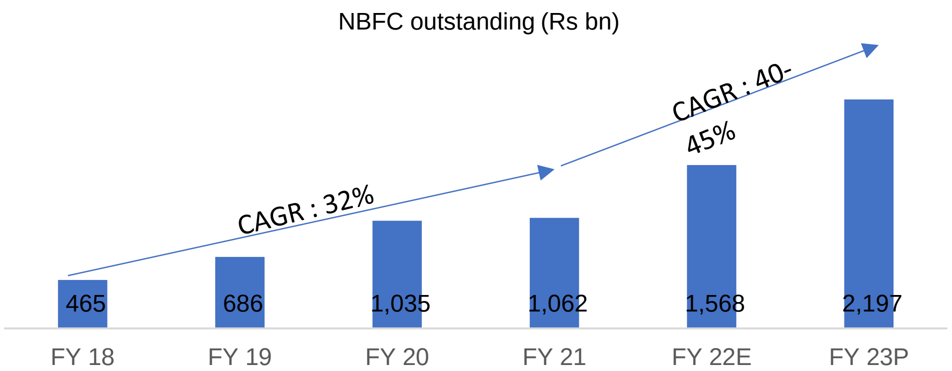
NBFCs grow faster than banks, capturing 250-300bps in market share by 2023



E: Estimated, P: Projected
Source: CRISIL Research, Credit Bureau

With NBFCs growing faster than banks, CRISIL Research expects NBFCs to increase their market share by 250-300bps in fiscal 2023. NBFCs have seen a sharp rise on account of an aggressive strategy and a low base of fiscal 2021 and are expected to sustain the pace of growth and capture share from banks. Fintechs and NBFCs pose a fierce competition to banks even though they cater to different consumer segments. Banks mostly focus on salaried, higher ticket size borrowers, while NBFCs and fintechs focus on bridging the financing gap for self-employed, low income, younger generation and smaller ticket size borrowers. In fact, NBFCs' share has gradually increased since fiscal 2018, gaining 200 bps over banks, before shrinking in fiscal 2021 due to the Covid-19 pandemic. CRISIL Research expects NBFCs to continue to grow their market share in the long run.

NBFC book to see a persistent growth in fiscal 2023 with an improving economy



E: Estimated, P: Projected
Source: CRISIL Research, Credit Bureau

NBFCs are projected to grow their loan outstanding book at 35-40% to ~Rs 2.1 trillion in fiscal 2023. Their performance was consistent in fiscal 2022 with a pickup in growth from the second quarter onwards and clocking 13-16% growth each quarter. NBFCs are estimated to have grown 45-50% in fiscal 2022 with loan outstanding at ~Rs 1.6 trillion. NBFCs have grown at a CAGR of 32% between fiscals 2018 and 2021 and are projected to grow at a CAGR of 45-50% between fiscals 2021 and 2023. They have exhibited an aggressive strategy to capture the market and are taking more risks than banks by reaching out to a riskier segment of borrowers and recently building on outstanding credit with a major share of smaller ticket size loans.

NBFCs and fintechs driving the ticket size lower

With fintechs and NBFCs deepening their market penetration, the share of small ticket personal loans (STPLs) is gradually increasing. STPLs, which are loans below Rs 0.1 million, have seen a gradual rise in their share rise over the last few years. The volume of these transactions grew to 85-90% in fiscal 2022 from 75-80% in fiscal 2021. But in terms of value, these loans grew to 13-15% of total disbursements in fiscal 2022 from 10-12% in fiscal 2021. NBFCs and fintechs focus more on this bucket of personal loans and thus drag the average ticket size lower.

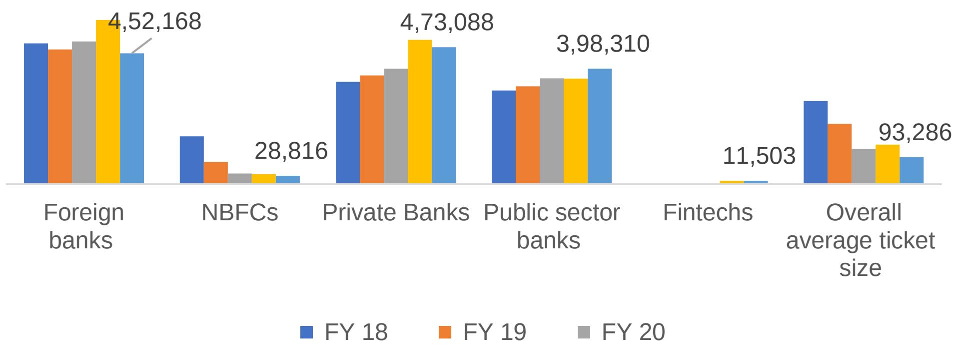
NBFCs account for ~20% of the market share in terms of value but have a 60-65% share in terms of the volume of transactions, primarily leading to a declining ticket size trend in the last few years.

The average ticket size is ~Rs 30,000 for NBFCs and Rs 0.4 million for banks vis-à-vis an overall average of ~Rs 95,000.

Consequently, NBFCs are leading the average ticket size lower with their strong reach and network in the market.

Average ticket-size by lender type

Declining average ticket size led by increased demand for smaller ticket size personal loans



E: Estimated
Source: CRISIL Research, Credit Bureau

Fintechs have been rapidly expanding their base in the personal loan segment by offering loans to younger, low-income and digital-savvy customers with insufficient credit history, but with a credit requirement for small ticket size and low duration loans. The loans disbursed are as low as Rs 5,000-20,000 for aspirational customers to purchase the latest gadgets or meet their immediate cash needs. Fintechs primarily rely on the customer's mobile phone data to assess the repayment ability; they are building advanced algorithms that analyse mobile phone data for specific insights on a customer's liquid cash flow as well as repayment history, along with spending habits.

In fact, NBFCs and fintechs have strengthened their risk management processes and data analytics capabilities over the years. Stringent underwriting norms and monitoring mechanisms have also been reinforced. Most players have been investing in risk analytics and technology to further de-risk their exposure.

(Source: CRISIL Research)

MSME Finance – Industry overview

Credit to the micro, small and medium enterprise (MSME) segment is estimated at Rs 20,275 billion for fiscal 2022, with banks dominating the market share at 80%. Post the liquidity crisis, the share of non-banks reduced to an estimated ~20% in fiscal 2022 from ~22% in fiscal 2019.

Banks dominate the credit share in MSMEs at 80% as of fiscal 2022

Type	Share in book FY22E	Outstanding Book (Rs billion) FY22E	CAGR (FY17-21)	FY22E	Growth outlook for FY23
NBFCs	20%	4,100	11%	6%	7-9%
Banks	80%	16,174	6%	14.8%	11-13%
Overall	100%	20,275	7%	13%	10-12%

Note:

1. E: Estimated; P: Projected

2. Credit deployment data published by the RBI has undergone revision with effect from January 2021. Hence, comparable numbers for the previous fiscal are revised accordingly.

3. Companies with turnover <Rs 5 crore and investment <Rs 1 crore are classified as micro; companies with turnover between Rs 5 crore and Rs 25 crore and investment between Rs 1 crore and Rs 10 crore are classified as small; and companies with turnover between Rs 25 crore and Rs 250 crore and investment between Rs 10 crore and Rs 50 crore are classified as medium

Source: CRISIL Research

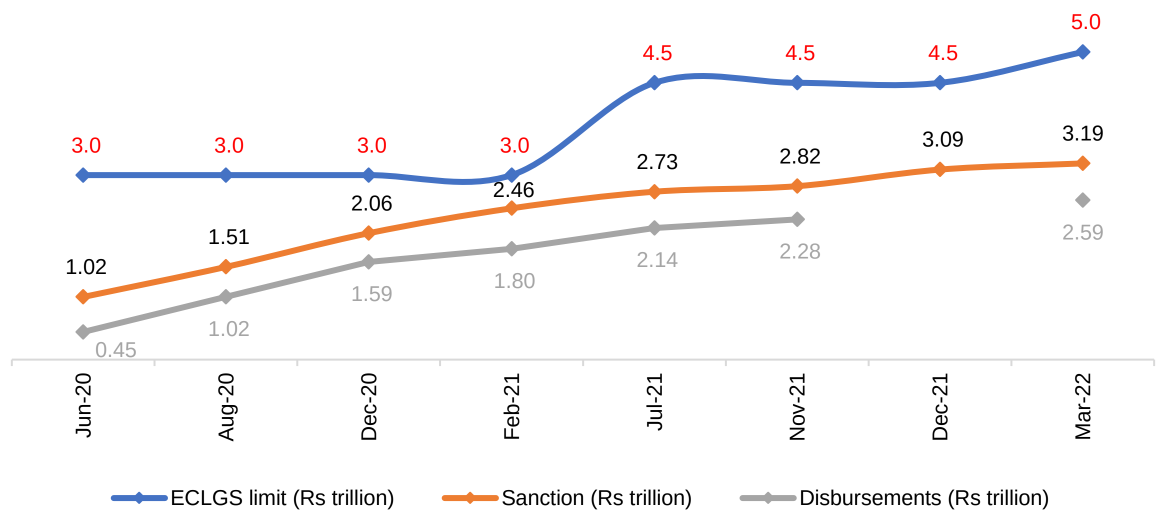
The MSME sector faced a high impact of the first and second pandemic waves in fiscal 2021 and the first quarter of fiscal 2022, respectively. With the sector's close linkage to economic activities, the magnitude of the impact was significant due to frequent lockdowns and restrictions, which impacted demand, supply, and hence profitability across most sectors. This necessitated relief measures, which were promptly announced by the government in the form of the Emergency Credit Line Guarantee Scheme (ECLGS) last year, which was reviewed on a timely basis to reduce impact on the sector. However, most of the disbursements under the scheme were by banks (among which private-sector banks showed greater proclivity than public-sector banks for utilising ECLGS); hence, they saw book growth of 8%, while growth for non-banking finance companies (NBFCs) was lower at 3% in fiscal 2021. Decline in the book value was also restricted by moratoriums and asset classification standstill for MSMEs until March 2021.

In the first quarter of fiscal 2022, the second pandemic wave impacted the MSME segment again, leading to muted growth in the first half of fiscal 2022 on account of disruption in business activity due to localised lockdowns by various state governments. With the hit to the economy in the first quarter, the government extended the ECLGS then ending in June 2021 to September 2021 (currently extended till March 31, 2023), which supported the sector to revive from degrowth in the first quarter of fiscal 2022, with banks posting a sequential growth in MSME book at the end of the second quarter. Revival of economic activity, strong export and domestic support, coupled with a mild third wave, helped the segment grow an estimated 13% in fiscal 2022. Banking MSME saw higher growth than NBFCs (14.8% and 6%, respectively), owing to stress in the first half of fiscal 2022. CRISIL Research expects the banks to continue growing faster at 11-13% and NBFCs at 7-9% in fiscal 2023.

ECLGS benefitted ~11 million micro and small enterprises during fiscals 2021 and 2022

[ECLGS was announced as part of the Atmanirbhar Bharat Package in 2020, with the objective of helping businesses including MSMEs meet their operational liabilities and resume businesses. As of March 2022, loans sanctioned under the scheme crossed Rs 3.19 trillion (of Rs 5 trillion), with about 64% of the guarantees issued for loans sanctioned to MSMEs, and the disbursement aggregated Rs 2.59 trillion. In Union budget 2022-23, the allocation under ECLGS was increased from Rs 4.5 trillion to Rs 5.0 trillion, and the timeline for sanctions has been extended till March 2023. The enhancement of Rs 50,000 crore is earmarked exclusively for hospitality and related enterprises.

ECLGS progress so far…



Note: Disbursement data for December 2021 is not provided by the respective authority.
Source: CRISIL Research

While a majority of the disbursements under ECLGS are contributed by public and private-sector banks, non-banks are going slow given the existing asset quality concerns. Further, among banks, private-sector banks show greater proclivity than public-sector banks for utilising ECLGS. Non-banks are also expected to conserve liquidity in such challenging times and are likely to witness lower disbursal in the scheme given the capping of interest rates on such additional lending, leading to very thin margins. The interest rate under the scheme was capped at 9.25% for banks and financial institutions, and 14% for non-banking financial institutions.

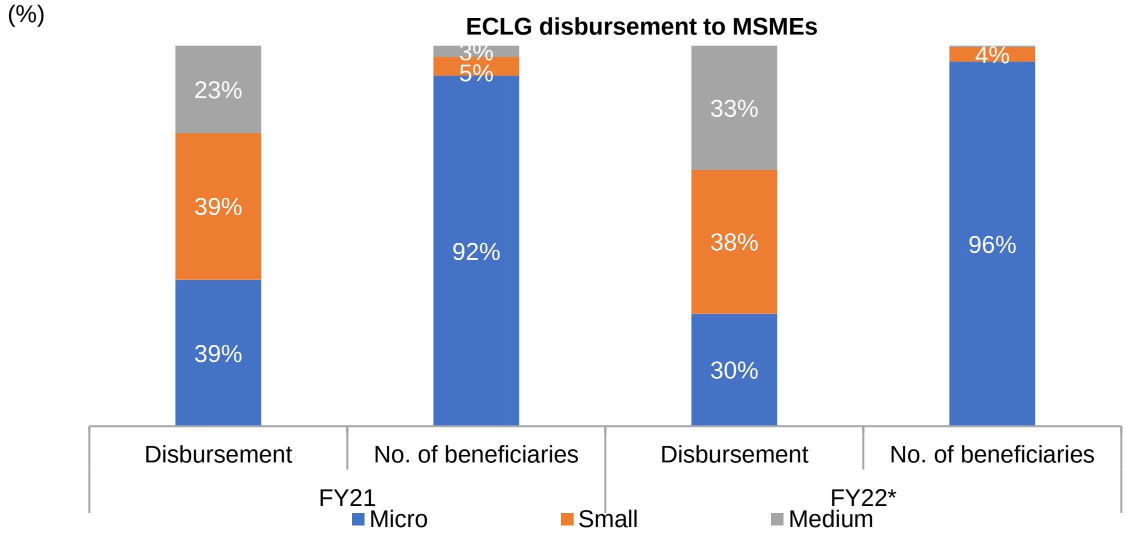
According to the RBI's financial stability report, MSMEs have been the primary beneficiaries of this scheme, with guarantees of ~Rs 1.74 trillion extended to ~11 million borrowers as on November 12, 2021.

~90% of micro and small enterprises cover 50% of guarantees issued

Rs. billion	# of Beneficiaries	Guarantee amount	% Share
Micro	10,296,333	658	25%
Small	498,509	663	25%
Medium	260,757	420	16%
Other business enterprises	537,069	888	34%
Total	**11,592,668**	**2,630**	**100%**

Note: Data reported as on November 12, 2021
Source: RBI, CRISIL Research

ECLGS primarily benefitted micro and small businesses during fiscals 2021 and 2022



Note:

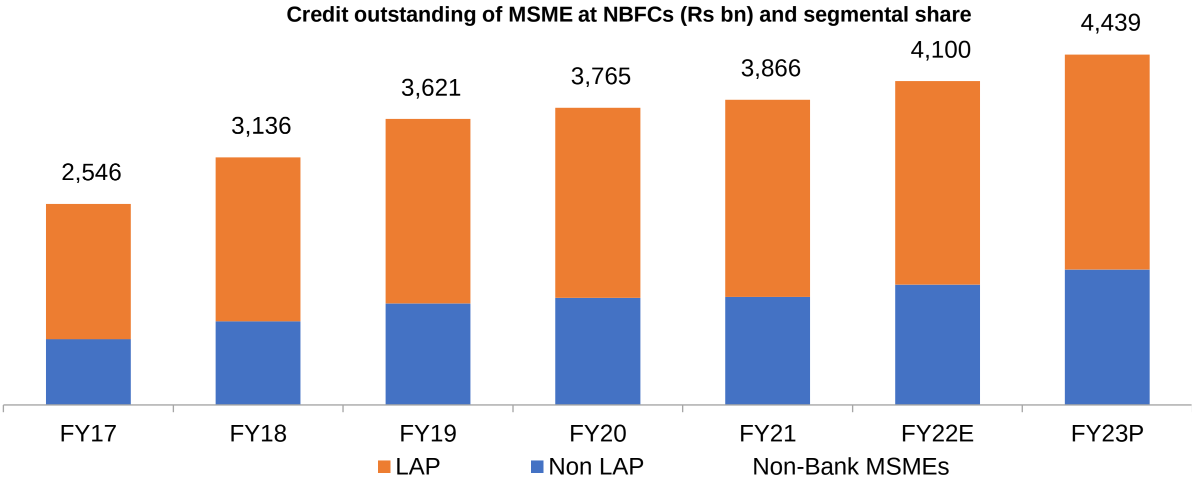
*1. *Disbursement for fiscal 2022 is aggregated till February 28, 2022.*

2. The above graph provides details of ECLGS disbursement to MSMEs only and excludes disbursement to large enterprises.

Source: CRISIL Research, National Credit Guarantee Trustee Company Ltd

As per the data released by National Credit Guarantee Trustee Company Ltd, ECLGS disbursement to MSME borrowers aggregated Rs 1,557 billion in fiscal 2021 and Rs 546 billion in fiscal 2022 (till February 28, 2022). The scheme has benefitted ~11 million MSMEs in the two fiscals, primarily micro enterprises, whose share in disbursement was 39% in fiscal 2021 and 30% in fiscal 2022 (till February 28, 2022)]

LAP segment contributes to two-thirds of MSME portfolio at NBFCs



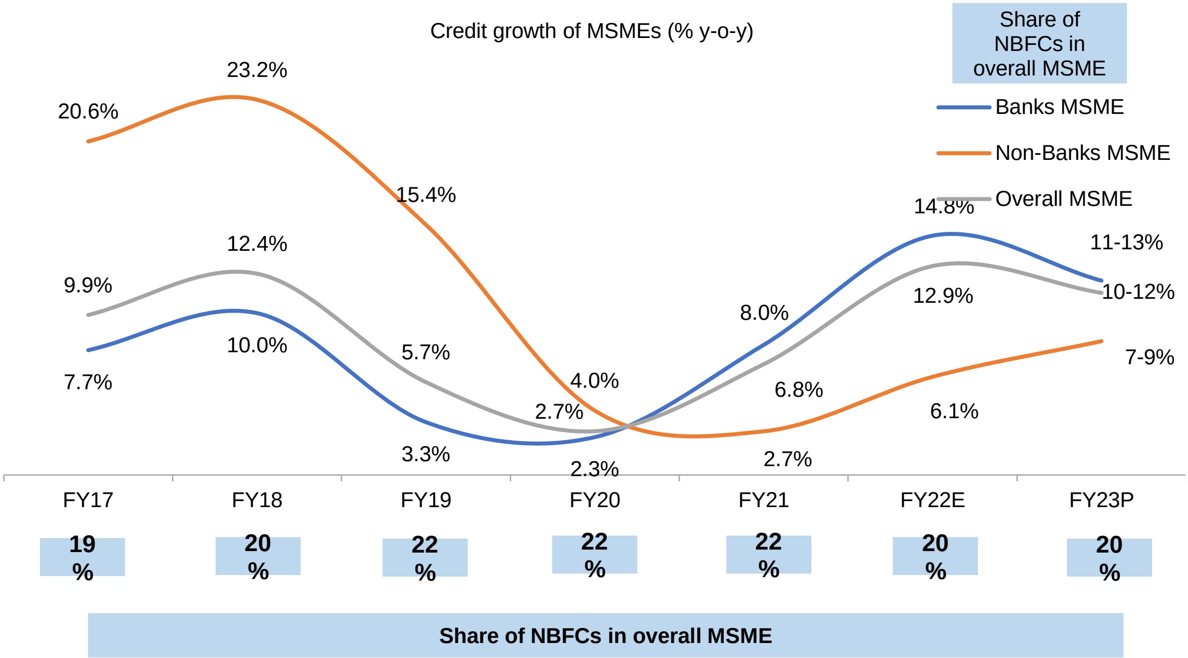
Note: 1. E: Estimated, P: Projected

2. Non-LAP includes unsecured and secured non-LAP loans

Source: Company reports, CRISIL Research

Demand improvement to drive MSME credit growth this fiscal

Banks to continue growth momentum



Note:

1. E: Estimated; P: Projected

2. Credit deployment data published by the RBI has undergone revision with effect from January 2021. Hence, comparable numbers for the previous fiscal are revised accordingly.

Source: Company reports, CRISIL Research

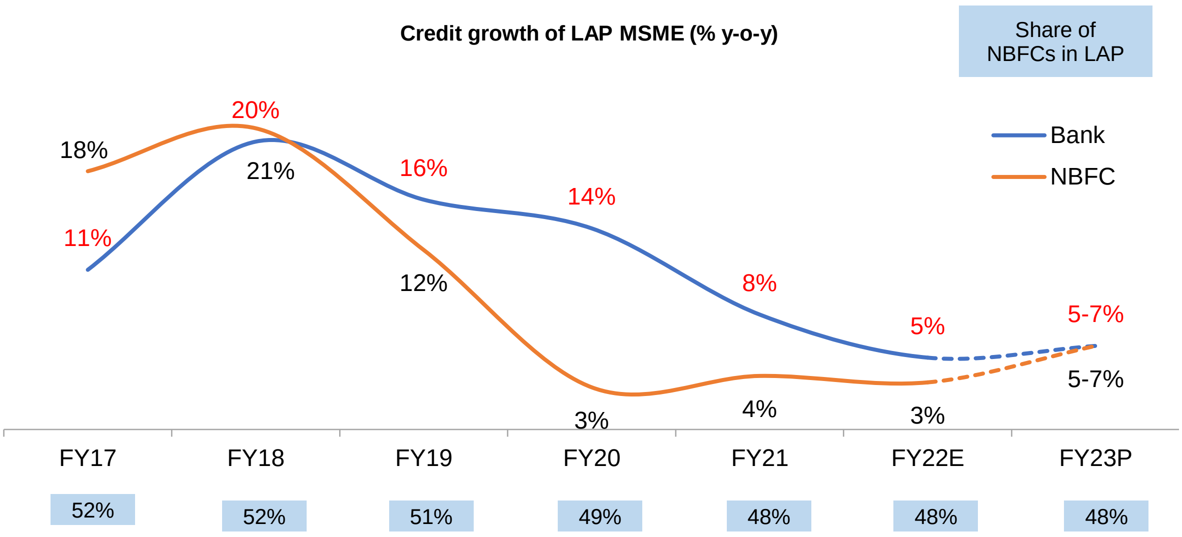
A faster-than-expected revival in economic activity and pent-up demand instilled a positive economic performance in the fourth quarter of fiscal 2021. Outstanding MSME book of non-bank companies grew 3% on-year in fiscal 2021, given the increased demand for loan against property (LAP). Further, during the first quarter of fiscal 2022, MSME book witnessed degrowth in both banks and non-banks due to the impact of the second pandemic wave. The segment started to recover from the second quarter with improvement in demand by MSMEs supported by the central government's decision to extend ECLGS till March 31, 2022 (further extended till March 31, 2023 in Union Budget 2022-23) and increase the guarantee amount from Rs 3 trillion to Rs 4.5 trillion (further increased to Rs 5 trillion).

The outstanding book of NBFCs in the MSME segment is estimated to have grown 6.1% in fiscal 2022, supported by growth in the LAP and non-LAP (unsecured and secured non-LAP) segments of lending. With the revival of economic activity and improving cash flows, NBFCs will increase their funding in the unsecured segment and restrict their lending in the LAP segment due to the asset quality stress of past years. With improved underwriting practices, lending in unsecured portfolio is expected to improve, while secured non-LAP will face competition from banks. However, smaller non-banks will be wary of funding given the existing stress, and thus will witness moderate growth. Additionally, further Covid-19 waves and regulatory changes could pose downside risks this fiscal.

LAP: Growth in LAP to stabilise this fiscal

LAP portfolio at NBFCs is estimated at Rs 2,500 billion for fiscal 2021. During the year, LAP witnessed higher growth than non-LAP (secured non-LAP and unsecured) as non-banks preferred mortgage-based lending over cash-flow-based lending in the short run given the potential risks in other segments. LAP portfolio at NBFCs is estimated to have grown 3% in fiscal 2022 with players shifting their focus to non-LAP portfolio.

LAP portfolio to grow 5-7% this fiscal



Note:

1. E: Estimated; P: Projected

2. Credit deployment data published by the RBI has undergone revision with effect from January 2021. Hence, comparable numbers for the previous fiscal are revised accordingly.

Source: Company reports, CRISIL Research

LAPs are availed by mortgaging properties (residential or commercial) with the lender. The end-use of the loan is not closely monitored. It could be used for either business or personal purposes. It can be availed by both salaried and self-employed individuals. LAP is a secured loan, as it provides collateral to the financier in the form of property. It has a lower interest rate than personal or business loans.

With improvement in the economy and lenders being positive towards mortgage-based lending, the LAP segment is expected to perform better this fiscal than in the last one. However, lenders (non-banks) are unlikely to be as aggressive as they were in the past, when the segment logged a double-digit CAGR of 12% between fiscals 2017 and 2020. Higher growth in the past was due to lower interest rates and increased penetration. However, after fiscal 2019, non-banks lost their share in the LAP market as they were focusing on containing asset quality deterioration. Banks registered strong growth in the segment due to their aggressive strategies, higher market penetration, lower cost of funds and adequate liquidity support. CRISIL Research expects the MSME LAP segment to grow 5-7% in fiscal 2023, driven by improving economic conditions and the mild impact of the third pandemic wave, assisting in normalisation of business activities.

MSME: Non-LAP loans

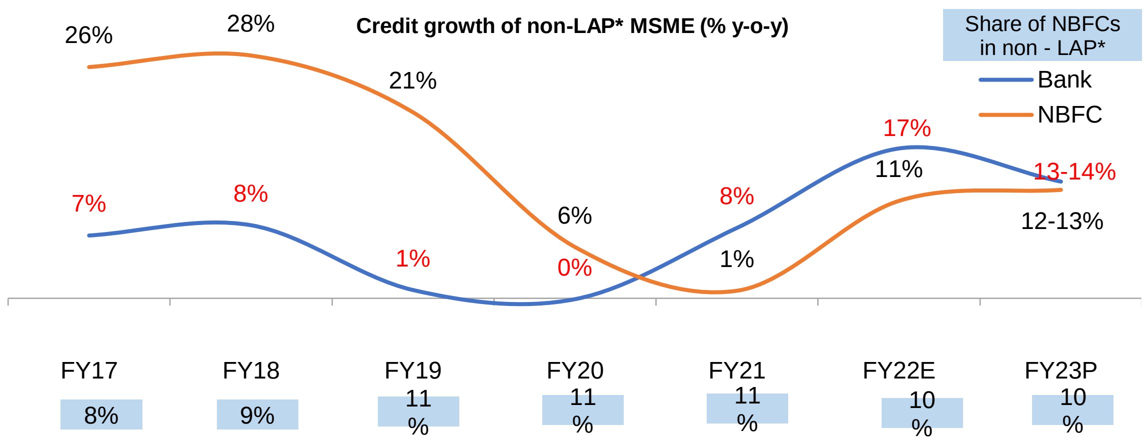
Non-LAP includes secured and unsecured non-LAP loans. Non-LAP secured MSME loans include working capital products (such as cash credit, overdraft facility and bill discounting) and other term loan products, such as asset-backed or hypothecated loans. Hypothecated loans are term loans where the collateral offered is a combination of property, inventory, etc.

Unsecured MSME loans are given to self-employed borrowers without collateral. It is cash-flow-based lending rather than collateral-based. Unsecured loans are underwritten based on financial statements, bank statements, GST returns, number of loans taken in the past, bureau checks, scorecards, etc. An unsecured small business loan is usually taken to tide over a liquidity crunch, take advantage of short-term opportunities, or to expand a small business, mostly when cash credit limit of the bank is exhausted. Many lenders give these loans on top of existing secured loans with them.

Due to non-availability of collateral, underwriting plays a key role in maintaining asset quality of unsecured business loans. Underwriting these loans requires a different expertise and is powered by new financial technology and increasing availability of data on credit history of customers. Competition in the secured loans market (especially retail loans) has compelled NBFCs and a few private banks to gain expertise in niche lending and build robust digital platforms to cash in on fresh opportunities in the unsecured business loans space, with an eye on maximising profitability.

Banks dominate this segment with a 90% share, aggregating to ~Rs 13 trillion as of fiscal 2022. NBFCs are estimated to have a non-LAP book of ~Rs 1.5 trillion in fiscal 2022.

NBFCs' non-LAP credit growth to stabilise this fiscal



Note:

1. E: Estimated; P: Projected

2. Credit deployment data published by the RBI has undergone revision with effect from January 2021. Hence, comparable numbers for the previous fiscal are revised accordingly.

*3. *Non-LAP includes unsecured and secured non-LAP loans*

Source: Company reports, CRISIL Research

NBFCs were growing in double digits prior to fiscal 2019; the growth slowed after the liquidity crisis. In fiscal 2021, the growth was marginal due to lower disbursements, which are estimated to have halved due to Covid-19. Meanwhile, banks grew 8% due to the support from ECLGS. Due to the pandemic, non-bank lenders had turned more cautious over unsecured MSME lending, and preferred mortgage-based lending (LAP and non-LAP secured) over cash-flow-based (unsecured) lending.

Business activity started normalising from the second half of fiscal 2022. This, supported by a mild third wave, led to improvement in economic conditions and, in turn, a pickup in demand for credit. Banks and NBFCs shifted their focus towards non-LAP lending owing to higher returns on this portfolio, leading to non-banks growing at an estimate 11% in fiscal 2022. CRISIL Research expects the growth momentum to continue, with NBFCs' non-LAP segment growing 12-13% this fiscal. However, new Covid-19 waves and regulatory changes could pose downside risks.

Wholesale finance – Industry overview

Stress in the real estate sector continues to affect growth in wholesale finance

Wholesale finance represents lending services to medium-sized and large corporate firms, institutional customers and real estate developers by banks and other financial institutions. It encompasses long- and short-term funding. CRISIL Research excludes lease-rental discounting (LRD) from the wholesale book and lending to the infrastructure sector and covers only loans offered to large and mid-sized corporates in non-infrastructure segments.

Real estate segment comprises 60% of the overall NBFC wholesale lending, as of fiscal 2022

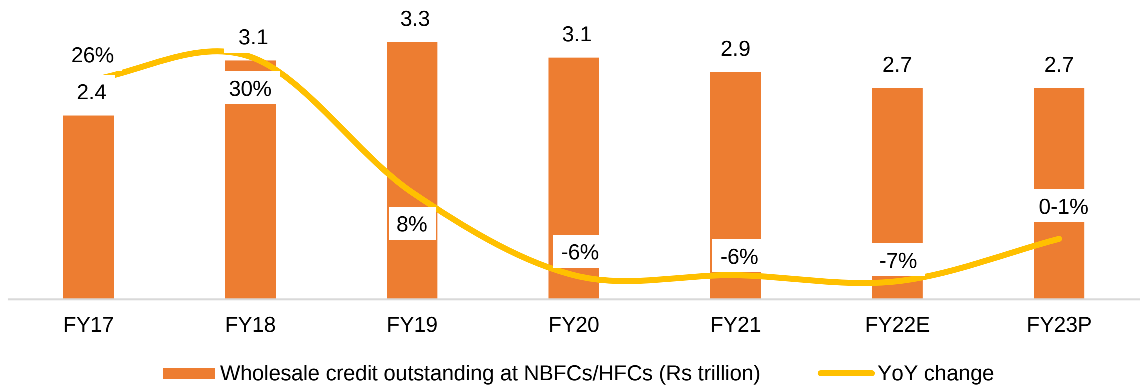
Type	Share in book FY22E	Outstanding Book (Rs billion) FY22E	CAGR (FY18-21)	FY22E	Growth outlook for FY23P
NBFCs	7%	2,717	-1%	-7%	0-1%
Banks	93%	33,879	3%	5%	7-9%
Overall	100%	36,596	2%	4%	6-8%

Note: 1, E – Estimated, P – Projected

2. Credit deployment data published by the RBI has undergone revision with effect from January 2021. Hence, comparable numbers for the previous fiscal are revised accordingly.

Wholesale lending at NBFCs to revive with marginal growth in fiscal 2023

Exposure to the wholesale segment to pick up after a de-growth during the past three fiscals

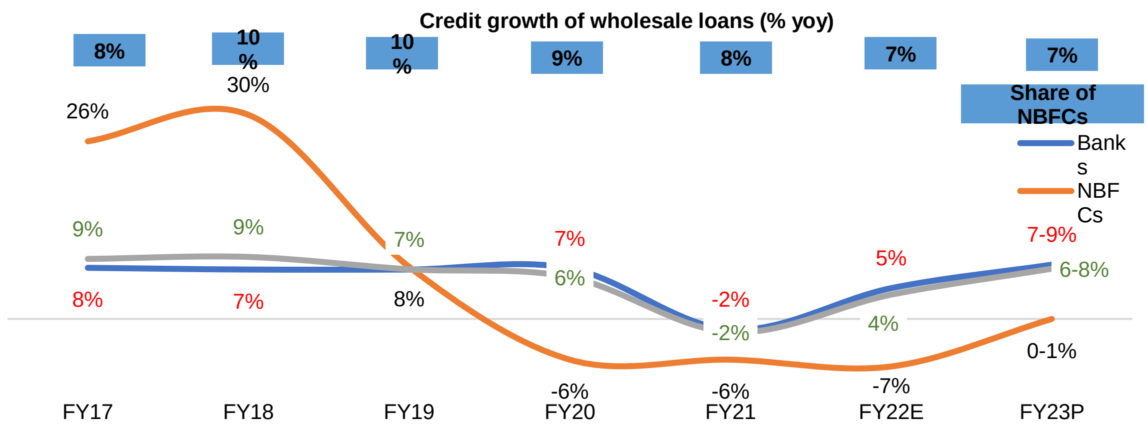


Source: Company reports, CRISIL Research

NBFCs were cautious in lending to the corporate segment as well, such as real estate, and hence wholesale books of NBFC/HFCs are estimated to have declined 7% in fiscal 2022. Fiscal 2023 is expected to witness a marginal improvement in credit leading to muted growth in this segment.

NBFCs to witness a sharp decline in the wholesale book vis-à-vis banks

Banks to outpace NBFCs with wholesale credit growing at 7-9% in fiscal 2023

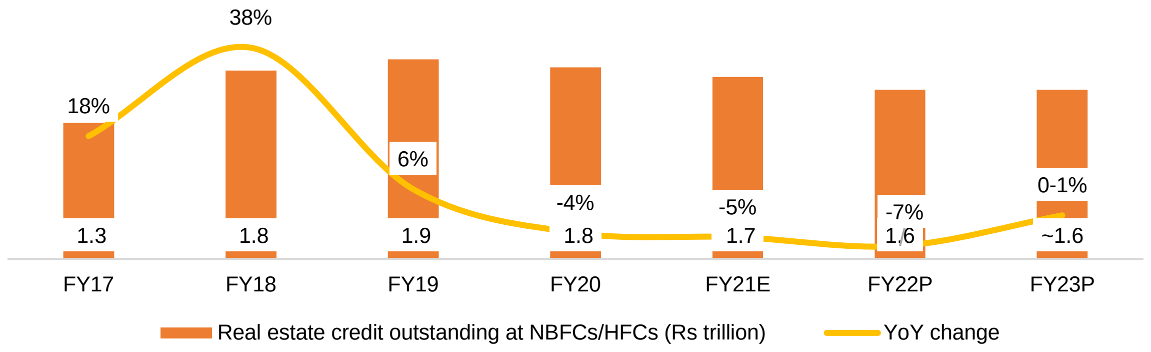


Note: Credit deployment data published by RBI has undergone revision with effect from January 2021. Hence, comparable banking numbers for the previous fiscal are revised accordingly.
Source: Company reports, CRISIL Research

Lending to the wholesale segment witnessed a de-growth of 2% in fiscal 2021, because of uncertainties amid the pandemic and washout of first half of fiscal 2021 due to the nation-wide lockdown. In fiscal 2022, the second wave of pandemic hit in first quarter, leading to localised lockdowns by various state governments. However, in the second half of fiscal 2022 (especially in fourth quarter), the utilisation of wholesale credit improved, and credit demand picked up because of a revival in the capex cycle with an expectation of 15% growth in industrial capex in fiscal 2023. Banks are estimated to have clocked a growth of 5% in fiscal 2022 and are expected to grow at 7-9% in fiscal 2023, with NBFCs lagging with muted or marginal growth following a de-growth of 7% in fiscal 2022.

NBFCs' real estate book remains muted with limited fresh disbursements

Real estate credit outstanding of NBFCs to have a muted growth in fiscal 2023



Source: Company reports, CRISIL Research

Real estate loans at NBFCs are estimated to have been at Rs 1.6 trillion, as of fiscal 2022. The real estate sector was on the path of recovery with gradual unlocking, better labour availability, income stability and key state government initiatives by the end of fourth quarter of fiscal 2021. However, the recovery could not sustain for much longer, due to the second wave of Covid-19 in first quarter of fiscal 2022, which led to restrictions in almost all major states and cities. The second wave took a toll on the sector in terms of both sales and construction. Residential and commercial new project launches remained subdued as well. Key organised set of players were placed relatively better than the rest on the back of technological advancement (virtual site tour) and financial stability (continued operations at their site). However, infrastructure construction activities were allowed to continue, despite local lockdowns with Central and state governments spending on capex compared with the year-ago quarter, where the capex remained muted. The sentiment, however, was lower sequentially, due to some labour migration attributable to the second wave of Covid-19 and monsoons affecting construction activities.

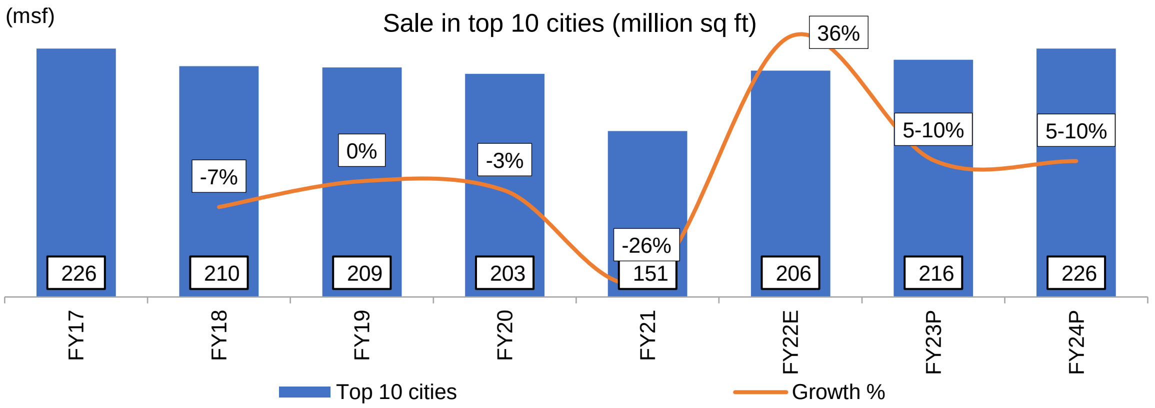
In second quarter of fiscal 2022, the impact of second wave tapered, and the majority of business activities resumed. Sales momentum has gradually picked up with states, such as Maharashtra and Karnataka, showing early signs of a recovery. Factors such as the pace of vaccination drive and overall economic scenario returning to normalcy are suggesting gradual building of sales momentum across key markets.

A few large players have been able to market and sell projects digitally. Real estate sales declined significantly in April and May 2021, due to lockdown, although improvement was visible after June. Primary sales in top 10 cities are estimated to have grown by 33-38% in fiscal 2022. However, with increasing asset-quality concerns, most lenders announced their mid-term strategies since 2020 to reduce their exposure to wholesale lending (mostly real estate).

Credit outstanding of real estate loans grew at a CAGR of 12% between fiscals 2017 and 2020. IL&FS crisis hit the real estate lending hardest among all the NBFC segments. Growth slowed down significantly to 6% in fiscal 2019 and a decline of 4% in fiscal 2020 was witnessed. Increasing asset-quality concerns led to lenders being cautious to lend to developers in fiscal 2021 as well. In fiscal 2021, Covid-19 hit the real estate segment hard with lockdowns and labour migration leading to a sales decline of 26% in top 10 cities. The impact would have been much worse without government interventions. Incentives such as lower repo rates, stamp-duty reduction by a few state governments and price cuts by developers led to the improvement in sales in the second half of fiscal 2021.

CRISIL Research expects many lenders to stay cautious towards the real estate portfolio. However, lenders will be positive towards lending to a few large-branded developers, who clearly outperformed others and continue to gain share. The overall debt quantum of listed players has declined from Rs 0.68 trillion in fiscal 2019 to Rs 0.55 trillion in fiscal 2020 and further to Rs. 0.47 trillion in fiscal 2021. At an aggregate level, the real estate book of NBFCs is estimated to have declined 7% in fiscal 2022, led by muted fresh disbursements and players reducing their exposure to the real estate portfolio. A full economic revival in fiscal 2023 is not expected to result in a meaningful growth for the segment, due to the strategic decisions by players. However, a few large lenders are expecting a pickup in real estate lending, especially to renowned stronger builders, and the trend is expected to continue, assisting a revival in NBFC lending to real estate and end the year with muted or marginal growth of 0-1% in fiscal 2023.

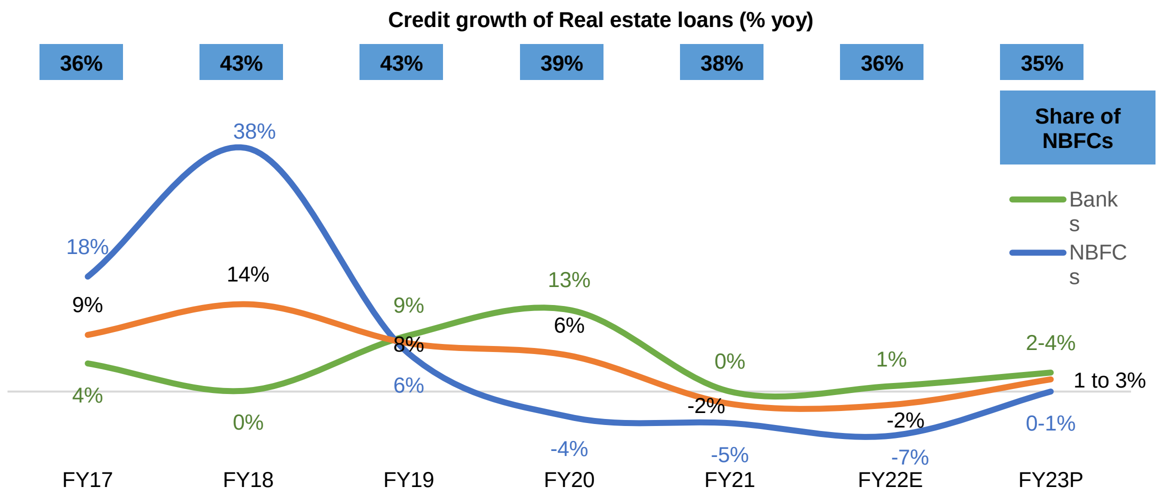
Residential real estate growth to stabilise in FY23 after 36% growth in FY22 on a low base of FY21



Source: Company reports, CRISIL Research
Note: Top 10 cities include – Mumbai MMR, Bangalore, Pune, NCR, Kolkata, Hyderabad, Chennai, Kochi, Chandigarh, and Ahmedabad.

In fiscal 2021, Covid-19 hit real estate segment hard with lockdowns, leading to a 26% decline in primary sales in the top 10 cities. The impact would have been much worse without government interventions. Incentives such as lower repo rates, stamp duty reduction by a few state governments, and price cuts by developers led to an improvement in sales in the second half of fiscal 2021. Further, during fiscal 2022, with the increase in housing demand, sales in the top 10 cities to have grown by an estimated 36% in fiscal 2022. Further, with the expectation of an increase in repo rates by an additional 75-100 bps by the Reserve Bank of India (RBI; over and above the 40-bps increase in May 2021) will have an impact on affordability during fiscal 2023. CRISIL Research expects the sales to be in range of 5-10% during fiscals 2022 and 2023.

NBFCs to lose market share to banks in real estate portfolio



Source: Company reports, CRISIL Research

Note: Credit deployment data published by RBI has undergone revision with effect from January 2021. Hence, comparable banking numbers for previous fiscal are revised accordingly.

Prior to fiscal 2019, NBFCs aggressively expanded their real estate portfolio, but the NBFC crisis affected their books hard. After fiscal 2019, banks started expanding their portfolio, as result of which, NBFCs which held market share of 43% in fiscal 2019 currently hold a share of 36% in fiscal 2022. CRISIL Research expects the trend to continue further in fiscal 2023 with NBFCs losing another 100 bps on account of muted or marginal growth in fiscal 2023.

Government support and regulations

Government support in the form of restructuring and moratoriums will be beneficial to wholesale lenders over short term, due to significant stress in the segment, worsened by the Covid-19 crisis. Over the long term, the wholesale finance segment is expected to undergo major structural shifts.

Moratorium and restructuring:

The Reserve Bank of India's (RBI's) move on one-time loan restructuring helped soften the pandemic's impact on the asset quality of NBFCs. Stressed real estate developers have been offered multiple resolution strategies

1. Even prior to Covid-19, 10-15% of real estate loans were under moratorium. This is called contractual moratorium, which comes under business-as-usual restructuring.

2. In February 2020, the RBI allowed NBFCs to extend the Date of Commencement of Commercial Operations (DCCO) by one year. Under this, developers who are unable to start commercial operations due to external factors that are outside the control of promoters, can extend the repayment of loans by one year.

3. In May 2020, the RBI announced a resolution framework for Covid-19-related stress (commonly known as One-Time Restructuring - OTR). While DCCO provides only extension of repayment by one year, OTR includes other options for developers, such as extension of tenure, recalibration of interest rates, and offering further moratorium. This framework was reintroduced again in May 2021 due to the second wave of Covid-19.

SWAMIH Fund:

The Ministry of Finance on September 14, 2019, announced a number of steps to revive the real estate sector and boost economic growth. One among those is SWAMIH Fund (Special Window for Completion of Construction of Affordable and Mid-Income Housing Projects Fund). Accordingly, an alternative investment fund (AIF) of Rs 25,000 crore – to provide last-mile funding for stalled affordable-housing and mid-level projects - was created for investments, primarily in the form of non-convertible debentures. The objective of the scheme is to trigger last-mile construction of stalled units and ensure delivery to the home buyers.

Status of SWAMIH Fund (as of March 2022)

Parameters	No of projects	No of Dwelling Units	Funding Sanctioned/ Funded Rs Bn
Granted Final Approval	**111**	**63,716**	**110**
Granted Preliminary Approval	**142**	**83,662**	**132**
Progress as of March 2022	**253**	**147,378**	**242**

Source: Ministry of Finance, CIRISL Research

Key challenges

Current stressed and concentrated portfolio

- **Few players dominate** wholesale book; a few slippages can result in high level of gross NPAs
- Currently, most of the developer **segment is stressed** visible in higher moratoriums, higher NPAs
- Many players announced their strategy to **exit the wholesale** portfolio

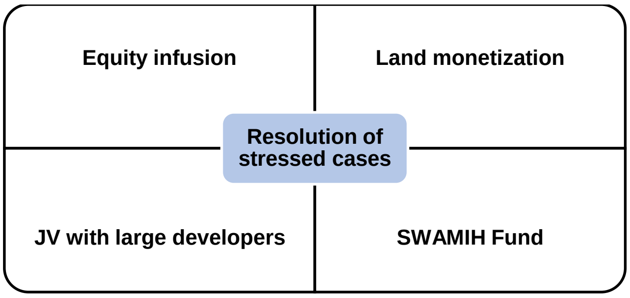
Limited refinancing avenues

- Due to increasing asset quality concerns in wholesale segment and liquidity crunch, repayments will have to be made through the actual cash flows received from the borrowers
- Economic downturn and poor demand in the real estate, borrowers are witnessing tight cash issues which **increases the default risks**

Source: Industry reports, CRISIL Research

Structural shifts

The stress in the wholesale segment is clearly visible in the higher NPAs and moratorium levels. Over years, most HFCs and NBFCs have announced their strategy/focus to reduce their wholesale exposure. This will open up opportunistic investments for private equity funds.



Source: CRISIL Research

Infrastructure finance **– Industry Overview**

NBFCs' infrastructure finance book to grow at a moderate pace in fiscal 2023

After a decline in non-banking financial companies' (NBFC) infrastructure book in fiscal 2022, due to the pandemic-induced weak demand for power, fiscal 2023 looks promising thanks to investments in renewable power and pick-up in transmission and distribution (T&D) amid a surge in power demand. The book is estimated to grow 3-5%, albeit on a low base of the previous fiscal.

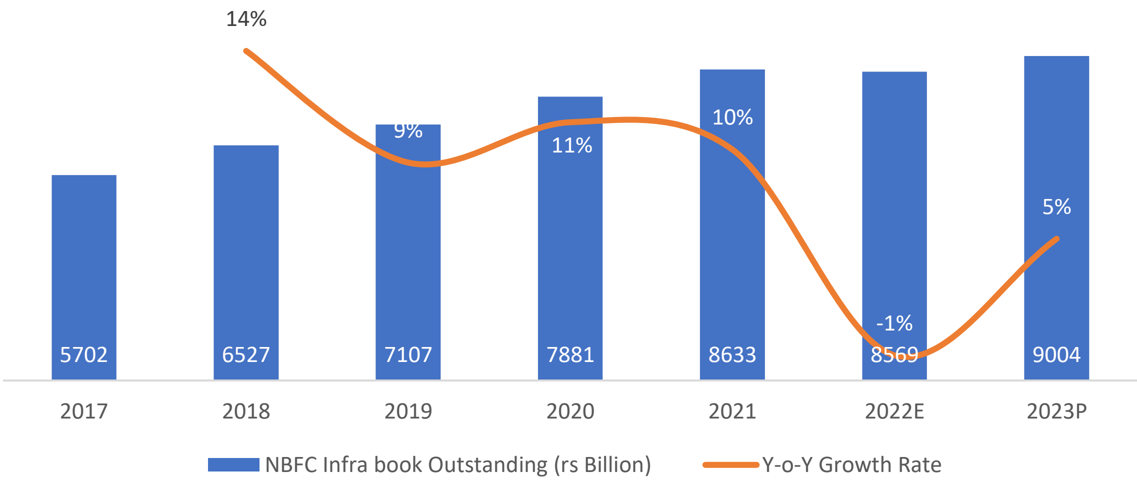
Investments in the conventional and renewable energy sector to aid book growth

Book (Rs trillion) FY22	Share in book (FY22)	Growth outlook for FY22	Growth outlook for FY23
20.59	NBFC: bank – 42:58	(0-2) %	3-5%

Source: Company reports, CRISIL Research

In fiscal 2022, NBFCs' infrastructure finance book declined (0-2)% due to a ~36% on-year fall in disbursements by Power Finance Corporation (PFC) and Rural Electrification Corporation Ltd (REC), which collectively account for 90-95% of the market share. The fiscal continued to feel the impact of the pandemic. In fact, the first quarter of the fiscal, which was expected to see a strong rebound over a low base of the previous year, was hit by the second wave and partial lockdowns imposed by major states crimped demand.

However, with revival in industrial and commercial activities, demand has started rising. Early onset of summer has also contributed to rise in demand for power.



Source: Company reports, CRISIL Research

Book growth to be driven by investments in renewable energy, revival in T&D

Renewable power

The focus on cleaner sources of power has moved investments materially from conventional generation to renewables. PFC's and REC's renewable book (6-7% of their total outstanding portfolio) clocked a CAGR of ~25% between fiscals

2018 and 2022. In fiscal 2023, growth will be driven by investments in the solar segment, which have consistently been above Rs 200 billion over the past 3-4 years, though had dropped to Rs 178 billion in fiscal 2021. In the power generation segment as well, investments in the transmission sector increased at ~2% CAGR between fiscals 2016 and 2020, but are estimated to have fallen 10-12% in fiscal 2021, due to the pandemic-triggered slowdown in project implementation.

Over fiscals 2023-27, 70-75 GW of renewable capacities are expected to be added compared with 38 GW over fiscals 2018-22. Capacity additions will be driven by the following:

- **NSM**: Central-level allocations under NVVN Batch II, and JNNSM Phase II Batch III and IV are almost entirely commissioned
- **Other central schemes:** The Solar Energy Corporation of India (SECI) has also started tendering projects outside the JNNSM Batch programme. It has initiated the Inter-State Transmission System (ISTS) scheme, wherein projects are planned for connection with the ISTS grid directly. Under this, the SECI has already allocated ~16 GW (including hybrid) and has another ~1.2 GW in the tendering phase. It has also allocated ~2.5 GW under other schemes (including round-the-clock and peak power supply tenders) until March 2022
- **State solar policies**: With thrust from the central government, states have also set aggressive targets to be achieved by 2022 under their solar policies. A total of ~7 GW is under construction based on already allocated schemes and another 9 GW is in the tendering phase based on released tenders under various state policies
- **PSUs:** The Central Public Sector Undertaking (CPSU) programme under JNNSM has been extended to 12 GW in February 2019. The government is also encouraging cash-rich public sector units (PSUs) to set up renewable energy projects. In particular, NTPC has already commissioned over ~1,668 MW of capacity, allocated ~4 GW and tendered a further ~1 GW under various schemes. It has a target of installing ~35 GW of renewable energy capacities by fiscal 2027. Similarly, NHPC had allocated 2 GW of projects in 2020, while the Indian Railways has committed to 20 GW of solar power by 2030. Other PSUs such as NLC, defence organisations and governmental establishments are also expected to contribute to this addition
- **Rooftop solar projects:** We expect 14-15 GW of rooftop solar projects (under the capital expenditure or capex and operational expenditure or opex mode) to be commissioned by fiscal 2027, led by high industrial and commercial tariffs and declining levelized cost of energy for these projects. However, growth in rooftop solar capacity additions need to be supported by improvement in the distribution companies' (discoms) infrastructure, continuation of net metering regulations/benefits and other regulatory incentives
- **Open-access solar projects:** We expect 9-10 GW of open-access solar projects (under the capex and opex mode) to be commissioned by fiscal 2027, led by sustainability initiatives/ renewable energy 100 targets of the corporate consumers, better tariff structures and policies of states such as Uttar Pradesh and Maharashtra, which are more long term in nature

Investments in solar to drive renewable growth FY23 onwards

Investments (Rs billion)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024P**	**2025P**
Solar energy	318	219	213	178	466	726	546	589
Wind energy	115	107	141	106	86	185	193	197
Total Renewable	433	326	354	284	547	755	725	695

Source: CRISIL Research

Transmission and distribution

Investments in the transmission segment are expected to surge to Rs 4-5 trillion over fiscals 2023 to 2027, led by robust investments in inter-regional transmission by Power Grid Corporation of India Ltd coupled with steady investments from various states to augment intra-state network, for a combined transformation capacity addition of 370-390 GVA over the period. Rising private sector participation and ultra-high-capacity green-energy corridors with expected investments of Rs 430 billion will also support investments in the transmission segment.

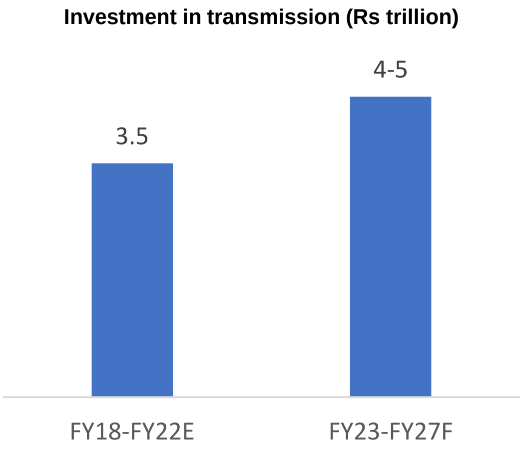
The government's focus on alleviating congestion in the transmission network is expected to translate into robust growth in transmission capacities. About 370-390 giga volt ampere (GVA) transformation capacity (above 220 kV level) is expected to be added over fiscals 2023 to 2027, reaching cumulative transformation capacity of 1,450-1,500 GVA by fiscal 2027.

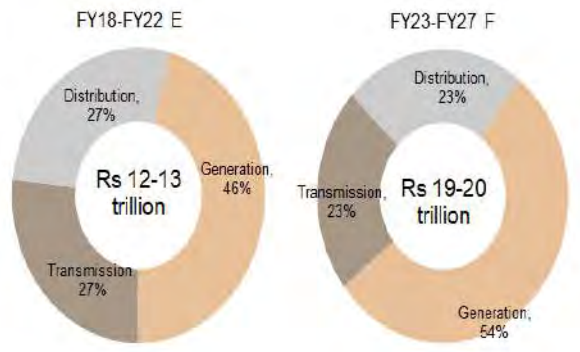
Consequently, investments of Rs 4.0-4.5 trillion are expected over the next five years in the transmission segment compared with Rs 3.0-3.5 trillion over the past five years, which would widen the transmission network, ensuring higher grid availability and improving power supply to all regions.

Investments (Rs 4-5 trillion) in the distribution segment over the next five years are expected to be driven by an increased outlay from the central government on various distribution-related schemes, such as Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS) and state investments to reduce aggregate technical and commercial (AT&C) losses. Revamped Distribution Sector Scheme (RDSS) worth Rs 3.04 trillion could provide a potential upside to investments in the distribution segment for network strengthening and efficiency improvement, but its implementation remains a key monitorable.

CRISIL Research projects investments of Rs 19-20 trillion in the power sector over the next five years. The share of generation, T&D segments over the forecast period is expected to be largely unchanged, with similar investments across the segments.

Investments in T&D to gather pace FY23 onwards



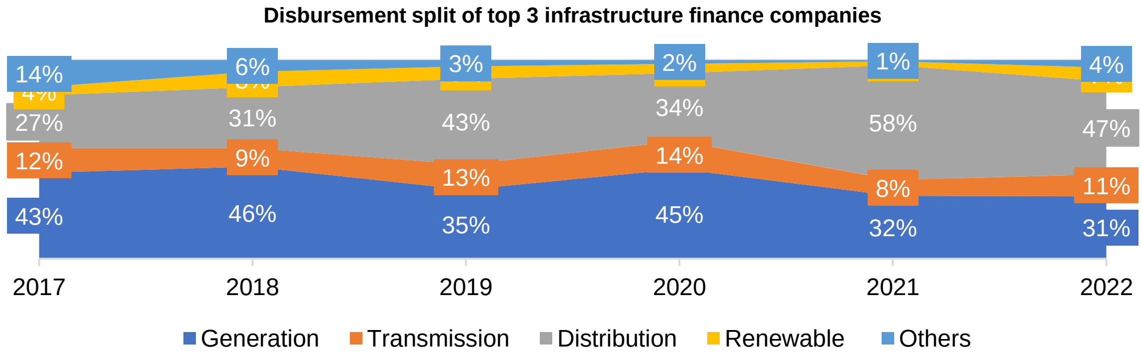


Source: Company reports, CRISIL Research

These investments will also open up an opportunity, as PFC and REC have been at the forefront of lending to renewable generation as well as power T&D segments, which will lead to an increase in their disbursements going forward.

This is expected to drive book growth for PFC and REC by 3-5% in fiscal 2023. As these loans are of long tenure of 8-10 years, repayments rates are lower at 12-15% leading to a stable book growth for PFC and REC.

Share of distribution segment in overall disbursements is expected to remain high



Note: Others include cement, city gas distribution, short-term loans

Source: Company reports, CRISIL Research

Infrastructure credit growth remained flat in fiscal 2022

Over the past couple of years, the government's focus on infrastructure spending has increased significantly. The National Infrastructure Pipeline (NIP) aims to invest Rs 111 lakh crore by 2025 in energy, infrastructure, airports, ports and railways sectors. Through this plan, there is a huge thrust on the roads segment, where the government plans to invest ~20 lakh crore over the next four years. Similar spending is expected in the energy segment as well, where the government aims to invest ~27 lakh crore over the next four years.

	Banks	NBFC
Infra Finance Portfolio (Rs. trillion)	12.02	8.3
Y-o-Y Growth (March 22 over March 22)	9%	0.4%
Portfolio Break-up (FY22)		
Power	51%	98%
Road	23%	0-1%
Telecom	11%	0%
Other	15%	0-1%

Note: Top three players accounting for ~90% of the book are included in the NBFC break-up calculation

Source: Company reports, RBI, CRISIL Research

In order to revive the roads sector, amidst the pandemic-led disruption, the National Highways Authority of India (NHAI) awarded 4,818 km in fiscal 2021 – a three-fiscal high. Of these, 54% was awarded under the hybrid annuity model (HAM), 3% under the build-operate-toll (BOT) mode, and the remaining under the engineering, procurement and construction (EPC) mode. Favourable changes in the BOT and HAM agreements and relaxation of bidder eligibility criteria indicate a clear policy shift last fiscal to improve private sector participation.

The trend is expected to continue with awards likely to range 4,500-5,000 km in the long term and 4,000-4,500 km per year over the medium term, as developers will be able to free up capital through stake sales supported by the strong pipeline of projects under Bharatmala and NIP.

This will drive demand in infra financing, and boost banks such as SBI, Axis and PNB which also lend in this space.

Share of NBFCs in infrastructure financing expected to decline further

NBFCs outpaced banks in infrastructure finance in fiscal 2021but the growth is expected to decline going further with banks catching up faster than NBFCs. Though banks' infrastructure spending grew 19% in fiscal 2019, compared with 9% growth for NBFCs, it remained flat at 2-3% in fiscals 2020 and 2021, which is when NBFCs increased their share in Infrastructure financing.

In fiscal 2022, banking credit to the infrastructure segment grew 9%, while the NBFC book grew only 0-2% due to poor disbursements. Though disbursements are expected to pick up this fiscal, registering an estimated book growth of 3-5%, banking credit to the infrastructure segment is expected to increase 7-9%. This will lead to further loss in NBFCs' share in fiscal 2023.

Source: CRISIL Research

OUR BUSINESS

Unless otherwise stated or the context requires otherwise, references in this section to "we", "us" or "our" refers to L&T Finance Limited.

Some of the information in the following section, specifically the information in relation to our plans and strategies, contain certain forward looking statements that involve risks and uncertainties. You should read "Forward Looking Statements" on page 17 for a discussion of risks and uncertainties related to those statements and also "Risk Factors" on page 18, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Unaudited Financial Results and Reformatted Financial Information.

We have included various operational and financial performance indicators in this section, some of which may not have been derived from our Unaudited Financial Results, Reformatted Consolidated Financial Information or Reformatted Standalone Financial Information and which may not have been subject to an audit or review of the Statutory Auditors. The manner in which such operational and financial indicators are calculated and presented, and the assumptions and estimates used in the calculation, may vary from that used by other entities in the business similar to ours. You should consult your own advisors and evaluate such information in the context of the Unaudited Financial Results, Reformatted Consolidated Financial Information and/or Reformatted Standalone Financial Information and other information relating to our business and operations included in this Draft Shelf Prospectus.

Pursuant to the Scheme of Amalgamation of L&T Infrastructure Finance Company Limited and L&T Housing Finance Limited (the 'merged entities') with the Company, which is accounted as a common control business combination in accordance with Appendix C of the Indian Accounting Standard (Ind AS) 103 - "Business Combinations", the figures reported for Fiscal 2020 is based on comparitive previous year's numbers included in the Audited Financial Results for Fiscal 2021 prepared in accordance with Indian Accounting Standard 103.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular the report titled the industry report titled "NBFC Report 2021" (June, 2022 update) prepared by CRISIL Research, report titled "Macro-Economic Overview" released by CRISIL Research as published in September 2022.

Overview

Our Company is a professionally managed non-deposit taking, systemically important NBFC registered with RBI and a wholly owned subsidiary of L&T Finance Holdings Limited. Our Company is a leading non-banking financial services companies in terms of total loans outstanding, with total adjusted loans and advances outstanding aggregating to ₹ 81,621.52 crore and ₹ 83,334.99 crore as of June 30, 2022 and March 31, 2022, respectively on a standalone basis. Based on the revised regulatory framework prescribed by the RBI for NBFCs, our Company has been re-classified under the category "Investment and Credit Company- NBFC (ICC-NBFC)" by RBI.

We are a wholly owned subsidiary of L&T Finance Holdings Limited, a Non-Banking Finance Company–Core Investment Company ("**NBFC-CIC**") and are a part of the larger L&T group, one of the leading business conglomerates in India, with presence across infrastructure, power, heavy engineering, hydrocarbons, IT and technology services, financial services, project development, metallurgical and material handling, realty, shipbuilding, construction equipment, machinery and industrial products sectors.

Our Company has in line with the group strategy of LTFS Lakshya 2026 taken steps towards creating a digitally enabled retail finance company and accordingly our business segments have been categorised to align with the group strategy. Our primary business comprises of two broad segments i.e., Retail Business and Wholesale Business. Retail Business accounted for 58.56% and Wholesale Business accounted for 40.85% of our total adjusted loans and advances as of June 30, 2022, on a standalone basis.

Our Retail Business comprises of rural business finance which includes primarily our micro loans business; farmer finance which includes tractor loans and urban finance which includes products like two-wheeler finance, consumer loans, home loans and loan against property. Recently, we have launched a new product as SME (Small and Medium Enterprises) including loans to professionals and mid-size entrepreneurs. As of June 30, 2022, our total adjusted loans and advances for our Retail Business was ₹ 47,793.74 crore, with ₹ 14,397.08 crore, ₹ 11,597.06 crore, ₹ 21,606.89 crore,

₹ 126.44 crore and ₹ 66.27 crore of adjusted loans and advances under our rural business finance, farmer finance, urban finance, SME loans and acquired portfolio, respectively, on a standalone basis.

Our Wholesale Business includes real estate finance and infrastructure finance to large corporates. Our total adjusted loans and advances under our real estate finance and infrastructure finance were ₹ 9,809.06 crore and ₹ 23,529.54 crore as on June 30, 2022, respectively, on a standalone basis.

Our business operations are spread throughout India and we have 1,732 branches in across 20 states and one union territory, as of June 30, 2022.

Our total income on a standalone basis for the Fiscals 2022, 2021 and 2020 was ₹ 11,445.16 crore, ₹ 12,693.07 crore and ₹ 13,042.27 crore, respectively. Our profit for the year on a standalone basis, for the Fiscals 2022, 2021 and 2020 was ₹807.98 crore, ₹ 1.36 crore and ₹ 700.76 crore, respectively. Our total income and profit for the three months period ended June 30, 2022 on a standalone basis was ₹2,962.50 crore and ₹ 214.00 crore, respectively. Gross stage 3 assets were 4.41%, 4.33%, 6.39% and 6.44%* of our loan portfolio under management for the three months period ended June 30, 2022, and the Fiscals 2022, 2021 and 2020, respectively, on a standalone basis.

**pre-merger, as reported to RBI*

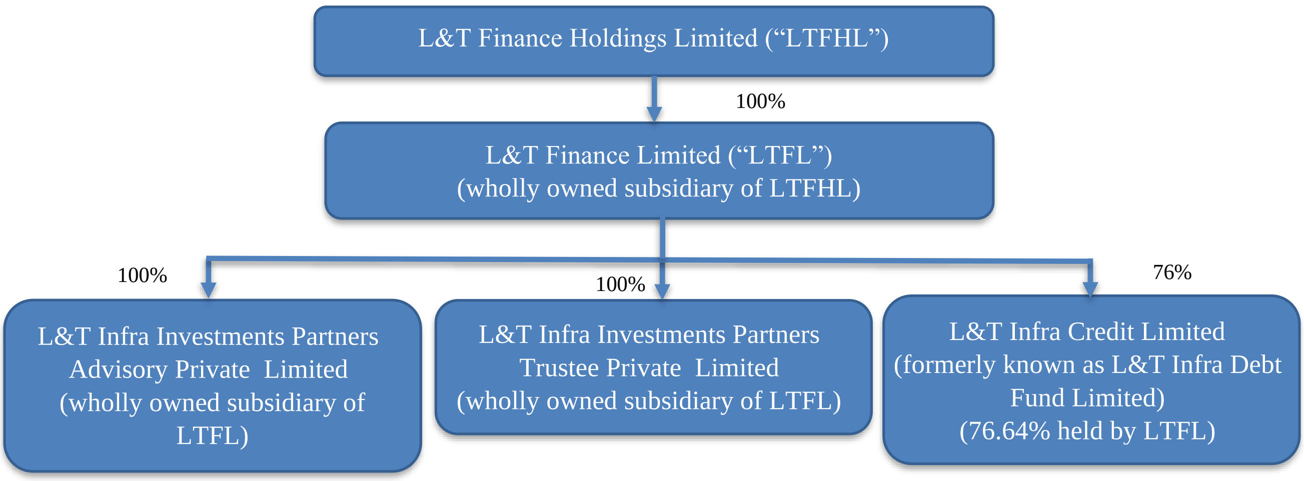
The following table sets forth certain key details of our Company, for the periods indicated on a standalone basis:

(₹ in crore)

	As at and for three months ended June 30, 2022	As at and year ended March 31,		
		2022	2021	2020
Total Adjusted Loans & Advances Outstanding	81,621.52	83,334.99	85,543.81	89,588.07
Total Disbursements	10,460.90	37,201.88	27,674.12	35,858.07
Average Assets Under Management	82,923.14	81,396.10	90,165.90	91,469.11
Total income	2,962.50	11,445.16	12,693.07	13,042.27
Profit for the Year/ Period	214.00	807.98	1.36	700.76
Gross Stage 3 Assets (GS3) (%)	4.41%	4.33%	6.39%	6.44%*
Net Stage 3 Assets (NS3) (%)	2.02%	2.10%	1.93%	2.61%*

**pre-merger, as reported to RBI*

Our Corporate Structure



Our Strengths

Customer-centric approach driven by scalable digital solutions and automation

We are a digital enabled finance company and have been an early adopter of scalable digital solutions in order to improve customer experience and/or operational efficiencies. Use of digital channels and data analytics, a journey our Company started way back in 2016, has enabled us respond to market expectations and to cater to a geo-agnostic customer across the nation. Whether for customer profile identification, credit evaluation, collection efficiency and analysis, customer retention and cross selling, our technical acumen in deploying digital solutions and analytics has helped us drive scale, build efficiencies and enhance our access to customers in geographical regions where we previously did not have a significant physical presence.

We keenly believe in the benefits of digitization, both for customer-facing activities as well as throughout our broader operations. We entail the use of technology at every possible step of the loan, spanning underwriting, analytics-based decision-making, real-time integration with credit bureaus, GPS tagging, mobile-based fraud risk management and others. We have also used analytics and bureau information to strengthen our collections processes. Our proprietary 'PLANET by L&T Finance' application has been designed with the aim of making the customer journey seamless, with simple and easy-to-understand process / steps / journeys. We provide end-to-end digital workflows covering the entire customer journey starting directly from lead generation to customer onboarding to customer servicing.

'PLANET by L&T Finance' application is building its reputation as a one stop solution for new and existing customers with features like repayment solutions, servicing capabilities, credit score being available.

We believe that adoption of digital operating model has improved the customer experience through accessibility, paperless processes, self-service options and faster turnaround time. Operationally, digitisation has benefited us through wider reach, improved processes, increased productivity, reduced costs, improved collections through data-driven early warning systems, and better cross-selling opportunities.

Significant presence across diversified businesses

Our Company is one of the leading non-banking financial services companies in India with total adjusted loans outstanding aggregating to ₹ 81,621.52 crore and ₹ 83,334.99 crore as of June 30, 2022 and March 31, 2022, respectively, on a standalone basis.

Our Retail Business includes rural business finance, farmer finance, urban finance (two wheeler, consumer loans, home loans and loan against property), SME loans which cater to women entrepreneurs, farmers, individuals, small and medium-sized enterprises. Our Wholesale Business (infrastructure finance and real estate), our customers include large corporates and real estate developers.

Rural Finance Business

Rural business finance (RBF): Under RBF vertical, we primarily offer finance to women entrepreneurs in the rural market through 1,542 branches covering across 17 states in India, as of June 30, 2022. Our Company's RBF business works on a data analytics-based sourcing and monitoring model which takes into account local demographics, socio-economic factors, income assessment along with both village and borrower specific credit appraisals.

Farmer finance: In the Company's farmer finance business, our Company has over 15 years of operating experience in rural markets. We benefit from the reach of our branch network, continued association with large OEMs and strong relationship with more than 3,000 farm equipment dealerships which allows us to provide on-site financing. In addition, we have also initiated Digital offering to the customer which enables faster TAT and enhanced customer experience.

Urban Finance:

A) *Two-Wheeler:* Our Company started our two-wheeler financing business in 2012 and we have 85 branches in 19 states and 1 union territory in India as of June 30, 2022. Our Company seeks to differentiate ourselves in the two-wheeler finance business through the effective use of algorithm driven mobile-based solutions, relying on digital customer checks, digital data capture and other automated processes. Our Company shares relationships with all large two wheeler OEMs and over 7,000 two-wheeler dealerships as of June 30, 2022, which helps us source, and better serve, our customers.

B) *Home loan and Loan Against Property:* In the home loan business, our Company focuses on the (a) salaried; and (b) self-employed non-professionals, through our presence in 27 locations across India as of June 30, 2022. The Home Loan Sanction process is partially paperless which we believe has been instrumental in quicker turnaround of proposals. Our Company offers loan against property across all states in India, catering primarily to the self-employed non-professional/professional customer segment against equitable or registered mortgage of residential or commercial or industrial properties.

C) *Consumer loans*: We offer viable financial solutions to assist our customers with immediate financial needs, thus helping them achieve goals as per their requirements. Our consumer loans disbursal process is completely digital with quick approval process and competitive interest rates. We provide consumer loans to both salaried and self-employed professionals.

D) *Small and Medium Enterprises (SME) Lending Business*: In Fiscal 2022, our Company commenced lending to the SME (Small and Medium Enterprises to SEP and SENP) sector with a specific focus is on low-risk customers / sectors / ticket size that have demonstrated resilience in the face of COVID-19 induced pandemic. For the SME lending business, our company is working to provide a differentiated experience to customers, based on an end-to-end seamless digital journey.

   In this business, our Company provides financing through unsecured business loans of ₹ 5 lakh to ₹ 50 lakhs ticket size and lends to self-employed professionals and small businesses across manufacturing, trading and services, which have an established track record.

Wholesale Business:

A) *Infrastructure Business:* Our Company's infrastructure business primarily comprises financing of projects largely in the infrastructure sector with a view towards environmental sustainability. The business focuses on financing viable renewable energy generation, road transportation and power transmission projects. Our Company provides customised debt financing solutions with an emphasis on structuring of loans based on projected cash flows of the project/ borrower, in compliance with our internal guidelines/ standards.

B) *Real Estate Finance Business:* Our Company has underwritten financing solutions to address the funding requirements of real estate developers across six select urban locations, i.e., Mumbai, Pune, NCR, Bangalore, Chennai, and Hyderabad, concentrating on prominent real estate developers having robust delivery and performance records on the basis of their financial strength, business strength, past experience, and market reputation.

Strong appraisal, structuring and syndication capabilities

Our Company's loan appraisal, approval and structuring procedures have been customised to suit the needs of our clients in each of the financing businesses.

For our Retail Business, we have adopted a simple and prompt loan appraisal system with standardised documentation. We rely on data analysis and digital processes to offer paperless journey and deliver quick-turnaround times across all our Retail Business. Our Company has built analytics-based algorithms and evaluation metrics based on the inputs from the portfolio trends over the years in our Retail Business. These metrics include macro-economic indicators, demographics, credit repayment history, credit bureau data that assist in evaluation of the creditworthiness of a borrower. Our Company analyses the historical data and trends at state-wise / district wise / pin-code wise inputs on these metrics, which are used for loan disbursement and assessing collection patterns, credit stress on borrowers and likelihood of default. Credit decisions for Retail Business are Rule based, generally objective and are adjusted with risk based pricing. Once the loan has been approved and disbursed, these metrics help us assess early warning signals in line with our risk management policies. Consequently, we have a centralized and automated credit appraisal process.

Robust risk management framework

Risk management forms an integral part of our business and we recognize the importance of risk management towards our long-term success. We have a risk management framework in place and is supervised periodically by the Risk Management Committee which reviews our Company's risk appetite on a quarterly basis. We have an extensive pan India reach and have a diversified portfolio across businesses. We are well within risk appetite limits set by us. This ensures that planned business activities provide an optimised balance of return for the risk assumed within the targeted risk appetite. The risk management framework includes risk appetite statement, risk limits framework, risk dashboards and early warning signals.

We believe our focused strategy of building an effective risk culture and framework has helped our Company to achieve highest credit rating of 'AAA / A1+' by CRISIL, ICRA, CARE and India Ratings. The strong risk management, rule-based centralized underwriting and strong early warning signal monitoring has led to improved asset quality in our business. As of June 30, 2022 and March 31, 2022, our gross stage 3 assets accounted for 4.41% and 4.33% , respectively, on a standalone basis. As of June 30, 2022, the provision coverage ratio stood at 55.28%, on a standalone basis.

Further, we believe that having a strong macro-prudential provision approach has helped us in staying resilient in the face of economic challenges and has also helped our organization strengthen our financial system and reduce the build-up of systemic risks. It provides a backup fund for any unforeseen risk that is over and above the expected credit losses on gross stage 3 assets and standard asset provisions. As of June 30, 2022, the total additional provisions including macro prudential provisions and enhanced provisions on standard book stand at 1.85%, being ₹1,425 crore, on total standard book principal exposure.

Experienced and professional management team

Our Company has a professional and experienced management team. Each of our businesses are led by senior executives who are, generally, also responsible for certain other major organisational functions of our Company. Our senior managers have diverse experience in various financial services businesses across functions related to our business. Our senior managers have an in-depth understanding of the specific industry, products and geographic regions we cover, which enables us to appropriately lead and provide guidance to our employees. Also, our Board has extensive experience in the financial services and banking industries in India. Further, we have instituted several training and mentorship programs for our junior and mid-management employees. Our Company has successfully recruited and retained talented employees from a variety of backgrounds, including credit evaluation, risk management, treasury, technology and marketing.

Brand recall and synergies with L&T

L&T group is one of the leading business conglomerates in India, with presence across infrastructure, power, heavy engineering, electrical and automation, hydrocarbons, IT and technology services, financial services, project development, metallurgical and material handling, realty, shipbuilding, construction equipment, machinery and industrial products sectors. Our Company believes that our relationship with L&T provides brand recall and we continue to derive significant marketing and operational benefits from this relationship. For example, our Company has largely grown our housing business by leveraging on L&T's relationships with real estate developers, its ability to assess developers and projects and its know-how of the processes and timelines involved. Similarly, in our infrastructure business, we leverage on L&T's in-depth sector knowledge to assess projects and operational risk. Further, we believe, there are opportunities presented by other businesses of L&T for the growth of our operations.

Our Strategies

Further enhance technology systems and data analytics as a competitive advantage

To reduce costs and manual intervention in favour of automated processes, improve productivity and performance, manage risk, approve loans at a quicker rate and have a competitive advantage, our Company intends to continue to leverage technology. The key technology initiatives that our Company intends to implement in this regard, are as follows:

- implement cloud-based loan origination and loan management systems to enable quicker operations and allow scalability in cloud capacity as and when more computing is required and scale down when there is less demand;

- revamp the mobile-based platform and extend it across our businesses, with an emphasis on automated processes as a substitute to manual input of data to reduce operational costs and errors;

- consolidate our current loan management systems across various lines of business with an integrated loan management system, to enable seamless data sharing across businesses;

- leverage external data sources for pre-populating KYC details and generate computerized application forms and rely on customers' electronic signatures in order to achieve lower costs, decreased risk of fraud and quicker turn-around times;

- increasingly utilize electronic payment gateways for transactions; and

- improve customer experience through implementation of user accessible applications which are connected to transmit real time information and enable direct connections with banks to make disbursements.

Our Company believes that, as we develop and integrate such programs into our business, we can further capitalise on the reach of our offices and increase our market share. The adoption of a mobile-based solution and related automated processes is aimed at streamlining our customer acquisition processes and creating a data management platform to run our customer acquisition campaigns.

Further, while our Company has deployed data analytics in our business operations, particularly for our Retail Business, we intend to expand its usage across all our businesses and functions. Our Company intends to increasingly shift from discretion-based loan approval to 100% rule-based underwriting, relying on established evaluation metrics and parameters and similarly drive our collection strategy based on data analytics. For example, for our urban finance and rural business finance businesses we analyse data gathered for loan disbursement and assessing collection patterns, credit stress on borrowers due to delay or inability to pay and likelihood of default. Our Company intends to expand its use for our farmer financing business. Our Company also intends to increasingly add additional external and public data inputs, such as telecom payments, credit bureau assessments, utility payments, credit history with other lenders and real time bank account information as data points into our evaluation metrics. We believe these initiatives will further augment our cross-selling engine swiftly, for example top-up and refinancing loans, sale of two-wheeler loans to farmer finance customer or Rural Business Finance loan clients, among others. Further, adoption of data analytics will also help us increasingly assess customers using algorithms, particularly those customers who do not have a credit history and have historically been under-served.

Grow our key businesses

Our Company intends to grow our market share, improve margins and profitability and become distinctive in each of our key businesses as follows:

- *For our Company's Rural business finance,* we intend to expand our branch network Pan India, as well as penetrate into newer geographies depending on the business potential of the location. We believe this will allow us to expand to markets which are under-served while reducing our dependence in saturated / underperforming markets. In opening each branch or site, we analyse the market landscape, industry delinquency, local market and proximity to target customers.

- *In the Farmer finance business,* we seek to grow our presence at dealerships and points of sale for local farmers and seek to strengthen our relationships with equipment manufacturers, input providers, crop sellers by providing trade advances and improved service propositions. We further intend to leverage our native digital platform for offering differentiated products to farmers to serve their end-to-end financing needs during the entire crop cycle.

- *In the Urban business*, we intend to deepen our presence into new cities along with expanding our branch network in cities that we are currently present in. Our company seeks to strengthen our dealership / DSAs proposition for two wheelers and home loans businesses. For consumer finance, we intend to build direct autonomous connect with the customers by leveraging our digital channels as a key to customer acquisition. We strongly believe that with the seamless direct autonomous customer proposition, our urban finance vertical will be able to deliver significant growth.

- *In the SME lending business,* our Company plans to expand into new cities, which have been chosen based on industry attractiveness and detailed evaluation metrics to deliver differentiated credit cost. The metrics for geographical evaluation include, but are not limited to, population demographics, industry portfolio quality, law and order situation and environmental factors. Even within the geographies shortlisted, certain pin-codes may be restricted for business based on findings from on-ground survey and market feedback collected by our field staff.

- *In our Company's infrastructure business*, we will continue having a strong sell down model with higher churn resulting in an asset light model.

Emphasise fee income and cost efficiency to deliver improved performance metrics

Our Company intends to develop our lending business model in a manner such that we reduce our reliance on net interest margins alone and shift to a combination of net interest margin and fee-based income and profitability. We believe this strategy serves as an effective mitigation mechanism from potential interest rate volatility. For example, in our rural business we have launched a model that, in addition to generating interest income as part of a loan, accrues fees received from equipment manufacturers and arranger fees from ancillary products sold along with the loan.

Further, we endeavour to achieve increasing cost efficiencies through initiatives such as rationalizing inefficiencies in processes by reducing manual data entry errors and removing unnecessary procedures between loan application submission to disbursement, streamlining our branch network through consolidation of branches and increasing use of information technology and data analytics.

Sustainable future growth through ESG

Our Company working towards being an environmentally and socially responsible financial institution built on the foundation of 'Assurance', focused on generating sustainable long-term value for all our stakeholders. Our intention is to mainstream ESG practices into business, operations and value chain. We working towards developing ESG specific risk assessment tools and risk appetite statements and setting up ESG dashboard across operations and businesses.

Key Operational and Financial Parameters

A summary of our key operational and financial parameters for the last three completed Fiscals on a standalone and consolidated basis, and for the three months period ended June 30, 2022 on a standalone basis are as follows:

Our key operating and financial metrics (on a consolidated basis) as at March 31, 2022, 2021 and 2020 are as follows:

(₹ in crore)

Parameters	Fiscal 2022	Fiscal 2021	Fiscal 2020
Balance Sheet			
Net Fixed assets[1]	19.41	22.56	36.31
Current assets[2]	55,443.41	51,185.33	51,144.19
Non-current assets[3]	49,617.45	54,640.94	57,639.55
Total assets	**1,05,080.27**	**1,05,848.83**	**1,08,820.05**
Non-Current Liabilities[5] (including maturities of long-term borrowings and short term borrowings)	**39,087.44**	**50,740.76**	**57,352.37**
Financial (borrowings, trade payables, and other financial liabilities) [Note 1]	39,086.53	50,740.20	57,352.37
Deferred tax liabilities (net)	0.28	-	-
Provisions	0.63	0.56	-
Current Liabilities[4] (including maturities of long-term borrowings)	48,443.45	38,418.98	34,807.23
Financial (borrowings, trade payables, and other financial liabilities) [Note 1]	48,179.51	38,084.82	34,668.99
Other non-financial liabilities	53.47	40.59	5.70
Deferred tax liabilities (net)	-	0.20	-
Provisions	26.15	27.01	33.28
Current tax liabilities (net)	184.32	266.37	99.26
Equity (including other equity)	**17,056.44**	**16,214.16**	**16,173.95**
Non-controlling interest	**492.94**	**474.92**	**486.50**
Total equity and liabilities	**1,05,080.27**	**1,05,848.83**	**1,08,820.05**
Profit and Loss			
Total revenue[10]	**12,175.32**	**13,598.45**	**13,960.20**
From operations[14]	11,787.13	13,254.75	13,664.76
Other income	388.19	343.70	295.44
Total Expenses	11,088.63	13,124.51	12,138.22
Exceptional Item	-	-	-
Profit / (Loss) before tax	1,086.69	473.94	1,821.98
Profit / (Loss) after tax[11]	794.71	46.02	917.29
Other comprehensive income	62.68	41.50	(159.25)
Total comprehensive income	857.39	87.52	758.04
EPS[15]			
(a) Basic	3.03	0.20	3.23
(b) Diluted	3.03	0.20	3.23
Cash Flow			
Net cash generated from operating activities	5,348.64	5,291.14	1,863.79
Net cash used in / generated from investing activities	(5187.31)	(1,961.10)	(106.04)
Net cash used in financing activities	(940.17)	(3,378.04)	2,031.41

Parameters	Fiscal 2022	Fiscal 2021	Fiscal 2020
Add : Opening cash and cash equivalents as at the beginning of the year	5,547.83	5,595.83	1,806.67
Cash and cash equivalents	4,768.99	5,547.83	5,595.83
Additional information			
Net worth [7]	16,407.93	15,518.30	15,523.59
Cash and Cash Equivalents	4,768.99	5,547.83	5,595.83
Assets under Management[8]	88,340.85	94,013.43	98,384.00
Off Balance Sheets Assets[9]	529.17	340.16	2,258.21
Total Debts to Total assets[18]	0.82	0.83	0.84
Debt Service Coverage Ratios	NA	NA	NA
Interest Income	11,680.33	13,100.31	13,254.10
Interest Expense	5,727.96	7,062.82	7,380.64
Interest service coverage ratio	NA	NA	NA
Provisioning & Write-Offs[16]	3,082.83	3,631.63	2,311.76
Gross Stage 3 (%)[12]	4.08%	5.80%	6.44%
Net Stage 3 (%)[13]	1.98%	1.74%	2.61%
Tier I Capital Adequacy Ratio (%)	NA	NA	NA
Tier II Capital Adequacy Ratio (%)	NA	NA	NA

Note 1-

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	Within 12 months	Within 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months
Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	426.08	-	369.21	-	224.21	-
Other payables						
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	6.49	-	5.07	-	0.83	-
Debt securities	19,699.80	22,494.30	15,456.74	29,917.74	14,502.59	28,027.03
Borrowings (other than debt securities)	26,701.20	13,655.20	21,339.21	17,318.90	19,574.90	25,760.46
Subordinated liabilities	668.82	2,914.68	400.99	3,423.28	190.41	3,469.69
Lease liability	13.18	22.35	9.90	24.15	9.93	26.41
Other financial liabilities	663.93	0.01	503.70	56.13	166.12	68.78
Total	**48,179.51**	**39,086.53**	**38,084.81**	**50,740.20**	**34,668.99**	**57,352.37**

Definitions-

1. *"Net fixed assets" refers the net value of "property, plant and equipment (PPE)" as per Ind AS 16. Net value is computed as gross value less accumulated depreciation of PPE.*
2. *"Current assets" includes all financial assets and non-financial assets which are expected to be realised within twelve months after the reporting date.*
3. *"Non-current assets" includes all assets other than "Net fixed assets" and "Current assets" defined above.*
4. *"Current liabilities (including maturities of long-term borrowings)" includes all financial and non-financial liabilities which are due to be settled within twelve months after reporting date.*
5. *"Non-current liabilities (including maturities of long-term borrowings and short-term borrowings)" includes all financial and non-financial liabilities other than current liabilities.*
6. *Equity (including other equity) refers to equity attributable to owners of the company*
7. *"Net worth" refers to the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created*

out of revaluation of assets, write-back of depreciation and amalgamation as per Section 2(57) of Companies Act, 2013

8. *Assets under Management refers to total adjusted loans & advances.*
9. *Off Balance Sheets Assets refers to Non-Fund Based Exposures.*
10. *Total revenue refers to the total income.*
11. *Profit/(Loss) after tax refers to profit for the year.*
12. *Gross Stage 3 (%) refers Gross NPAs to Gross Advances %*
13. *Net Stage 3 (%) refers Net NPAs to Net Advances %*
14. *From operations refer to revenue from operations*
15. *EPS refer to Earnings Per Equity Share*
16. *Provisioning & write off refers to addition of Net loss on fair value changes, Net loss on derecognition of financial instruments under amortised cost category and Impairment on financial instruments*
17. *Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Net worth.*
18. *Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / total assets.*

Our key operating and financial metrics (on a standalone basis) as at March 31, 2022, 2021 and 2020 are as follows:

(₹ in crore)

Parameters	Fiscal 2022	Fiscal 2021	Fiscal 2020
Balance Sheet			
Net Fixed assets[1]	19.41	22.56	36.31
Current assets[2]	50,971.76	49,220.45	49,605.87
Non-current assets[3]	45,180.66	46,965.74	49,557.29
Total assets	**96,171.83**	**96,208.75**	**99,199.47**
Non-Current Liabilities[5] (including maturities of long-term borrowings and short term borrowings)	**33,597.84**	**43,255.75**	**49,642.76**
Financial (borrowings, trade payables, and other financial liabilities)[Note 1]	33,597.84	43,255.75	49,642.76
Provisions	-	-	-
Current Liabilities (including maturities of long-term borrowings)	**46,082.76**	**37,331.77**	**33,922.12**
Financial (borrowings, trade payables, and other financial liabilities)[Note 1]	45,849.99	37,095.06	33,786.20
Other non-financial liabilities	51.36	39.70	4.77
Provisions	25.86	26.57	31.89
Current tax liabilities (net)	155.55	170.44	99.26
Equity (including other equity)	16,491.23	15,621.23	15,634.59
Total equity and liabilities	**96,171.83**	**96,208.75**	**99,199.47**
Profit and Loss			
Total revenue[9]	**11,445.16**	**12,693.07**	**13,042.27**
From operations[13]	11,057.58	12,349.31	12,747.98
Other income	387.58	343.76	294.29
Total Expenses	10,353.29	12,360.83	11,438.19
Profit / (Loss) before tax	1,091.87	332.24	1,604.08
Profit / (Loss) after tax[10]	807.98	1.36	700.76
Other comprehensive income/ (loss)	62.02	43.17	(159.09)
Total comprehensive income	870.00	44.53	541.67
EPS[14]			
(a) Basic	3.01	0.01	2.61
(b) Diluted	3.01	0.01	2.61
Cash Flow			

(₹ in crore)

Parameters	Fiscal 2022	Fiscal 2021	Fiscal 2020
Net cash generated from operating activities	1,928.55	4,761.01	2,243.71
Net cash used in / generated from investing activities	(1,726.55)	(2,471.20)	376.24
Net cash used in financing activities	(281.00)	(3,235.28)	1,013.62
Add : Opening cash and cash equivalents as at the beginning of the year	4,312.83	5,258.30	1,624.73
Cash and cash equivalents	4,233.83	4,312.83	5,258.30
Additional information			
Net worth [6]	15,876.71	14,961.35	14,985.81
Cash and Cash Equivalents	4,233.83	4,312.83	5,258.30
Assets under Management[7]	83,334.99	85,543.81	89,587.98
Off Balance Sheets Assets[8]	529.17	340.16	2,105.06
Total Debts to Total assets[17]	0.81	0.83	0.84
Debt Service Coverage Ratios	NA	NA	NA
Interest Income	10,969.31	12,206.78	12,374.41
Interest Expense	5,065.27	6,357.30	6,728.91
Interest service coverage ratio	NA	NA	NA
Provisioning & Write-Offs[15]	3,037.70	3,605.59	2,309.49
Gross Stage 3 (%)[11]	4.33%	6.39%	6.44%*
Net Stage 3 (%)[12]	2.10%	1.93%	2.61%*
Tier I Capital Adequacy Ratio (%)	17.86%	17.00%	15.87%
Tier II Capital Adequacy Ratio (%)	2.91%	3.54%	2.44%

**pre-merger, as reported to RBI*

Our key operating and financial metrics (on a standalone basis) for the three months period ended June 30, 2022 are as follows:

(₹ in crore)

Parameters	Three months period ended June 30, 2022
Profit and Loss	
Total revenue	**2,962.50**
From operations	2,815.70
Other income	146.80
Total Expenses	2,674.36
Exceptional Item	
Profit / (Loss) before tax	288.14
Profit / (Loss) after tax	214.00
Other comprehensive income	33.20
Total comprehensive income	247.20
EPS	
(a) Basic	0.80
(b) Diluted	0.80

Note 1

Particulars	As at March 31, 2021		As at March 31, 2021		As at March 31, 2020	
	Within 12 months	Within 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months
Trade payables	436.09	-	364.91	-	208.63	-
Other payables	6.49	-	5.07	-	0.83	-
Debt securities	17,442.53	17,223.08	14,544.12	22,686.36	13,707.45	20,603.46
Borrowings (other than debt securities)	26,701.20	13,655.20	21,339.21	17,318.90	19,574.90	25,760.46
Subordinated liabilities	600.37	2,697.22	331.38	3,170.21	120.27	3,183.65
Lease liability	13.18	22.35	9.90	24.15	9.93	26.41
Other financial liabilities	650.13		500.47	56.13	164.20	68.78
Total	**45,850.00**	**33,597.84**	**37,095.06**	**43,255.75**	**33,786.21**	**49,642.76**

Definitions-

1. *"Net fixed assets" refers the net value of "property, plant and equipment (PPE)" as per Ind AS 16. Net value is computed as gross value less accumulated depreciation of PPE.*
2. *"Current assets" includes all financial assets and non-financial assets which are expected to be realised within twelve months after the reporting date.*
3. *"Non-current assets" includes all assets other than "Net fixed assets" and "Current assets" defined above.*
4. *"Current liabilities (including maturities of long-term borrowings)" includes all financial and non-financial liabilities which are due to be settled within twelve months after reporting date.*
5. *"Non-current liabilities (including maturities of long-term borrowings and short-term borrowings)" includes all financial and non-financial liabilities other than current liabilities.*
6. *"Net worth" refers to the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as per Section 2(57) of Companies Act, 2013*
7. *Assets under Management refers to total adjusted loans & advances.*
8. *Off Balance Sheets Assets refers to Non-Fund Based Exposures.*
9. *Total revenue refers to the total income.*
10. *Profit/(Loss) after tax refers to profit for the year.*
11. *Gross Stage 3 (%) refers Gross NPAs to Gross Advances %*
12. *Net Stage 3 (%) refers Net NPAs to Net Advances %*
13. *From operations refer to revenue from operations*
14. *EPS refer to Earnings Per Equity Share*
15. *Provisioning & write off refers to addition of Net loss on fair value changes, Net loss on derecognition of financial instruments under amortised cost category and Impairment on financial instruments*
16. *Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Net worth.*
17. *Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / total assets.*

Segment wise proportion of Gross Stage 3 on a standalone basis

Sr. No	**Segment-wise Gross Stage 3**	**Three months period ended June 30, 2022**
1	Retail	48.73
2	Wholesale	51.28
Total		**100%**

The following table sets forth details of our non-performing assets and provisions as at June 30, 2022, March 31, 2022, 2021 and 2020 on a consolidated basis.

(₹ in crore, unless stated otherwise)

Parameters	**As of**			
	June 30, 2022	**March 31, 2022**	**March 31, 2021**	**March 31, 2020***
Loan Book	87,167.34	86,804.64	92,465.40	46,452.67
Stage 3 Book	3,558.69	3,542.59	5,365.65	2,991.12
Gross Stage 3 %	4.08%	4.08%	5.80%	6.44%
Gross Stage 3 Provision	1,967.26	1,864.87	3,820.60	1,826.13
Net stage 3	1,591.43	1,677.72	1,545.05	1,164.99
Net Stage 3 %	1.87%	1.98%	1.74%	2.61%
PCR % - Specific provision	55.28%	52.64%	71.20%	61.05%

**pre-merger, as reported to RBI*

The following table sets forth details of our non-performing assets and provisions as at June 30, 2022, March 31, 2022, 2021 and 2020 on a standalone basis.

(₹ in crore, unless stated otherwise)

Parameters	**As of**			
	June 30, 2022	**March 31, 2022**	**March 31, 2021**	**March 31, 2020***
Loan Book	80,710.87	81,798.78	83,995.14	46,452.67

Parameters	As of			
	June 30, 2022	March 31, 2022	March 31, 2021	March 31, 2020*
Gross Stage 3 Book	3,558.69	3,542.59	5365.65	2,991.12
Gross Stage 3 %	4.41%	4.33%	6.39%	6.44%
Stage 3 Provision	1,967.26	1,864.87	3,820.60	1,826.13
Net stage 3	1,591.43	1,677.72	1,545.05	1,164.99
Net Stage 3 %	2.02%	2.10%	1.93%	2.61%
PCR % - Stage 3 provision	55.28%	52.64%	71.20%	61.05%

**pre-merger, as reported to RBI*

We are subject to capital to risk weighted adequacy ratio ("CRAR") requirements prescribed by RBI. We are currently required to maintain a minimum of 15% as prescribed under the Prudential Norms of RBI based on our total capital to risk weighted assets. As part of our governance policy, we ordinarily maintain capital adequacy higher than statutorily prescribed CRAR. As of June 30, 2022, on a standalone basis our capital to risk weighted adequacy ratio (CRAR) computed on the basis of applicable RBI requirement was 20.81% as compared to a minimum of capital adequacy requirement of 15% stipulated by RBI.

Set forth below is our capital to risk weighted adequacy ratio (CRAR) for quarter ended June 30, 2022 and the last three Fiscals on a standalone basis:

Particulars	As at June 30, 2022	As at March 31		
		2022	2021	2020*
CRAR – Tier I capital	17.98%	17.86%	17.00%	15.87%
CRAR – Tier II capital	2.83%	2.91%	3.54%	2.44%
CRAR (%)	20.81%	20.77%	20.54%	18.31%

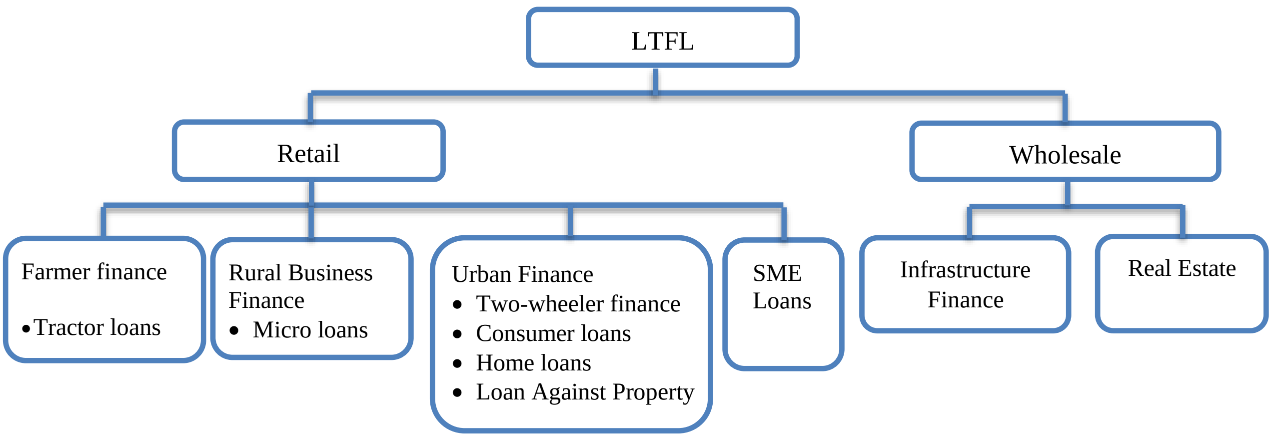
**pre-merger, as reported to RBI*

GEOGRAPHICAL PRESENCE

As of June 30, 2022, we had 1,732 branches and 24,937 employees spread across 20 states in India and one (1) Union Territory.

BUSINESS DESCRIPTION

Our business comprises of retail lending including farmer finance, micro loans businesses, two-wheeler finance and housing finance to individual customers and SMEs and wholesale lending including real estate finance and infrastructure finance to large corporates.



Retail Business

Our Retail Business segment comprises of rural business finance, farmer finance, SME loans, urban finance which includes two-wheeler finance, home loans, loan against property and consumer loans. The adjusted loans and advances under our Retail Business comprised 58.56%, 54.10%, 47.72% and 43.88% of our adjusted total loans and advances as of June 30, 2022, March 31, 2022, 2021 and 2020, respectively, on a standalone basis. We believe that technology is a key driver for the growth of these businesses. Accordingly, we have implemented digital processes and data analytics in sourcing, centralized underwriting and collection functions.

A. Farmer finance

We finance the purchase of tractors, which are used by farmers during farming as farm equipment and for haulage purpose. We provide financing to our customers in rural India through 168 branches in 15 states and 1 (one) union territory as of June 30, 2022. Our focus remains on agrarian states like on Uttar Pradesh, Madhya Pradesh, Andhra Pradesh, Telangana, Karnataka, Haryana and Gujarat. As of June 30, 2022, we financed purchase of tractors through ~2000 dealerships which allow us to provide on-site financing.

We typically provide two types of loans, new farmer finance and refinance or top-up loans to our existing customers. The repayment frequency of such Loans is in instalments which are structured in accordance with the farmer’s cropping and harvest cycles to enable smooth cash flow into monthly, quarterly, half yearly installments. The tenure of such loans ranges between one and five years, and a charge on the equipment is created in our favour as security for repayment of the loan through asset hypothecation.

Under our farmer finance business, the terms and conditions of our loans are standard across all customer segments. The interest rate for such loans ranges between 12% to 18%, however actual interest rates for a customer may vary based on market conditions and the level of credit worthiness of such customer. The average ticket size for such loans was ₹ 4.75 lakh and the average tenure was 48 months. Eligible borrowers are between the age of 18 to 65 years. Customers must meet our minimum income criteria, size of landholding, ownership of land/ and must also be know-your-customer compliant. The marketing of our farmer finance business is done only through dealers. In the event of default, our Company will firstly send soft running notices to customers under bucket 1 which will be followed by notice of an advocate under bucket 2 customers, thereafter if the loan is not repaid then our Company proceeds for repossession of the collateral and resell the vehicle in second hand market through auction or settle the loan in agreement with the customer.

Our farm business is completely digitalized, we have launched a mobile application for our front-line sales officers. We collect KYC documents from the applicant & co-applicant through the online application which are verified by our sales staff, process the loan documents are scanned into the application and are sent automatically to the central underwriting system which allows a quick turnaround of loan assessment. The system runs credit bureau checks, takes input from the field investigation reports submitted by the sales staff, and sanctions the loan application based on assessed landholding and revenue capabilities of borrowers. Further, the loan closures and the issuance of No objection certificate (NOC) to the customer is enabled both physically & digitally through social media applications & mobile application.

Loan Origination and Evaluation

Our team of front line sales staff, dealer relationship managers and referrals from existing customers facilitate our customer origination efforts. Our approach to the farmer finance market is to build relationships directly with the customers, dealers and OEMs. Our aim is to sustain our leadership position in the new tractor segment and further increase our repeat business share in the overall business. Our loans are typically secured by a hypothecation of or charge on the equipment financed. Our customer origination efforts focus on building long-term relationships with our customers by addressing their end-to-end financial requirements.

Once the customer is identified, our field executive gathers basic information regarding the customer and submits an initial report after due diligence and completes customer KYC procedures. A field executive obtains information from the customer, including proof of identification and residence, background, potential of servicing the loan, other outstanding loans, loan type sought and the proposed use of the vehicle being financed. After the field investigation, photo capturing and geo tagging is complete our operations team will then verify the proposal and send for loan sanctioning to underwriting team.

Credit Appraisal and Loan Disbursal

Our credit appraisal process consists of the customer profile analysis, equipment evaluation, risk mitigants, profitability measurement, purchase terms and conditions, due diligence and approval. We carry out credit appraisal of every application and evaluated in accordance with our Company’s credit policy & assessment criteria. We have implemented certain benchmark parameters for monitoring the health of individual accounts.

Our team conducts a RCU check and they provide approvals based on risk analysis, desirable terms and adequate due diligence. We also appraise whether credit proposals comply with regulatory guidelines and norms issued by regulatory authorities such as the RBI. We have a detailed credit analysis procedure based on information furnished by the applicant or customer including personal details, financial statements, facility proposed to be extended.

Our approval process consists of several stages, namely, recommending and sanctioning, preparing pre-disbursement checklist for compliance and communicating to the customers. We ensure that KYC documents and the applicant's acceptance of all terms and conditions of the loan have been completed. Margin money and other charges are collected prior to loan disbursement.

Once the accepted offer letter is uploaded in the digital application, our disbursement process will begin which includes e-signing of agreement, upload of mandate, tax invoice & margin money receipt. The repayment mandate registration is done *via* eNach / AADHAR / physical mandate.

Post upload of documents, our operations team verify the details and once approved, the loan amount is disbursed to the dealer.

Loan Monitoring

Our field recovery executives are responsible for the collection of regular & overdue instalments and repossession of equipment when the customer is unable to clear the dues. Our standard procedures include telephone calls to required customers (identified via analytics based on the behavioural payment pattern of the customers a few days prior to the payment due date to remind the customers.

Our recovery team initiates the process of collection by analysing certain factors including criticality of the account, nature of the account, circumstances under which the default has occurred such as wilful default, default due to financial problems of the customer, age of the equipment and collateral from the customer.

Equipment repossession is only considered if the customers are not able to repay their outstanding dues within defined days of the due date for repayment and after issue of a final request letter.

B. Rural Business Finance

Rural business finance aims to provide micro loans to low-income women entrepreneurs and making them self-reliant. We launched our rural business finance operations in July 2008. We have since been actively involved in helping the Indian women get a sustainable livelihood through rural business finance. We are now one of the leading providers of Micro Loans in India. We offer micro loans business in the rural market through 1,542 branches covering across 17 states in India, as of June 30, 2022. Our rural business finance is aimed at providing capital for small business start-ups and entrepreneurial initiatives by women, having an annual household income of atleast ₹300,000. The Company provides Micro Loans to rural women who run agriculture and allied activities, manufacturing, trading or services related micro-enterprises. These loans enable women to significantly increase their contribution to Customers in Rural Business Finance are Repeat Customers 45% household income and achieve better dignity of life. The Company further supports the customers with repeat loans based on need and repayment capacity, thereby driving enhanced livelihood.

These loans are intended primarily to finance income generating activities such as poultry, farming, handicrafts, dairy production and processing, goat rearing and the operations of grocery shops, hawkers and vegetable vendors. We use analytics for our sourcing and appraisal of our loans. We lend directly to the customers rather than through an intermediary such as a self-help group or an NGO. We also extend credit to individuals to enable them to grow their existing business or identify new income-generating opportunities. Our rural business finance works primarily on the model of joint liability groups ("**JLG**") We work on a model that helps us to process our applications digitally from login to disbursal. The disbursement is automatic with no manual intervention.

We provide multiple schemes of JLG products:

(i) *Fresh loans:* This product is for new customers who have not availed Micro loan from our Company previously. These loans are in the range of ₹ 30,000 to ₹ 40,000 having repayment tenure of typically two years. The principal and interest payments are due on a monthly basis;

(ii) *Pragati Loans:* This is the product offered exclusively to our existing customers under the JLG model to retain quality customers, who have shown disciplined credit behaviour in previous loan cycles. This product is given to customers who require loan for a longer tenor and are exclusive to our Company at present. It is a top-up loan given to customers to meet their additional working capital needs for income generating activities or for business

expansion. The ticket size for such loans are in the range of ₹70,000 to ₹1,10,000 with a tenor of upto 36 months; and

(iii) *MTRP/Matured Repeat loans:* These are repeat loans which are offered to our existing customers from second loan cycle onwards, to meet their additional credit needs. It is usually given for purchase of inventory or any assets related to their business. The ticket size for such loans are in the range of ₹50,000 to ₹75,000 and the tenure ranging from 24 months to 33 months.

Loan Origination and Evaluation

Our large number of on field staff (over 10,000 feet on street) conducts an on-ground survey and identify villages / customers to commence business. Based on the recommendation/ area survey report/ assessment of the field staff, the credit risk team conducts the due diligence process basis PAR, exposure, portfolio quality norms to minimise the risk of operating in high risk areas. Potential micro loan borrowers are then individually accessed and appraised and if approved, are grouped together to form a joint liability group.

The rural business finance needs touch and connect with the customers at ground level and we achieve the same with help of our field staff who have access to a mobile application which helps them to access and appraise the customers.

Credit Appraisal and Loan Disbursal

Our rural business finance are sourced digitally which is backed by data analytics and credit analysis teams. We work in an assisted digital journey, our focus segment is women with low income group who lack the access to technology thus our members assist them in obtaining paperless micro loans. After the documents are accepted, the loan amount is disbursed to the customer's bank account and there is no cash disbursal. The entire process of micro loan is done through digital lending, right from application to disbursement.

Loan applications are submitted in the Loan origination system (LOS) after ensuring that every group member is willing to take joint responsibility for the loan. A customer relationship/loan officer is responsible for customer acquisition and maintenance while a branch manager and credit manager scrutinize and validate KYC documents.

We also conduct pre-disbursement training to ensure that the borrower is aware of their obligations as a borrower. Loans are disbursed at one of our meeting centres after formation of joint liability groups and completion of all requisite documentation. Our customers are given a loan passbook which captures all transactions related to the loan. Our loans have a monthly repayment frequency.

Loan Monitoring and Repayment

On the day that the repayment is due for a particular joint liability group, our staff in charge of the joint liability group visits the village, calls for a joint liability group meeting, records attendance of the borrowers, collects the repayment amount and updates the loan passbook accordingly. We also use several analytical tools to predict the performance of the loan portfolio helping us to receive early warning signals which enables us to take corrective actions.

C. Urban Finance

i. Two-wheeler finance

Our Company started our two-wheeler financing business in 2012. We provide loans for the purchase of two-wheelers such as scooters and motorcycles to individuals such as salaried professionals and self-employed non-professionals wherein we provide financing for up to average 70% of the on-road price with tenures ranging from three months to four years. Our interest rate for our two-wheeler finance business is generally in the range of 15% to 20% based on the profile and credit worthiness of the borrower. Eligible borrowers are required to be between 18 to 65 years old and we consider the residence and employment or business stability of borrowers as well as income generating capacity in order to accept applications and providing the two-wheeler loan. Loans to customers are secured by asset hypothecation except in a differentiated product termed as "Sabse Khas Loan" where the customer is financed in the basis of their extremely good credit repayment history.

Loan origination and evaluation

We have presence through 85 branches across 19 states and 1 (one) union territory in India as of June 30, 2022. As on

June 30, 2022 we have financed two wheelers through over 7,000 dealerships. In two-wheeler finance business, we seek to differentiate ourselves through effective use of algorithm-based mobility solutions relying on electronic customer checks, electronic data capture and other automated processes. This has resulted in reducing the turnaround time in sanctioning of loan and communicating our decision to the customer in a single visit.

We collect KYC documents from the applicant through the online application, the KYC documents are verified by using the OTP based e-KYC authentication facility. Through digitization, the physical identity and address verification process is eliminated. We operate by using handheld scanners to scan loan documents into a tablet using a mobile application. The scanned documents are then uploaded into the central underwriting system using tablets that allows a quick turnaround of loan assessment. No objection certificates are also given to customers through business accounts on an identified social media mobile application. We ensure closer of business through Planet M or WhatsApp.

Credit appraisal

We follow stringent credit policies to ensure the asset quality of our loans and the security provided for those loans. Any deviation from such credit policies in connection with a loan application requires prior approval.

All applications are passed to the Business Rule Engine (BRE). BRE will sanction or reject the proposal according to the pre-defined credit parameters in the BRE. Terms which are not in line with the credit parameters will be rejected by the BRE. Our underwriting process is completely automated with no manual deviations.

Loan monitoring

Our loan collection and monitoring is fully digitized and we use digital communication channels for monitoring our loans. Our in-house collection team comprises of tele callers and collections managers. We send customers reminders before the due date using omnichannel communication like text messages and automated calls. We rely on extensive digital and analytical algorithms to identify certain risk segment of customers who need more focus than others and we send multiple channel reminders.

In the event of defaults by customer, recovery actions are initiated immediately. The degree of engagement increases with increase in number of days past due. In case of delay in payment of EMI.

Default cases are assigned to tele-calling team or field collections, using predefined logics present in system. Our platform empowers us to identify the focus areas and initiate campaigns based on the previous feedback entered by the collection agents. We have also provided a mobile application which is an end-to-end platform for our collection managers.

ii. Consumer Loans

We offer viable financial solutions to assist our customers with immediate financial needs, thus helping them achieve goals as per their requirements. Our consumer loans disbursal process is completely digital with quick approval process and competitive interest rates. We provide consumer loans ~ ₹ 7 lakhs.

We provide consumer loans to both salaried and self-employed professionals. These loans granted are in the range of ₹ 50,000 to ₹ 7 lakh having repayment tenure of typically in the range of 12 months to 48 months. The principal and interest payments are due on a monthly basis. The average tenure of the portfolio is 32 months, while the interest charged is in the range of 11 – 19%.

Customer Appraisal and Approval Process

We source our consumer loans business, largely through (a) direct to customers (website and application) (b) e-aggregator market partners; (c) financial technology platforms supporting Business to Consumer ("**B2C**") (being consumer loans). We are also leveraging the Company's existing customer base of other products for cross selling personal loans. Our credit appraisal is based on a logic based scorecard system that analyses various types of historical and real time information, transaction graph (buying / spending history with the help of bank statements given by customers), credit worthiness (payment performance)and personal demographic information , among other parameters. The credit worthiness of all our customers is assessed based on our Company's credit policies which include the aforesaid parameters.

Majority of our customers are either salaried or are self-employed.

The customer onboarding process for this business is completely digital. We provide paperless on-boarding journey to our customers. For all our customers catering to consumer loans, the entire process from documentation submission to documentation verification are done through digital sources. Our digital document processing office uses automated processes to minimize turnaround time, with the help of Automated Processing Interface (“APIs”), which ensure minimal to zero manual interventions. The underwriting process is also fully digitised to provide a seamless experience to our customers.

Loan Monitoring

Loans are processed after a thorough due-diligence of customer profiles. Portfolio metrics are tracked and measured through well-defined early delinquency parameters and through monthly portfolio reviews, quick actions are taken for improvement of portfolio health. Our instant digital scorecard enables us to make these changes in a proactive way.

Collections and recovery

We have developed a comprehensive collection mechanism leveraging both technology and on-field strength. Our collection mechanism strategy is centered on four important pillars comprising centralized tele-calling centres, on- field collection agents, NPA collection teams and legal recovery teams.

In order to have complete focus on collections, our Company has a separate collections team along with partnerships with collection agencies who are expertized in higher bucket collections, which caters across all the geographies, where our business operates. We also use several analytical tools to predict the performance of the loan portfolio helping us to receive early warning signals which enables us to take corrective actions.

iii. Home Loans and Loan Against Property

Our Company focuses on the housing needs of salaried customers up to 62 years of age and self-employed non-professional customers up to 65 years of age, through our presence in 27 locations across India as of June 30, 2022. The Home Loan sanction process is partially paperless which we believe has been instrumental in quicker turnaround of proposals. Customers are on-boarded through our home loan digital application that provides instant approval decisions for salaried customers. Our target customers are primarily the first time home buyers in the middle and high income groups. The maximum tenure for home loan is 25 years depending on the borrower profile. This is a secured loan that can be availed against constructed residential or commercial properties. Our home loans constitute 75% of our AUM as on June 30, 2022.

Adjusted loans and advances for our home loans and LAP as of June 30, 2022 was ₹ 8,368.83 crore and ₹ 2,722.96 crore respectively, on a standalone basis.

Interest Rates, Fees and Collateral for Home loans

The rate of interest charged to the customer is linked to the “Prime Lending Rate (PLR)” which is determined based on cost of funds, operational expenses of the company and minimum “margin”.

The underlying collateral for a loan is the house towards which the loan is provided, either for construction, purchase or improvement. The security for housing loans is created either through an equitable mortgage by way of deposit of title deeds or a registered mortgage of immovable property.

Our Company offers loan against property across states in India, catering primarily to the self-employed customer segment against equitable or registered mortgage of residential or commercial properties.

Loan origination and evaluation

We generate loans through both in-house team of Business Executives, and through external direct sales agents (“**DSAs**”) managed by Business Managers. Loans sourced through BEs can be through our website, walk-ins, cross sell etc. or may be sourced directly. We have dedicated policy defining norms which have to be complied before taking a DSA on our panel. Our contribution from DSAs to total disbursements increased from 54% in Fiscal 2020 to 61% in Fiscal 2022. BEs and BMs utilise Home Loan digital application for on-boarding a new home loan borrower. As of June 30, 2022, our in-house selling team comprised of 112 BEs and 206 BMs.

Our target customers are individuals with middle to high range income levels. Self-employed individuals include both professionals and small business owners and salaried individuals hail from a broad spectrum of companies/firms across industries. We cater to the broad segment with a range of loans with suitable ticket-sizes.

Credit appraisal and disbursement process

Loan approval for housing loans is undertaken with the help of our in-house technology that integrates various business rule engines. Our lending policy is automated in our on-boarding application. The details of qualifying customers flow to our in-house loan processing system and is processed by our team of underwriters. Credit evaluation includes online validation of KYC, credit history check, income/ financial analysis, banking analysis, contact point verification and profile verification, where required. The eligibility of salaried customers is auto calculated in the system. These digital verifications and automation not only enable the underwriters to process a loan application faster but also helps them to review more number of loans in a day leading to faster TAT for our customers.

The loan is subject to strict post disbursal monitoring by the central portfolio monitoring team which includes ensuring security perfection, regular data analysis and audit, etc. In addition to the aforesaid, legal and technical verification of the property is conducted in all the loans by in-house as well as by external vendors depending on the transaction type and verification required. We have empanelled professionally qualified legal vendors and valuation agencies to carry security evaluation for us. These vendors are supervised by our professionally qualified independent Legal and Technical team.

Our in-house technical team undertakes field visits to identify the location of the proposed collateral. The enhanced legal verification process is followed by bifurcating the process into legal search and legal report. The central in-house legal team which comprises of legal professionals having diversified experience validate and confirm the legal opinion of the proposed collateral for ascertaining the title flow and its authenticity on a case to case basis. Further, the legal team use technology by accessing various central and state specific government sites and repositories to digitally trace the property and ownership records for title search resulting in faster and accurate legal opinions

An external legal search is conducted through external lawyers when it requires physical verification at the office of the concerned authority. The loans are disbursed at the branches with a maker-checker concept post validating disbursement documentation, eNACH and original security documents. We endeavour to mitigate risk through defined loan documentation, and execution of equitable mortgage prior to the disbursement of the loan. In addition, key terms and conditions are usually communicated to the prospective customer.

Loan monitoring

Our loan collection and monitoring is fully digitized and we use digital communication channels for monitoring our loans. Our in-house collection team comprises of 103 employees for handling X to 60 DPD and 49 employees for handling 60+ DPD customers. Apart from this we are having separate team of 15 employees for handling OTR customers. Additionally, we also have external Call Center team to handle Pre-delinquency Management and Current bounce cases. Our Collection team is also supposed by inhouse legal litigation team.

We send reminders to customers before the due date using omnichannel communication like text messages and automated calls. We have analytics team in place to classify entire customer base in different risk segments basis different parameters. In Pre delinquency Management for High & Medium Risk customers we use tele callers for reminding customers about EMI due date and to keep their account sufficiently funded. For other customers we send multiple channel reminders.

Current bounce customers (Bucket X) are managed through Call centre team. This team post few attempts of tele calling usually retains around 80% of the customer base and try to resolve cases through calling by asking customer to pay through various available online payment modes. Around 20% of customers who require field touch are referred to Field collection team who visit these customers and collect EMI dues.

Customers in DPD 1 to 60 is managed by Field Collection team of Inhouse employees. This team visits customers and try to collect EMI dues. Their first objective is to normalise the case by collecting entire due amount and the next best objective is to collect at least one pending EMI and avoid flow of the case to next bucket.

Customers in DPD 60+ are managed by separate field collection team where the intensity of follow up and engagement with customer increases. Here we start our legal action by sending Loan Recall notice and initiating actions under SARFAESI act. We also file legal case under Sec 25 for bouncing EMI. This team is backed by Inhouse Legal litigation team for filing of cases and getting orders for possession of the property.

Under SARFAESI act post obtaining possession of the property our team starts working on auction of the property. We have created infrastructure for auction of the possessed properties which we use for their disposal. Apart from this we also use our CRM platform to generate data and monitor the actions taken on these cases. Default cases are assigned to tele-calling team or field collections], using predefined logics present in system.

Our platform empowers us to identify the focus areas and initiate campaigns based on the previous feedback entered by the collection agents. We have also provided a mobile application which is an end-to-end platform for our collection managers.

Customer Service

Our Company focuses on catering to the ever evolving needs of the diverse market. Our customers raise their request, highlight concerns or avail our offerings through a network of channels and platforms like branch, customer self-help option, mobile application, chatbot on website, customer service call centre, social media platforms etc. Once a query reaches us from any medium, a robust automated workflow in our customer service platform at the backend assigns these queries to the respective teams for resolution. Within TAT percentage of resolution of customer concerns assigned to the backend team is 98%.

D. Loans to SME

In Fiscal 2022, our Company commenced lending to the SME (Small and Medium Enterprises) sector with a specific focus is on low-risk customers / sectors / ticket size that have demonstrated resilience in the face of COVID-19 induced pandemic. For the SME lending business, our company is working to provide a differentiated experience to customers, based on an end-to-end seamless digital journey.

In this business, our Company provides financing through unsecured business loans of ₹ 5 lakh to ₹ 50 lakhs ticket size and lends to self-employed professionals and small businesses across manufacturing, trading and services, which have an established track record. Our interest rate for our SME finance business is generally in the range of 12% to 18% based on the profile and credit worthiness of the borrower. Our Company has also taken steps and made necessary applications to avail of credit enhancement schemes applicable to SMEs.

Loan origination and evaluation

Our company utilises multiple channels for sourcing business, including providing analytics based pre-qualified offers to potential customers. An integrated platform for loan-origination and sourcing is used to collect data to determine borrower’s ability to repay. Our Company appraises the borrower’s ability to pay and intention to pay under different programmes which use digital footprints including bureau (like CIBIL) scores, bank account data (like average bank balances), GST and Income Tax returns, apart from financial statements where applicable. The tenure and eligibility of the SME customers is defined based on borrower’s repayment capacity. The pricing is linked to the risk profile of the customer.

Credit appraisal and disbursement process

The underwriting process is enabled by digital systems. The credit criteria include repayment behaviour, business vintage, banking conduct, profitability, qualitative assessment during meetings with prospective customers etc. Based on set parameters, meetings with customers may be conducted either through video conferencing or through personal visits, while ensuring that customer locations are geo-tagged in all scenarios. Once a proposal is sanctioned, our Company works towards ensuring that the agreement and prospective disbursements are done digitally to ensure a paperless journey for the customers.

Loan monitoring

Our customers are provided an option to pay using methods such as automated clearing house and other electronic modes of payment - at a fixed date each month. We track loan repayment schedules on a monthly basis and monitor instalments due and loan default. Our Company engages with the customers through call-centers, SMS or face to face meetings, in accordance with the payment behaviour of a customer. Our Company also carries out portfolio-level monitoring on a regular basis to help us take appropriate decisions for steering the portfolio in the desired direction.

In addition our Company has also acquired some portfolios as part of our retail growth strategy.

The table below sets forth adjusted loans and advances (on standalone basis) broken down by businesses in our Retail Business segment, as of dates indicated:

(₹ in crore)

	For three months period ended June 30, 2022	For the Year ended March 31,		
		2022	2021	2020
Farmer finance Loans	11,597.06	11,316.53	10,260.57	8,437.88
Rural Business Finance	14,397.08	13,277.79	12,206.96	12,495.02
Urban Finance				
Two wheeler loans	7,487.66	7,461.82	7,121.72	6,574.80
Consumer Finance	3,027.44	2,301.36	490.44	153.67
Home Loans	8,368.83	7,837.33	7,332.97	7,769.71
Loan Against Property	2,722.96	2,827.40	3,410.97	3,880.61
Loans to SME	126.44	61.49	-	-
Acquired Portfolio	66.27	-	-	-
Total	**47,793.74**	**45,083.71**	**40,823.63**	**39,311.69**

Adjusted loans and advances under our Retail Business comprised 58.56%, 54.10%, 47.72% and 43.88% of our total adjusted loans and advances as of June 30, 2022 and as of March 31, 2022, 2021 and 2020, respectively, on standalone basis.

Wholesale funding business

Our wholesale funding business includes real estate finance and infrastructure finance to large corporates.

A. Infrastructure finance

Our Infrastructure business focusses on financing viable renewable energy generation, road transportation and power transmission projects. We provide customized debt financing solutions with an emphasis on structuring of loans based on projected cash flows of the project/ borrower, in compliance with our internal guidelines/ standards. We provide long tenure project finance and structured debt typical ticket size of ~ ₹ 500 crore and generally seek to act as the lead consortium arranger while bringing on additional lenders as part of the syndicated loan. For our secured loans, the security includes a combination of mortgages over immoveable properties, hypothecation of moveable assets, charges on project contracts, charges of bank accounts, pledges of securities such as equity and debentures and corporate and personal guarantees and for working capital loans we generally seek a first charge on inter alia the current assets of the borrower.

The average tenure of loans is ~ 13 years for infrastructure finance. The interest rates vary across businesses depending on the type of loan, tenure, extent of structuring, credit rating etc. Variable interest rates are generally linked to the L&T Finance – Infrastructure Finance PLR.

B. Real estate finance

Our Company has underwritten financing solutions to address the funding requirements of real estate developers across six select urban locations, i.e., Mumbai, Pune, NCR, Bangalore, Chennai, and Hyderabad, concentrating on prominent real estate developers having robust delivery and performance records on the basis of their financial strength, business strength, past experience, and market reputation. Currently, focus is on completion of existing projects and collections through rigorous monitoring.

Adjusted loans and advances under our Wholesale Business comprised 40.85%, 44.07%, 49.12% and 50.29% of our total adjusted loans and advances as of June 30, 2022 and as of March 31, 2022, 2021 and 2020, respectively. The key sectors in which we had adjusted loans and advances are renewable energy, transportation and power transmission, which accounted for 48.34%, 15.89% and 0.39%, respectively of our loans outstanding under our wholesale financing business as of June 30, 2022 and 52.25%, 17.14% and 0.89% respectively of our loans outstanding under our wholesale financing business as of March 31, 2022, on standalone basis.

Defocused Finance

Other than our retail and wholesale funding business, our Company also has certain portfolios which our Company categorises as ‘Defocused Finance’. Defocused Business comprises of structured corporate loans, debt capital market, commercial vehicle finance, construction equipment finance, supply chain finance and leases. As of March 31, 2022, of the adjusted loans and advances outstanding for these businesses was ₹ 1,525.90 crore i.e. 1.83% of the total adjusted loans and advances outstanding, on standalone basis.

Capital to Risk Assets Ratio

Our Credit business is subject to the CRAR requirements as prescribed by the RBI. We are currently required to maintain in respect of our NBFCs a minimum of 15.00% as prescribed under the Prudential norms of the RBI based on our total capital to risk weighted assets. As part of our governance policy, we maintain capital adequacy higher than the statutorily prescribed CRAR. The table below sets out our CRAR as at June 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020, on a standalone basis:

Particulars	As at June 30, 2022	As at March 31		
		2022	2021	2020*
CRAR – Tier I capital	17.98%	17.86%	17.00%	15.87%
CRAR – Tier II capital	2.83%	2.91%	3.54%	2.44%
CRAR (%)	20.81%	20.77%	20.54%	18.31%

**pre-merger, as reported to RBI*

Risk Management Framework

Risk management forms an integral part of our business operations and monitoring activities. We are exposed to various risks related to our businesses and operating environment. Our objective is to evaluate and monitor various risks that we are subject to and follow stringent policies and procedures to address these risks. Our Risk Management Committee assists the Board in addressing various risks and discharging duties relating to corporate accountability. We have formulated comprehensive risk management policies and processes to identify, evaluate and manage risks that are encountered during conduct of business activities in an effective manner. A documented, systematic assessment of processes and outcomes surrounding key risks including internal control is undertaken periodically. The Board reviews the effectiveness of risk management systems in place and ensures that they are effectively managed. Additionally, independent internal audit firms are appointed to review and report on the business processes and policies in all operating companies. Reports of internal auditors are reviewed and discussed by the Audit Committee. Further, observations made by external and regulatory agencies are also addressed and complied with.

In order to address the risks that are inherent to our business, we have developed a risk management architecture that includes monitoring by our Board through the Audit Committee, the Asset Liability Committee and the Risk Management Committee.

Audit Committee

Our Audit Committee acts as a link between the statutory and internal auditors and our Board. Our Audit Committee oversees our financial reporting process, reviews our financial statements and relevant disclosures, auditors' independence and performance, effectiveness of our audit process and adequacy of internal control systems and recommends the appointment and remuneration of the auditors to the Board. Our Audit Committee is entitled to obtain external professional advice where required.

Asset Liability Committee

Our Asset Liability Committee reviews the structural mismatches in our liquidity statement, as per the guidelines of the RBI and other regulatory or statutory bodies. Depending upon inherent nature of required assets and prevailing interest rate view, the committee provides guidance on borrowing instruments and overall debt composition. Our Asset Liability Committee also reviews risk management policies related to liquidity, interest rates and investment policies periodically. Other functions include monitoring market risk management systems, compliance with the asset liability management policy and prudent gaps and tolerance limits and reporting systems set out by the Board and ensuring adherence to the regulatory guidelines; monitoring our business strategy in line with our budget and risk management practices; reviewing the effects of changes in market conditions and recommending the action needed to adhere to the organization's internal limits related to liquidity and interest rate risk management.

Risk Management Committee

Our Risk Management Committee manages the integrated risk which includes credit risk, liquidity risk, interest rate risk and operational risk. Our Board is informed about the risk assessment and risk reduction procedures undertaken. Our Board periodically reviews the risk management policies and practices followed by our Company.

The major risks we face in our businesses are credit risk, market risks, liquidity risk, operational risk, regulatory and compliance risk and business and continuity risk. Set forth below is certain information on the management of these risks:

Credit Risk:

Credit risk is the risk of loss that may occur from the default by our customers under our loan agreements. Customer defaults and inadequate collateral may lead to higher NPAs. Our credit approval policy includes comprehensive data analytics driven underwriting framework to ensure prudent credit decisions. Credit risk function periodically presents an overview of portfolio credit risk to Risk Management committee. The robust review mechanism provides Early Warning Signals to efficiently identify possibility of weak credit while emphasizing on maintaining "Zero DPD" (Days Past Due).

Concentration Risk:

We have laid down portfolio concentration limits which are reviewed on a quarterly basis to ensure that the overall portfolio is within the approved limits to minimize concentration risk to any particular business segment, industry, group, geography or borrower.

Market Risk/Interest rate risk/Liquidity Risk:

We are subject to market risks such as interest rate risk, liquidity risks, which are sensitive to many factors beyond our control, including the monetary and fiscal policies, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Liquidity risk is the potential inability of the company to fund an increase in its assets and to meet its financial obligations without adversely affecting its financial condition.

Liquidity Risk

Liquidity risk arises due to the unavailability of adequate amount of funds at an appropriate price and tenure. We minimize this risk through a combination of strategies by maintaining a liquidity buffer along with undrawn facilities from the commercial banks. We maintain liquidity buffer in the form of pre-approved high-quality liquid assets comprising of government securities, state development loans and high-rated bonds and debentures of public sector entities. In addition to the statutory requirements, our Company has maintained cash and cash equivalents of ₹ 4,233.83 crore on March 31, 2022 on standalone basis. Within these, we have separate threshold limits for various categories to avoid potential concentration risks. In addition, we also have a market risk limit to mitigate any interest rate risk in the liquid buffer. Further, the liquidity profile at a consolidated level is subjected to different types of liquidity stress scenarios and the outcome of each of the scenarios is presented in our risk evaluation metrics. We also monitor liquidity risk through our Asset Liability Committee.

Our Asset Liability Management Committee assists Board and in effective market risk management, asset-liability management, liquidity, and interest rate risk management. Asset Liability Management Committee reviews the current macro economic environment, the liquidity position and interest rate scenario and outlook for the market, borrowing requirements and other funding sources.

Early warning indicators under the Contingency Funding Plan have been instituted for identifying warning signals and these trends are updated to Asset Liability Management Committee members on a regular basis.

A summary of our asset and liability maturity (ALM) profile on a standalone basis as of June 30 2022, which is based on certain estimates, assumptions and our prior experience of the performance of its assets, is set out below:

(₹ in crore)

	Up to One Month	**Between One Month and One Year**	**Between One and Three Years**	**Between Three and Five Years**	**Over Five Years**	**Total**
Liabilities						
Equity Capital					2,684.17	2,684.17
Reserves and Surplus					14,054.26	14,054.26
Total Borrowings	1,940.53	25,310.63	36,716.67	5,792.16	4,403.97	74,163.96
Current Liabilities and Provisions	673.91	5,072.90	3,547.01	1,241.12	3,424.06	13,959.00
Contingent Liabilities	167.52	680.65	872.59	163.72	150.18	2,034.67

	Up to One Month	Between One Month and One Year	Between One and Three Years	Between Three and Five Years	Over Five Years	Total
Assets						
Fixed Assets					30.04	30.04
Investment	1,307.54	2,287.26	-	-	7,040.20	10,635.00
Cash and Bank Balance	2,117.08	579.13	0.21			2,696.42
Inflow from Loans and Advances	2,449.61	28,460.59	21,943.11	11,430.33	14,429.07	78,712.71
Other Assets	1,257.17	8,664.95	9,354.14	5,554.82	13,525.81	38,356.89
Contingent Liabilities					26.89	26.89
Total	7,131.40	39,991.93	31,297.46	16,985.15	35,052.01	1,30,457.95
Surplus / (Deficit)	4,349.45	8,927.75	(9,838.81)	9,788.14	10,335.36	23,561.89
Cumulative Surplus (Deficit)	4,349.45	13,277.19	3,438.38	13,226.52	23,561.89	

Currency Risk

While our revenues are denominated in Indian rupees, we have incurred and expect to incur indebtedness denominated in currencies other than rupees for our funding and capital requirements. As of June 30, 2022, we had ECB loans of USD 385 million, for which we have undertaken hedging of our foreign currency liability to Indian rupee liability. We hedge our foreign currency liability to Rupee liability using currency and interest rate derivative instruments such as forwards, interest rate swaps, principal only swap, full currency swap, coupon only swap options or as a combination of the stated instruments. We did not have any un-hedged foreign currency exposure as on June 30, 2022.

Operational Risk

Operational risks are risks arising from inadequate or failed internal processes, people and systems or from external events. Robust Operational Risk framework is in place to mitigate any such risks. A dedicated Operational Risk team develops SOPs for all business activities to ensure standardisation and minimum risk. Operational Risk team conducts regular monitoring and control testing to identify inherent risks in operations and mitigate them.

Business and Continuity Risk

Covid Pandemic induced lockdowns caused widespread disruptions in business continuity in nearly all economic segments. We have implemented several governmental, regulator approved packages to mitigate the liquidity stress caused due to the pandemic, for its customers.

Cash Management Risk

Our offices collect and deposit a large amount of cash through a high volume of transactions, particularly for our rural business. To address cash management risks, we have developed advanced cash management checks that we employ at every level to track and tally accounts. Moreover, we conduct regular audits to ensure the highest levels of compliance with our cash management systems. Additionally, we have obtained insurance policies covering our cash management and handling, including money insurance.

Asset Impairment Risk

Asset impairment risks may arise due to the decrease in the value of the security over time. The selling price of a re-possessed asset may be less than the total amount of loan and interest outstanding in such borrowing and we may be unable to realize the full amount lent to our customers due to such a decrease in the value of the collateral/security. We may also face certain execution difficulties during the process of seizing collateral. We engage experienced repossession agents to repossess assets of defaulting customers. We ensure that these repossession agents follow legal procedures and take appropriate care in dealing with customers for seizing assets.

Technology Risk:

We have identified technology risks such as security incidents, data breaches, cyber attacks, passwords theft and service outage that have the potential to cause disruptions in the business. We have established detailed processes to identify, monitor and mitigate IT Security risks. Our digital platform has 3-tier security architecture with in-built disaster recovery and multiple layers of defense for IT networks, websites, applications, database and user laptops/desktops, for protection from service attacks, ransomware and malware.

Information Technology and Data Analysis

Our Company has put in place processes that has revamped end-to-end customer journeys and has enabled our Company to deliver our products and services in the industry. Digital processes have been introduced for enabling customer profile identification, credit evaluation, collection efficiency and analysis, and customer retention, deploying digital and data analytics has helped us to respond to market expectations and gain a market-leading position across businesses.

Our Company has been focused on digital innovation and technology enhancement to achieve our Company's vision of creating sustainable value for all stakeholders. Our Company has been able to move-up the maturity stages in terms of lifecycle, data and talent by having a healthy balance between digital innovation and stable availability of service to our customers. The Covid pandemic induced lockdowns accelerated the demand for digitisation and digital adoption at our Company and resulted in business resilience and helped in scaling growth and productivity of its activities.

Our Company has moved up the maturity stages in terms of lifecycle, data and talent by having a healthy balance between digital innovation and stable availability of service to our customers. Our Company has undertaken many initiatives including building of robust digital assisted applications to enable our field force to source and disburse loans seamlessly and achieve significantly lower TAT. The adaptation to cloud infrastructure has further enabled our Company to improve our underwriting, enhanced TAT, ease of doing business and better productivity around credit. Our Company is striving to achieve 100% automated and analytics-driven underwriting and bias-free credit decision making.

We have also built-in a mechanism to detect and weed out frauds through an independent Risk Containment Unit, further assisted by digital onboarding solutions and online verification processes.

We have also introduced digital touch-free collection mechanism for our field force. Touch-free collections aim at minimal to no contact with customers for collection of dues. With this facility, customers can seamlessly make digital payments or by visiting nearest payment bank. Additionally, launching UPI payments has amplified customer experiences alongside easing collection efforts.

We continue to strive in protecting customer information and ensuring data security for the sustainability of the business. Thus, safety protocols are updated regularly and considerable effort is made to adhere to top-notch customer privacy protection practices as well. Further, overall digitisation of products and processes across the organization has minimised the use of paper, thus providing an environmentally efficient solution for the Company.

Integration of digitisation across the customer lifecycle

Our Company has launched a mobile application named 'Planet' (Personalised Lending and Assisted NETworks) which enables our Company in:

a. sourcing and onboarding customers directly through lead generation, end-to-end digital workflows, digital partnerships and e-aggregators;
b. increasing up-sell and cross-sell across businesses thus resulting in enhanced customer engagement;
c. digital collections and servicing, thereby reducing branch / call center dependency and converting the non-mandate customers; and
d. providing insights on customer behaviour based on deep tech and data analytics.

Sourcing

Our Company has achieved 100% straight through processing (STP) for onboarding customers directly through the Planet application for our consumer loans business. We use several new age digital technologies to achieve seamless client onboarding journeys including digital assisted apps for all products, integrated digilocker, fuzzy logic and penny credit to reduce tat and prevent frauds, liveness matching with optical character recognition (OCR) as KYC and tie up with various partners to make our digital lending process 100% paperless with mitigated risks in all the areas.

Underwriting

Our Company has included AI empowered analytics for an automated and a bias-free credit decision making, resulting in fraud detection at origination through early warning signals, machine learning based application scorecard for decisioning, enhanced credit guardrails with pre and post-covid parameters and re-imagined credit algorithm using alternate data.

Servicing

Our Company has largely moved from assisted channels i.e. call centres, branches, dealerships etc. to autonomous self-help channels including an identified social media mobile application and chatbots. In Fiscal 2019, almost all of our Company's customers were serviced through physical branches and call centres which is 42% as of June, 2022 through self-help options including, customer data mart for 360-degree view, automation bots for customer interactions and instant servicing and a 24 / 7 self-help options (website, chatbot, IVR, social media mobile applications). As of June 30, 2022, except our rural business finance and farmer finance, all our other retail businesses are primarily serviced through autonomous channels.

Collection

Our Company has focussed on analytics-based collections which in zero days past due book being way better than industry. Various aspects of the collection mechanism that are being worked upon include reduced cost of collections by moving towards autonomous and touch-free collections, optimised collection machinery to reduce collection cost using machine learning and bounce prediction for delinquency management / risk segmentation.

Insurance

We maintain a wide range of insurance policies including standard fire and special perils and group personal accident covers in respect of our offices across India. We also have a money insurance policy in respect of cash in safe and cash in transit. In addition, our Directors are insured under directors' and officers' liability insurance policy.

Employees

As of June 30, 2022, we employed 24,937 employees on a consolidated basis.

Each of our businesses are led by senior executives who are generally, also responsible for certain organisational functions at the group level. Our senior managers have diverse experience in various financial services and functions related to our business. We have instituted training and mentorship programs for our junior and mid-management employees and we intend to continue investing in recruiting, training and maintaining a rewarding work environment. In addition to ongoing on-the-job training, we provide employees with courses in specific areas as required.

We have recruited and retained talented employees from a variety of backgrounds, including credit evaluation, risk management, treasury, technology and marketing. We will continue to attract talented employees through our recruitment and retention initiatives. To create a sense of ownership among and as a long-term incentive to our employees, our Group Companies has adopted ESOP Schemes to issue options convertible into Equity Shares to select employees linked to their performance. Also personal loans are available to our eligible employees at differentiated rates as compared to the market. We also carry out periodic evaluations of our senior personnel on an annual basis with the relevant department heads and senior management. We identify key performance indicators and set benchmarks against which we measure the performance of our employees and payment of remuneration and annual increments are determined after the completion of the evaluation process. We identify and reward those employees who have demonstrated exceptional performance during any financial year.

Our Credit Ratings

Credit Ratings for our Company as at June 30, 2022 is as follows:

Instrument Type	CARE	ICRA	CRISIL	India Ratings
Non-Convertible Debenture	CARE AAA (Stable)	ICRA AAA (Stable)	CRISIL AAA (Stable)	IND AAA (Stable)
Non-Convertible Debentures (Public Issue)	CARE AAA (Stable)	ICRA AAA (Stable)	CRISIL AAA (Stable)	IND AAA (Stable)
Long-Term rating of bank facilities	CARE AAA (Stable)	ICRA AAA (Stable)	CRISIL AAA (Stable)	IND AAA (Stable)
Subordinate Debt	CARE AAA (Stable)	ICRA AAA (Stable)	CRISIL AAA (Stable)	IND AAA (Stable)
Principal Protected Market Linked Debentures	CARE PP-MLD AAA (Stable)	PP-MLD ICRA AAA (Stable)	-	IND PP-MLD AAA emr (Stable)

Instrument Type	CARE	ICRA	CRISIL	India Ratings
Perpetual Debt	CARE AA+(Stable)	ICRA AA+ (Stable)	-	-
Commercial Paper	CARE A1+	ICRA A1+	CRISIL A1+	-

Awards and Accolades

Fiscal 2022: Our Promoter has won the "Maharashtra CSR Awards 2022 - 'Digital Sakhi Project"; and "Socio CSR Film Festival 2022- 'Best Social Community Project Film'

Fiscal 2021: Our Promoter has won the "2021 Asia Sustainability Reporting Awards -'Asia's Best Community Impact Reporting'

Fiscal 2020: Our Promoter has won (i) "Business Standard Social Excellence Awards, 2019" for Socially Aware Corporate of the year; (ii) The Asset Triple A Asia Infrastructure Awards 2020 for Renewable Energy Acquisition Financing Deal of the Year; (iii) The Asset Triple A Asia Infrastructure Awards 2020 for Utility Deal of the Year; (iv) FICCI Corporate Social Responsibility Award for 'Women Empowerment'; (v) Golden Peacock Award for 'Corporate Social Responsibility'; (vi) 10th India Digital Awards for our flagship CSR initiative - Digital Sakhi;

Competition

Competition in our industry is expected to continue to increase. Our primary competitors are public sector banks, private banks (including foreign banks), co-operative banks, regional rural banks and NBFCs and private unorganized lenders. Banks are increasingly expanding into retail loans in the rural and semi-urban areas of India.

We are exposed to the risk that these banks continue to expand their operations into the markets in which we operate, which would result in greater competition and lower spreads on our loans, particularly because these banks have greater resources and access to cheaper funding than us.

Intellectual Property

By and under the Trademark Licence Agreement, our Promoter and our Company have been granted a global non-exclusive, non-transferrable license to use the "L&T" trademark and logo for a consideration payable by each of the licensees of up to 5.0% of PAT p.a., of each of the licensees, whichever is lower, plus goods and service tax.

In terms of the Scheme of Amalgamation, our Company (then known as Family Credit Limited) became entitled to the use of the "L&T" trademark. The payment of such consideration is to be made on an annual basis, unless otherwise agreed amongst the parties. The Trademark License Agreement can be terminated by the parties thereto upon written notice in accordance with its terms. Furthermore, the Trademark License Agreement can also be terminated by any party upon change in management control of any of the licensees or upon breach of the terms of the Trademark License Agreement by any of the licensees. In the event that the Trademark License Agreement is terminated, we may have to discontinue the use of the "L&T" trademark and logo.

Corporate Social Responsibility

Our key initiatives are woven around sustainable livelihoods of rural communities facilitated by focused areas of intervention – Digital Financial Inclusion, Disaster Management and Environmental Sustainability initiatives/activities ('Other Initiatives'). Our efforts are to create livelihood opportunities for rural women entrepreneurs, educate them and the community to imbibe nuances of financial literacy leading to enhanced adoption of facilities and schemes granted by the Government and other financial institutions. This also helps to percolate the national agenda of creating a cashless economy by bringing in digital modes of payment into their daily lives.

We have created awareness on digital financial inclusion in Maharashtra, Madhya Pradesh, Odisha, Tamil Nadu and West Bengal. In the Fiscal 2023, the initiative expanded to Karnataka and Kerala.

At our Company level our total expenditure towards CSR initiatives was ₹ 16.42 crores in Fiscal 2022.

Economic, Social and Governance ("ESG") framework

We aim to broaden and deepen the integration of sustainability-related aspects into our operations and have a defined Economic, Social and Governance ("ESG") framework that guides our business. We understand our responsibility towards the society at large and therefore, our business model focuses on the foundation of social capitalism. We are also cognizant of other important sustainability aspects and endeavour to continuously enhance our operations towards factors influencing ESG.

Properties

Our registered and corporate office are located at L&T Finance Limited,15th Floor, PS SRIJAN Tech Park, Plot No 52, Block DN, Sector-V,Salt Lake City, Kolkata ‑ 700 091, District 24-Parganas North and Brindavan, Plot No. 177, CST Road, Kalina, Santacruz (East), Mumbai, respectively which we utilize on a leasehold basis from one Forum Project Holdings Private Limited and L&T Financial Consultants Limited (our group company) respectively. In addition, most of our branches are located on leased premises.

HISTORY AND MAIN OBJECTS

Corporate Profile

L&T Finance Limited ("**Company**" or "**Issuer**") was incorporated as Apeejay Finance Group Private Limited on 24 November 1993 at Kolkata, West Bengal, India as a private limited company under the Companies Act, 1956, as amended, with registration no. 2160810 and was granted a certificate of incorporation by the Registrar of Companies, West Bengal at Kolkata ("**RoC**"). Upon conversion of our Company from private limited to public limited, the name of our Company was changed to Apeejay Finance Group Limited and a fresh certificate of incorporation consequent upon change of name was granted by the RoC on February 14, 1994. The name of our Company was further changed to Family Credit Limited and a fresh certificate of incorporation was granted by the ROC on July 12, 2007. The name of our Company was further changed to L&T Finance Limited and a fresh certificate of incorporation was granted by the ROC on March 17, 2017 pursuant to the scheme of amalgamation effective from February 13, 2017. The National Company Law Tribunal ("**NCLT**"), Mumbai, by way of its order dated March 15, 2021, and the NCLT Kolkata by way of its order dated March 19, 2021 (collectively, the "**Sanction Orders**"), approved the Scheme of Amalgamation by way of merger by absorption between L&T Housing Finance Limited ("**LTHFL**") and L&T Infrastructure Finance Company Limited ("**LTIFC**)" with our Company under sections 230 to 232 of the Companies Act, 2013. The Scheme was made effective from April 12, 2021 pursuant to approval by the Board of Directors of the Company.

Our Company is registered as a non-deposit accepting non-banking financial company with the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934 bearing registration number B-05.06200. For details of the business of our Company, see "*Our Business*" beginning on page 127.

The corporate identity number (CIN) is U65910WB1993FLC060810.

For details of the business of our Company, see "*Our Business*" beginning on page 127.

Registered Office and changes in Registered Office of our Company

Our Registered Office is located at 15th Floor, PS SRIJAN Tech Park, Plot No 52, Block DN, Sector-V, Salt Lake City, Kolkata – 700 091, District 24-Parganas North. Except as set forth, there has not been any change to the Registered Office since incorporation.

Date of change of Registered Office	Details of change in the address of Registered Office
Since incorporation	7th Floor, Technopolis, A- Wing, Plot No. - 4, Block - BP, Sector -V, Salt Lake, Kolkata 700 091, West Bengal
April 1, 2022	From 7th Floor, Technopolis, A- Wing, Plot No. - 4, Block - BP, Sector -V, Salt Lake, Kolkata 700 091, West Bengal to 15th Floor, PS SRIJAN Tech Park, Plot No 52, Block DN, Sector-V, Salt Lake City, Kolkata – 700 091, District 24-Parganas North

Corporate Office

Our Corporate Office is located at Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra

Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association are:

1. To carry on and undertake the business of financing, leasing, hire purchase and lease operations of all kinds. Purchasing, selling, hiring or letting on hire or financing deferred payments or to purchase or otherwise deal in all forms of immovable properties including lands, buildings, offices, show-rooms, shops, factories, godowns or real estates, all kinds of plant and machinery and equipment including tools, dies, moulds, appliances. Implements, instruments or apparatus, installations and fittings for domestic, industrial, commercial, trading, office or agricultural use, all kinds of vehicles whether moved, propelled or driven by motor, steam, oil, petrol, electricity or any mechanical means or power or other device and accessories of all vehicles, all types of furniture, fixtures and fittings including air-conditioners, refrigerators, televisions, video tape recorders and all other things or whatsoever nature or description capable of being uses therewith or in the manufacture, maintenance and working thereof.

2. To engage in the business of arrangement of security offering/issue of corporate bodies including making arrangements for selling or buying or subscribing to or dealing in securities, preparation of offer documents/prospectus/letters of offer, tying up with other intermediaries in securities, rendering corporate advisory service, determining financial structure of issuer, to manage portfolio of securities, to handle allotment and refund of securities to underwrite issues and to undertake all other matters connected with issue/offering of securities.

3. To act as investors, share brokers, guarantors, and to subscribe for conditionally or unconditionally, to underwrite issue on commission or otherwise, take, hold, deal in and convent stocks, shares, and securities of all kinds subject to prior approval of SEBI.

4. To undertake the business of financing leasing hire purchase, lease operations of all kinds and all other businesses stated in sub-clause I above, electronically through internet based trading mechanisms subject to prior approval of appropriate authorities and Indian Cyber Laws as and when enacted.

5. To carry on business of an Investment Company or an Investment Trust Company, to undertake and transact trust and agency Investment, mutual fund business, financial business, financiers and for that purpose to land or invest money and negotiate loans in any form or manner, to draw, accept, endorse, discount, buy, sell and deal in bills of exchange, hundies, promissory notes and other negotiable instruments and securities and also to issue on commission, to subscribe for, underwrite, take, acquire and hold, sell and exchange, and deal in s hares, stocks bonds or debentures or securities of any Government or Public authority or Company, gold and silver and bullion and to form, promote, subsides and assist companies, syndicates and partnership, subject to compliance with SEBI regulations or any other relevant laws.

6. To act as consultants and to advise and assist on all aspects of corporate commercial and industrial management or activity including production, manufacturing, personnel, advertising and public relations, public welfare, marketing, taxation, technology Insurance, purchasing, sales, quality control, computer application, software, productivity, planning, research and development, organization, Import and export business, industrial, relations and management and to make evaluations, feasibility studies, project reports, forecasts and surveys and to give expert advice and suggest ways and means for Improving efficiency in mines, trades, plantations, business organizations, registered or cooperative societies, partnership or proprietary concerns and Industries of all kinds in India and elsewhere in the world and improvement of business management, office organization and export management to supply to and provide, maintain and operate services, facilities, conveniences, bureau and the like for the benefit of any Company to recruit and / or advice on the recruitment of staff for any Company.

7. To render consultancy services in investment matters to individuals, firms, or corporate bodies and to undertake and carry out portfolio management subject to prior approval of SEBI for portfolio management on behalf of clients in respect of their investment in shares, debentures, bonds or any other securities.

8. To act as investors, guarantors, underwriters subject to prior approval of SEBI for underwriters and financiers with the object of financing industrial enterprises to carry on and undertake all bill discounting to lend or deal with the money either with or without interest or security, including in current or deposit account with an bank or banks, other person or persons upon such terms, conditions and manner as may from time to time be determined and to receive money on deposit or loan upon such terms and conditions as the Company may approve.

9. To carry on the business of real estate and to acquire by purchase, lease, exchange development, construction, building erection, or to demolish, re-elect, alter, repair, re-model or otherwise deal in and make advances on the security of and deal in land, buildings, estates, hereditaments, roads, highways, docks, bridges, canals, dams, ports, reservoirs, or any other structural or architectural work of any kind whatsoever and for such purpose to prepare, estimates, designs, plans, specifications or models and to do such other or any act that may be requisite thereof, and to otherwise deal in offices, flats, service it (ows, chawls, factories, godowns, warehouses, shops, cinema theatres, and other conveniences of all kinds and properties of all kinds and description and to act as town planners, surveyors, values, appraisers, decorators, furnishers, furniture makers, merchants, dealers, in cement, steel, iron, fuel, coke, wood cool, timber and other building requisites and to manufacture requisites for above and prefabricated houses, apartments and structures etc.

10. To carry on in India or elsewhere the business to establish and to act as agent, representative, surveyor, sub-insurance agent, franchiser, marketing, market making, market generating, consultant, advisor, collaborator or

other-wise to deal in all incidental and allied activities related to insurance business as a corporate on account of insurance companies and to resell insurance products elaborated by third parties contracted insurers and to carry out any other type of financial activities in accordance with applicable laws, organize, manage, promote, encourage, provide, conduct, sponsor, subsidize, operate, develop and commercialize, insurance and assurance business in all its branches of life insurance and general insurance including whole life insurance, endowment insurance, double benefit and multiple benefit insurance, joint life insurance, medical insurance, group insurance, fire insurance, riot insurance, earth quake and natural calamity insurance, crop insurance, animal life insurance, loss of profit insurance, human body part, limbs and organs insurance, theft insurance, transit insurance, vehicle insurance, annuity plans, gratuity plans, fixed income plans, accidental insurance, unit linked insurance and any product to insure any credit performed by a client, any goods acquired through credit and the client itself and such other insurance, assurance, plans and schemes as may be developed from time-to-time and also the various type of mutual fund schemes, bonds, deposits, unit linked schemes, securities with different type of options as offered by companies, banks, Reserve Bank of India, Govt. of India, foreign institutions, financial institutions or other entities and also the various marketing products generated by the banks, institutions, etc. in the form of marketing, selling, distribution, agent, consultant, soliciting credit cards, personal loans, housing loans, business loans, loan against shares, loan against properties, gold loans, gold biscuits, and for the purpose to apply, approach, tender, acquire, hold, procure and obtain such rights, titles, entitlements, licenses and permissions from government, semi government, local authorities, public bodies, public institutions and government undertakings or from other authorities as may be necessary for the attainment of the objects under these presents.

For details on Certifications and Awards, please see section titled "*Our Business*" on page 152.

Details of any acquisition or amalgamation in the last one year

Our Company has not made any acquisition or amalgamation in the last one year prior to the date of this Draft Shelf Prospectus.

Details of any reorganization or Reconstruction undertaken by our Company in the last one year

Our Company has not made any reorganization/reconstruction in the last one year prior to the date of this Draft Shelf Prospectus.

Key terms of Material Agreements and Material Contracts

Other than the below-mentioned agreement, our Company has not entered into any other material agreements and material contracts which are not in the ordinary course of business, in the last two years.

Group Function Outsourcing Agreement ("Group Outsourcing Agreement") dated October 5, 2018 between L&T Finance Holdings Limited, L&T Infrastructure Finance Company Limited, L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited), L&T Housing Finance Limited and L&T Finance Limited ("Group Function Companies"), made effective from April 1, 2018.

Pursuant to the Group Outsourcing Agreement read with Amendment Agreement dated June 10, 2019 made effective from May 08, 2019, the Group Function Companies have sought to maximise their utilisation by sharing certain resources which include various personnel (staff, employees, representatives, agents, advisors, counsels, retainers and other manpower), infrastructure, space, fixed and movable assets owned, hardware and software applications leased or belonging to any of the Group Function Companies. The outsourcing of resources is limited to the scope of work as agreed upon between inter alia the Group Function Companies.

Subsidiary Companies

As on the date of this Draft Shelf Prospectus, our Company has the following subsidiaries:

1. L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)

L&T Infra Credit Limited, was incorporated on March 19, 2013 under the provisions of the Companies Act, 1956 and is validly existing under the Companies Act, 2013, bearing Corporate Identification No. L67100MH2013PLC241104 under the name of 'L&T Infra Debt Fund Limited' Its name was changed to 'L&T Infra Credit Limited' pursuant to fresh certificate of incorporation dated August 18, 2021 issued by the Registrar of Companies, Mumbai. Our Company presently holds 76.64% shareholding in L&T Infra Credit Limited. It is registered with Reserve Bank of India as Non-

Banking Financial Company - Investment and Credit Company *vide* registration no. N-13.02055 dated June 22, 2022.L&T Infra Credit Limited has its Registered Office at Plot No. 177, CTS No. 6970, 6971,Vidyanagari Marg, CST Road, Kalina, Santacruz (East) Mumbai- 400098 Maharashtra.

Principal Business

L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited) operates as Investment and Credit Company, registered as Non-Banking Finance Company in accordance with guidelines prescribed by Reserve Bank of India.

2. L&T Infra Investment Partners Advisory Private Limited

L&T Infra Investment Partners Advisory Private Limited, a company within the meaning of the Companies Act, 1956 (1 of 1956) and validly existing under the Companies Act, 2013, incorporated on May 30, 2011, and registered as a private company, having its Registered Office at Plot No. 177, CTS No. 6970, 6971, Vidyanagari Marg, CST Road, Kalina, Santacruz (East), Mumbai, Maharashtra with Corporate Identification No. U67190MH2011PTC218046. Our Company presently holds 100.00 % shareholding in L&T Infra Investment Partners Advisory Private Limited It is registered with ROC, Mumbai as Company limited by shares vide registration no. 218046.

Principal Business

L&T Infra Investment Partners Advisory Private Limited is involved in activities auxiliary to financial intermediation, except insurance and pension funding.

3. L&T Infra Investment Partners Trustee Private Limited

L&T Infra Investment Partners Trustee Private Limited, a company within the meaning of the Companies Act, 1956 (1 of 1956) and validly existing under the Companies Act, 2013, incorporated on August 12, 2011, and registered as a private company, having its Registered Office at Plot No. 177, CTS No. 6970, 6971,Vidyanagari Marg, CST Road, Kalina, Santacruz (East) Mumbai 400098, Maharashtra under Corporate Identification No. U67190MH2011PTC220896. Our Company presently holds 100.00% shareholding in L&T Infra Investment Partners Trustee Private Limited. It is registered with ROC-Mumbai as Company limited by Shares vide registration no. 220896.

Principal Business

L&T Infra Investment Partners Trustee Private Limited is involved in activities carried out by Trusts, funds and other financial holding companies.

Associates

As on the date of this Draft Shelf Prospectus, Grameen Capital India Private Limited is an associate of our Company. Grameen Capital India Private Limited, a company within the meaning of the Companies Act, 1956 (1 of 1956) and validly existing under the Companies Act, 2013, incorporated on March 14, 2007, and registered as a private company, having its Registered Office at 306, A Wing, 3rd Floor, 36 Turner Road, Opp. Tavaa Restaurant, Bandra (West) Mumbai 400 050, Maharashtra, India under Corporate Identification No. U65923MH2007PTC168721 is primarily engaged in the business of financial advisory and facilitate capital market access for impact-focused enterprises across sectors.

Joint Venture

As on the date of this Draft Shelf Prospectus, our Company has no joint ventures.

Enterprises over which control is exercised by the Company

As on the date of this Draft Shelf Prospectus, our Company does not exercise control over any of the enterprises, other than on its subsidiaries and associate companies.

OUR MANAGEMENT

Board of Directors

The general superintendence, direction and management of our affairs and business are vested in our Board of Directors, which exercises its power subject to the Memorandum and Articles of Association of our Company and the requirements of the applicable laws.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and the SEBI Listing Regulations. It is governed by the Articles of Association of our Company and the relevant directions issued by the RBI.

The Articles of Association of our Company require us to have not less than 3 and not more than 15 Directors. As of the date of this Draft Shelf Prospectus, we have seven Directors on the Board, out of which two Directors are the Non-Executive Director, one Director is the Whole-Time Director and four Directors are Independent Directors, including two women directors on the Board.

Details of Board of Directors as on the date of this Draft Shelf Prospectus

Name, Designation, and DIN	Age (in years)	Address	Date of Appointment	Other Directorship
Dinanath Mohandas Dubhashi **Designation:** Non-Executive Director and Chairperson **DIN**: 03545900	56	9, Prabhat, PM Road, Vile Parle (East), Mumbai 400057	Date of appointment at current designation- July 21, 2016[1]	1. L&T Finance Holdings Limited 2. L&T Infra Credit Limited 3. L&T Investment Management Limited 4. L&T Infra Investment Partners Advisory Private Limited 5. Finance Industry Development Council
Pradeep Vasudeo Bhide **Designation:** Independent Director **DIN**: 03304262	72	D-1/48, Vasant Vihar, Delhi 110057	Date of Original Appointment: March 18, 2017[2] Date of Re-appointment: March 18, 2022.	1. L&T Finance Holdings Limited 2. Nocil Limited 3. Glaxosmithkline Pharmaceuticals Limited 4. A.P.I.D.C. Venture Capital Private Limited 5. Shiksha Financial Services India Private Limited 6. Borosil Renewables Limited 7. TRL Krosaki Refractories Limited
Thomas Mathew Thumpeparambil **Designation:** Independent Director **DIN**: 00130282	69	19A011, Phase 2, Kohinoor City, Kirol Road, Off LBS Marg, Kurla (West), Mumbai 400070	Date of Original Appointment: April 12, 2021[3]	1. L&T Infra Credit Limited 2. L&T Finance Holdings Limited 3. Canara HSBC Life Insurance Company Limited 4. ESL Steel Limited
Dr. Rajani Rajiv Gupte **Designation:** Independent Director **DIN**: 03172965	66	10, Dream Residency, 128, Anand Park, Aundh, Pune 411007	Date of Original Appointment: March 20, 2015[4] Date of Re-appointment: April 01, 2020	1. L&T Finance Holdings Limited 2. Symbiosis Centre for Entrepreneurship and Innovation 3. National Securities Depository Limited
Nishi Vasudeva **Designation:**	66	21 – A, Land Breeze, 52 Pali Hill, Bandra, Mumbai 400050.	Date of Original Appointment: April 12, 2021[5]	1. L&T Infra Credit Limited 2. Hitachi Energy India Limited (formerly known as ABB

Name, Designation, and DIN	Age (in years)	Address	Date of Appointment	Other Directorship
Independent Director **DIN**: 03016991				Power Products and Systems India Limited) 3. HCL Technologies Limited 4. Atria Convergence Technologies Limited
Rishi Mandawat **Designation:** Non-Executive Director **DIN**: 07639602	42	1601, Tower 5, Planet Godrej, K K Road, Mahalaxmi I Mumbai 400011	Date of appointment at current designation- April 28, 2019[6]	1. BDC Datacentres (Bangalore) Private Limited 2. Opsmaint (India) Bridge DC Platform Private Limited 3. J M Baxi Ports & Logistics Limited
Sachinn Roopnarayan Joshi **Designation:** Whole-time Director **DIN**: 00040876	57	1203, Torino, Cliff Avenue, next to Avalon Towers, Hiranandani Gardens, Powai, Mumbai - 400 076.	Date of Original Appointment: October 8, 2021[7]	1. L&T Financial Consultants Limited 2. L&T Infra Investment Partners Trustee Private Limited 3. Mudit Cement Private Limited

[1] *Dinanath Mohandas Dubhashi is liable to retire by rotation and was originally appointed as Non-Executive Director on December 31, 2012.*
[2] *Pradeep Vasudeo Bhide is appointed for a term of 5 years.*
[3] *Thomas Mathew Thumpeparambil is appointed for a term of 5 years.*
[4] *Dr. Rajani Rajiv Gupte is appointed for a term of 5 years.*
[5] *Nishi Vasudeva is appointed for a term of 5 years.*
[6] *Rishi Mandhwat was originally appointed as Non-Executive Director on April 28, 2019.*
[7] *Sachinn Roopnarayan Joshi is liable to retire by rotation*

Brief profile of the Directors of our Company

Mr. Dinanath Mohandas Dubhashi

Mr. Dinanath Mohandas Dubhashi is the Non-Executive Director and Chairperson of our Company. He has experience of over three decades across multiple domains in financial services such as corporate banking, cash management, credit ratings, retail lending and rural financing. Prior to joining us, he has also been associated with organisations such as BNP Paribas, CARE Ratings and SBI Capital Markets in various capacities.

Mr. Pradeep Vasudeo Bhide

Mr. Pradeep Vasudeo Bhide is an Independent Director of the Company. He is a retired IAS Officer of the Andhra Pradesh cadre (batch of 1973). He has experience of nearly four decades having held various positions in the Ministry of Finance, including as Revenue Secretary, Department of Revenue, Ministry of Finance; Secretary and Joint Secretary, Department of Disinvestment, Ministry of Finance; Additional Secretary/Spl. Secretary, Ministry of Home Affairs.

Mr. Thomas Mathew Thumpeparambil

Mr. Thomas Mathew Thumpeparambil is an Independent Director of the Company. He has over four decades of strategic leadership and operational experience in the Life Insurance & Reinsurance industry. He was the Managing Director and Interim Chairman of L.I.C. He was also India MD & CEO of 'Reinsurance Group of America'. He was nominated by SEBI as the chairman of the Metropolitan Stock Exchange of India.

Ms. Nishi Vasudeva

Ms. Nishi Vasudeva is an Independent Director of the Company. She has over four decades of experience in the petroleum industry. She is an internationally acclaimed leader and is the first woman to chair an oil and gas company in India. Ms. Vasudeva represented HPCL as Chairperson / Director on the board of several Joint Venture companies.

Dr. Rajani Rajiv Gupte

Dr. Rajani Rajiv Gupte is an Independent Director of the Company. She is currently the Vice Chancellor of Symbiosis International University, Pune. She has experience of over four decades in teaching, research and administration, she has extensive experience as an institution-builder.

Mr. Rishi Mandawat

Mr. Rishi Mandawat is a Non-Executive Director of the Company. He has an experience of over two decades. He is a Managing Director in the Financial Services, Industrial Manufacturing & Logistics, Telecom & Media and a member of the Asian Pacific Private Equity team of Bain Capital. Prior to joining Bain Capital, he has been associated with McKinsey & Company and P&G.

Mr. Sachinn Roopnarayan Joshi

Mr. Sachinn Roopnarayan Joshi leads Finance & Accounts, Financial Planning & Analysis, Treasury, and Investor Relations functions as the Group Chief Financial Officer. He has over three decades of experience with expertise in finance and operations. These include setting up business & treasury operations, risk & credit control, human resource management, public listing, strategic planning and crisis management. Prior to joining our Company, Mr. Joshi has worked with Aditya Birla Finance Limited, Angel Group, IL & FS Limited, Lupin Laboratories Limited and Navneet Publications Limited.

Relationship between Directors

As on the date of this Draft Shelf Prospectus, none of our Directors are related to each other.

Remuneration and terms of appointment of our Directors

The Directors of our Company are not paid any remuneration by the Subsidiaries or associates of our Company.

Details of remuneration paid to our Directors during current year, and during the Fiscals 2022, 2021 and 2020 by our Company:

Remuneration of Whole-time Director

The Whole-time Director Mr. Sachinn Roopnarayan Joshi, is paid remuneration in following components-

Basic Salary	
Basic Salary	In the range of ₹ 83,00,000 per annum
Allowances	
House Rent Allowance	In the range of ₹ 41,00,000 per annum
Special Allowance	In the range of ₹ 60,00,000 per annum
Leave Travel Allowance	In the range of ₹ 6,50,000 to ₹ 11,00,000 per annum
Variable Remuneration	
Variable Remuneration	In the range of ₹ 69,00,000 to ₹ 1,10,00,000 per annum

The following table sets forth all compensation recorded by our Company to the Whole-time Director during the current year and Fiscals 2022, 2021 and 2020:

(Amount in ₹)

Name of Director	For June 30, 2022		For Fiscal 2022		For Fiscal 2021		For Fiscal 2020	
	Gross Salary	Others	Gross Salary	Others	Gross Salary	Others	Gross Salary	Others
Sachinn Roopnarayan Joshi	52,27,236	31,07,967	9,601,051	4,994,719	N/A	N/A	N/A	N/A

The terms of remuneration of the Chairperson are as below

The Chairman and Non-executive of our Company, Mr. Dinanath Mohandas Dubhashi, is not paid any remuneration.

Remuneration of Independent Directors

The the Independent Directors and eligible Non-Executive Director(s)are paid remuneration by way of sitting fees and commission.

Pursuant to the resolutions passed by the Board at its meetings held on August 13, 2021 the Independent Directors and eligible Non-Executive Director(s) are entitled to fees/ remuneration as under:

Meeting(s)	Amount per meeting
Board /Independent Director(s)	₹ 50,000
Audit / Nomination and Remuneration Committee	₹ 50,000
CSR and ESG/RMC/ IT Strategy	₹ 30,000

The Independent Directors and eligible Non-Executive Director(s)are paid commission ranging between a minimum of ₹ 1.30 lakhs and a maximum of ₹ 1.50 lakhs per director, per year.

The following table sets forth all compensation recorded by our Company to the Independent Directors during the current year and Fiscals 2022, 2021 and 2020:

(Amount in ₹)

Name of Director	For June 30, 2022		For Fiscal 2022		For Fiscal 2021		For Fiscal 2020	
	Commission	Sitting Fees	Commission*	Sitting Fees	Commission	Sitting Fees	Commission	Sitting Fees
Pradeep Vasudeo Bhide	NA	2,50,000	16,30,000	8,00,000	21,85,000	9,20,000	10,04,000	4,60,000
Thomas Mathew Thumpepara mbil	NA	2,50,000	11,90,000	8,50,000	NA	NA	NA	NA
Nishi Vasudeva	NA	2,60,000	12,45,000	7,10,000	NA	NA	NA	NA
Dr. Rajani Rajiv Gupte	NA	2,10,000	19,70,000	8,00,000	25,15,000	9,60,000	9,60,000	4,60,000

The following table sets forth all compensation recorded by our Company to the Non-Executive Directors during the current year and Fiscals 2022, 2021 and 2020:

(Amount in ₹)

Name of Director	For June 30, 2022		For Fiscal 2022		For Fiscal 2021		For Fiscal 2020	
	Commission	Sitting Fees	Commission	Sitting Fees	Commission	Sitting Fees	Commission	Sitting Fees
Dinanath Mohandas Dubhashi	NA	NA	NA	NA	NA	NA	NA	NA
Rishi Mandawat	NA	80,000	12,70,000	4,30,000	21,60,000	7,60,000	7,56,000	2,80,000

Other understandings and confirmations

No Director of our Company is a director or is otherwise associated in any manner with, any company that appears in the list of the vanishing companies as maintained by the Ministry of Corporate Affairs, wilful defaulter list as categorized by the RBI or Export Credit Guarantee Corporation of India Limited or any other regulatory or governmental authority and/or bank or financial institutions.

None of our Directors is, or was, a director or person in control of any company which has been or was voluntarily delisted from any recognised stock exchange within a period of ten years preceding the date of this Draft Shelf Prospectus, in accordance with Chapter V of the SEBI (Delisting of Equity Shares) Regulations, 2021 and Regulation 34 of the Securities and Exchange Board of India Delisting Regulations, 2021.

None of our Directors are in default of payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six-months.

We also confirm that none of our Directors is restrained or prohibited or debarred from accessing the securities market or dealing in securities by the Board. Further, none of our Directors is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by SEBI.

None of our Directors have committed any violation of securities laws in the past and no proceedings in such regard by SEBI or, RBI are pending against any of our Directors.

No Director of our Company is a fugitive economic offender, as defined in the SEBI NCS Regulations.

We confirm that the PAN of the Directors of the Company has been submitted to the Stock Exchanges at the time of filing this Draft Shelf Prospectus.

Borrowing Powers of the Board

Pursuant to a special resolution passed by the shareholders of our Company on April 12, 2021 in accordance with provisions of 180(1)(c) of the Companies Act, 2013 and other applicable provisions and rules made thereunder, the Board has been authorised to borrow, from time to time such sums of money as they may deem necessary for the purpose of the business of our Company, which together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business), may exceed at any time, the aggregate of the paid-up capital of our Company and its free reserves (that is to say, reserves, not set apart for any specific purposes) and securities premium account of the Company, provided that the total amount upto which monies may be borrowed by the Board of Directors shall not exceeding ₹ 1,25,000 crore at any time.

The aggregate value of the NCDs offered under this Draft Shelf Prospectus, together with the existing borrowings of the Company, is within the approved borrowing limits as abovementioned.

Interest of the Directors

As on the date of the Draft Shelf Prospectus, none of our Directors are interested in the promotion of the Company.

All the Directors of our Company, including our Independent Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them. All the Independent Directors of our Company are entitled to sitting fees for attending every meeting of the Board or a Committee thereof, and a commission as may be paid with the approval of the shareholders of the Company. Chairperson is interested to the extent of remuneration paid for services rendered / ESOP granted, if any, as an officer or employee of our Promoter.

All the directors of our Company, including independent directors, may also be deemed to be interested to the extent of Equity Shares, if any, held by them or by companies, firms and trusts in which they are interested as directors, partners, members or trustees and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

The Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners as declared in their respective declarations. Except as otherwise stated in this Draft Shelf Prospectus, statutory registers maintained by our Company in this regard, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Shelf Prospectus in which the directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made with them. None of our Company's Directors have taken any loan from our Company. Further, our Company has not availed any loans from the Directors which are currently outstanding. Our Directors may also deem to be interested to the extent of investments made in the secured/unsecured non-convertible debentures issued by the Company and also to the extent of any interest payable on such debentures.

As of the date of this Draft Shelf Prospectus, except as disclosed in the Section "*Related Party Transactions*" on page 186 none of our Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to anybody corporate, including companies, firms, and trusts, in which they are interested as directors, members, partners or trustees.

None of our Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them to become, or to help them qualify as a director, or otherwise for services rendered by him or by such firm or company, in connection with the promotion or formation of our Company.

No contribution has been made by the directors as part of the Issue or separately in furtherance of the Objects of the Issue

None of our Directors' relatives have been appointed to an office or place of profit of our Company.

Except as disclosed hereinabove and under the section titled *"Risk Factors"* on page 18, the Directors do not have an interest in any venture that is involved in any activities similar to those conducted by our Company.

Except as stated in the sections titled "*Related Party Transactions*" on page 186 and to the extent of compensation and commission if any, and their shareholding in our Company, our Directors do not have any other interest in our business.

Our Directors have no interest in any immovable property acquired or proposed to be acquired by our Company in the preceding two years of filing this Draft Shelf Prospectus with NSE and BSE nor do they have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

No benefit/interest will accrue to our Promoters/Directors out of the objects of the issue.

Details of change in Directors of our Company during last three years preceding the date of this Draft Shelf Prospectus:

Name of Director, Designation and DIN	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable	Remarks
Sachinn Roopnarayan Joshi **Designation**: Whole time Director **DIN**: 00040876	October 8, 2021	NA	NA	Appointment
Sunil Prabhune **Designation**: Whole time Director **DIN**: 07517824	February 11, 2020	NA	August 12, 2021	Resignation
Thomas Mathew Thumpeparambil **Designation**: Independent Director **DIN**: 00130282	April 12, 2021	NA	NA	Appointment
Nishi Vasudeva **Designation**: Independent Director **DIN**: 03016991	April 12, 2021	NA	NA	Appointment
Sunil Prabhune **Designation**: Whole time Director **DIN**: 07517824	February 11, 2020	NA	NA	Appointment
Ashish Arvind Kotecha **Designation**: Non-Executive Director **DIN**: 02384614	July 14, 2017	NA	April 28, 2019	Resignation

Shareholding of Directors as on the date of this Draft Shelf Prospectus:

As on June 30, 2022, the shareholding of our Directors in our Company is as follows:

Sr. No.	Name of the Director, Designation and DIN	No. of Equity Shares of ₹ 10 each	Number of Stock Options	% of total Equity Shares of our Company
1.	Dinanath Mohandas Dubhashi*	1	NA	Negligible^
2.	Sachinn Roopnarayan Joshi*	1	NA	Negligible^

** Held Jointly with L&T Finance Holdings Limited as nominee of L&T Finance Holdings Limited for the purpose of the compliance with applicable law.*

^ Less than 0.01% shareholding

Debenture / Subordinated Debt holding of Directors:

As on June 30, 2022, except, as below, none of the Directors of our Company hold any debentures / subordinated debt issued by our Company.

ISIN	DP-ID	NAME	PANCARD	BONDs/NCDs
INE027E07972	IN30302854302805	Dinanath Dubhashi	AAEPD9649J	3510

***Shareholding of Directors in Subsidiaries and Associate companies, including details of qualification shares held by Directors as on the date of this Draft Shelf Prospectus*:**

As of the date of this Draft Shelf Prospectus, except the shares held in our Subsidiaries and Associate Company as nominee of our Company, our Directors do not hold any equity shares in our Subsidiaries and Associate Companies.

Key Managerial Personnel of our Company

Provided below are the details of the Key Managerial Personnel of our Company, as of the date of this Draft Shelf Prospectus.

Sachinn Roopnarayan Joshi, Whole-time Director (Appointed w.e.f. October 21, 2021):

Mr. Sachinn Roopnarayan Joshi leads Finance & Accounts, Financial Planning & Analysis, Treasury, and Investor Relations functions as the Group Chief Financial Officer. He has over three decades of experience with expertise in finance and operations. These include setting up business & treasury operations, risk & credit control, human resource management, public listing, strategic planning and crisis management. Prior to joining our Company, Mr. Joshi has worked with Aditya Birla Finance Limited, Angel Group, IL & FS Limited, Lupin Laboratories Limited and Navneet Publications Limited.

Apurva Neeraj Rathod, Company Secretary & Compliance Officer (Appointed w.e.f. April 28, 2021)

Ms. Apurva Neeraj Rathod is the Company Secretary and the Group Head – Secretarial & CSR and Sustainability. With an experience of around two decades, she has worked across Legal, Compliance, Risk Management and Corporate Secretarial functions. She moved to the Company from Fidelity in 2012 and has been at the helm of Corporate Secretarial function since 2016. In addition, she has also been leading the Group CSR & Sustainability initiatives of the Company since March 2020.

Keshav Kant Loyalka, Head-Accounts (CFO) (Appointed w.e.f. October 20, 2021)

He has experience of around two decades in the fields of Finance & Accounts, US GAAP and Taxation. Prior to joining LTFS group he has worked with Hindalco Industries Limited, ICICI Bank Limited and Royal Bank of Scotland in various leadership roles.

Relationship with other Key Managerial Personnel

None of our Key Managerial Personnel are related to each other.

Interests of Key Managerial Personnel

Except to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business, the Key Managerial Personnel of the Company do not have any interest in the Company.

Payment or Benefit to Officers of our Company

Nil

Shareholding of our Company's Key Managerial Personnel

Sachinn Roopnarayan Joshi jointly holds 1 Equity Share of our Company with L & T Finance Holding Limited. None of our other Key Managerial Personnel's hold any Equity shares in our Company as on the date of this Draft Shelf Prospectus.

Corporate Governance

Our Company believes that good corporate governance is an important constituent in enhancing stakeholder value. Our Company has in place processes and systems whereby it complies with the requirements to the corporate governance provided in SEBI Listing Regulations (to the extent applicable to a company which has listed debt securities) and the applicable RBI Guidelines. The corporate governance framework is based on an effective independent Board, separation of the supervisory role of the Board from the executive management team and constitution of the committees of the Board, as required under applicable law. Our Company believes that its Board is constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Details of various Committees of the Board:

Audit Committee:

The Audit Committee was last reconstituted vide a resolution passed by the Board on April 24, 2021.

As on the date of this Draft Shelf Prospectus, it comprises of:

Name	Designation on Committee	Designation
Pradeep Vasudeo Bhide	Chairperson	Independent Director
Thomas Mathew Thumpeparambil	Member	Independent Director
Dr. Rajani Rajiv Gupte	Member	Independent Director
Dinanath Mohandas Dubhashi	Member	Non-Executive Director and Chairperson

The Audit Committee oversees the financial reporting and related internal controls, risk, and ethics.

The terms of reference of the Audit Committee, *inter alia*, include:

- Recommend to the Board appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
- Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  a. matters required to be included in the director’s responsibility statement to be included in the board’s report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  b. changes, if any, in accounting policies and practices and reasons for the same;
  c. major accounting entries involving estimates based on the exercise of judgment by management;
  d. significant adjustments made in the financial statements arising out of audit findings;
  e. compliance with listing and other legal requirements relating to financial statements;
  f. disclosure of any related party transactions;
  g. modified opinion(s) in the draft audit report;
- Review with the management, the quarterly financial statements before submission to the Board for approval and the auditor’s report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Functioning of the Whistle-blower Mechanism/ Vigil Mechanism of the Company;
- Full access to information contained in the records of the Company and external professional advice;
- Investigate any activity within its terms of reference, seek information from an employee, obtain outside legal/professional advice;
- Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- Recommend appointment and removal of external auditor, fixation of audit fees and also approve payment for other services;
- Discuss with the auditors periodically (including before the audit commences) on internal control systems, nature and scope of audit including observations of the auditors and post audit discussion to ascertain any area of concern, and review the half yearly and annual financial statements before submission to the Board and ensure compliance of internal control system;
- Ensure Information System Audit of the internal systems and processes to assess operational risks faced by the Company in accordance with the requirements stipulated by RBI;
- Recommend on financial management including audit report which shall be binding on the Board;
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Investigate into any matter in relation to the items given above or referred to it by the Board and power to obtain professional advice from external sources and have full access to information contained in the records of the Company;
- Right to call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and discuss any related issues with the internal and statutory auditors and the management of the company;
- Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Approve the appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discuss with internal auditors of any significant findings and follow up thereon; and
- Carry out any other function as is mentioned in the terms of reference of the audit Committee.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was last reconstituted vide a resolution passed by the Board on April 24, 2021. The constitution and the terms of reference of the NRC are in compliance with the provisions of section 178(1) of the Companies Act, 2013. The NRC reviews and assesses Board composition and recommends the appointment of new Directors. In evaluating the suitability of individual Board member, the NRC shall take into account the following criteria regarding qualifications, positive attributes and also independence of director:

As on the date of this Draft Shelf Prospectus, it comprises of:

Name	Designation on Committee	Designation
Thomas Mathew Thumpeparambil	Chairperson	Independent Director
Pradeep Vasudeo Bhide	Member	Independent Director
Nishi Vasudeva	Member	Independent Director
Dinanath Mohandas Dubhashi	Member	Non-Executive Director and Chairperson.

The terms of reference of the NRC Committee, *inter alia*, include:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- Ensure that:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

- Ensure fit and proper status of existing/proposed reference directors by obtaining necessary information and declaration from them and undertake a process of due diligence to determine suitability of the person for appointment/continuing to hold appointment as Director on the Board based upon qualification, expertise, track record, integrity and other relevant factors. The process of due diligence should be undertaken at the time of initial appointment and also prior to reappointment;
- Based on the information provided in the declaration the Committee should decide on the acceptance (and/or otherwise) and may make references where considered necessary to the appropriate person/authority to ensure their compliance with the requirements indicated;
- Obtain annual declaration confirming that the information already provided had not undergone change and if there is any change requisite details would be furnished by the directors forthwith;
- Focus on evaluating senior level employees their remuneration, promotion etc.;
- Formulate of criteria for evaluation of performance of Independent Directors and the board of directors;
- Devise a policy on diversity of board of directors;
- Decide on extension or continuation of the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Stakeholder's Relationship Committee:

The Stakeholder's Relationship Committee was last reconstituted vide a resolution passed by the Board on October 20, 2021. As on the date of this Draft Shelf Prospectus, it comprises of:

Name	Designation on Committee	Designation
Dinanath Mohandas Dubhashi	Chairperson	Non-Executive Director and Chairperson
Pradeep Vasudeo Bhide	Member	Independent Director
Sachinn Roopnarayan Joshi	Member	Whole-Time Director

The terms of reference of the Stakeholders' Relationship Committee, *inter alia*, include:

a. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
b. Review of measures taken for effective exercise of voting rights by shareholders;
c. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent; and
d. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Asset Liability Management Committee:

The Asset Liability Management Committee was last reconstituted vide a resolution passed by the Board on April 24, 2021. The Committee is responsible for supervising our Company's treasury and financial risk management activities.

As on the date of this Draft Shelf Prospectus, it comprises of:

Constitution of ALCO	Designation
Whole-time Director	Chairperson
Non-Executive Director (Managing Director and Chief Executive Officer, L&T Finance Holdings Limited)	Member
Vipul Chandra (Representative of L&T)	Member
Chief Risk Officer	Member
Chief Executive of respective businesses	Member

Constitution of ALCO	Designation
Head – Treasury & Investment	Member
Group Chief Economist	Member

The terms of reference of the Asset Liability Committee, *inter alia*, include:

The role of the ALCO includes the following:
• Monitoring market risk management systems, compliance with the asset-liability management policy and prudent gaps and tolerance limits and reporting systems set out by the Board of Directors and ensuring adherence to the RBI Guidelines issued in this behalf from time to time;
Deciding the business strategy of the Company (on the assets and liabilities sides) in line with the Company's budget and decided risk management objectives;
• Reviewing the effects of various possible changes in the market conditions related to the Balance Sheet and recommend the action needed to adhere to the Company's internal limits;
• Balance Sheet planning from risk-return perspective including the strategic management of interest rate and liquidity risks;
• Product pricing for both deposits and advances, desired maturity profile and mix of the incremental assets and liabilities, prevailing interest rates offered by other peer NBFCs for similar services/products, etc.;
• Reviewing the current interest rate outlook of the Company and deciding the future business strategy on this view; and
• Deciding on the source and mix of liabilities on sale of assets.

Risk Management Committee:

The Risk Management Committee was last reconstituted vide a resolution passed by the Board on October 20, 2021.

As on the date of this Draft Shelf Prospectus, it comprises of:

Constitution of RMC	Designation
Non-Executive Director (Managing Director and Chief Executive Officer, L&T Finance Holdings Limited)	Chairperson
Dr. Rajani Rajiv Gupte (Independent Director)	Member
R. Govindan (Representative of L&T)	Member
Whole-time Director	Member
Rishi Mandawat (Nominee of Bain Capital)	Member
Chief Risk Officer	Member

The scope of the Risk Management Committee includes the references made under the SEBI Listing Regulations, and the RBI Regulations.

The terms of reference of the Risk Management Committee, inter alia, include:

i. Formulate a detailed risk management policy which shall include:
   a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
   b) Measures for risk mitigation including systems and processes for internal control of identified risks.
   c) Business continuity plan.
ii. Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
iii. Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
iv. Periodically review the risk management policy, at least once a year, including by considering the changing industry dynamics and evolving complexity;
v. Keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
vi. Review of appointment, removal and terms of remuneration of the Chief Risk Officer; and
vii. Such other functions as the Board may from time-to-time delegate to it with respect to the Risk Management function of the Company and the group or may be prescribed under law.

Corporate Social Responsibility and Environment, Social and Governance Committee:

The Corporate Social Responsibility and Environment, Social and Governance Committee was last reconstituted vide a resolution passed by the Board on April 28, 2021. As on the date of this Draft Shelf Prospectus, it comprises of:

Name	Designation on Committee	Designation
Dr. Rajani Rajiv Gupte	Chairperson	Independent Director
Nishi Vasudeva	Member	Independent Director
Sachinn Roopnarayan Joshi	Member	Whole-Time Director

The functions of the Committee include formulation and monitoring of CSR Policy, recommending CSR Projects and budgets thereof, review of CSR initiatives undertaken/ to be undertaken by the Company and to do such other things as directed by the Board and in compliance with the applicable laws.

The terms of reference, powers, quorum, and other matters in relation to the Corporate Social Responsibility Committee will be as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, which include.

- Formulation of CSR policy indicating the activities to be undertaken by the Company as per regulatory requirements and recommend the same to the Board;
- Recommending the annual action plan and the amount to be spent on CSR activities;
- Monitoring the implementation of the CSR policy;
- Formulation of action plan / guidelines /policies with regard to Sustainability / ESG;

IT Strategy Committee:

In compliance of requirements of Reserve Bank of India Master Direction No. DNBS.PPD.No.04/66.15.001/2016-17 dated June 8, 2017, specifying the IT framework to be adopted for the NBFC sector, our Company has during the year under review the IT Strategy Committee was last reconstituted vide a resolution passed by the Board on April 28, 2021.

As on the date of this Draft Shelf Prospectus, it comprises of:

Constitution of IT Strategy	Designation in the Committee
Ms. Nishi Vasudeva (Independent Director)	Chairperson
Non-Executive Director (Managing Director and Chief Executive Officer, L&T Finance Holdings Limited)	Member
Whole-time Director	Member
Chief Executive of respective businesses	Member
Chief Information Officer (Chief Digital Officer)	Member
Chief Technology Officer	Member
Chief Risk Officer	Member
Chief Information Security Officer	Member

The roles and responsibility of the IT Strategy Committee will be as follows:

- Approving Information Technology ("IT") strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls; and
- Instituting an effective governance mechanism and risk management processes for all outsourced IT operations.

OUR PROMOTER

The Promoter of our Company is L&T Finance Holdings Limited.

Details of our Promoter are set out below:

L&T Finance Holdings Limited
Registered office: Brindavan, Plot 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai – 400098
Date of Incorporation: May 1, 2008
Place of Registration: Registrar of Companies, Maharashtra at Mumbai
Registration number: 181833 (CIN: L67120MH2008PLC181833)
PAN: AABCL5046R

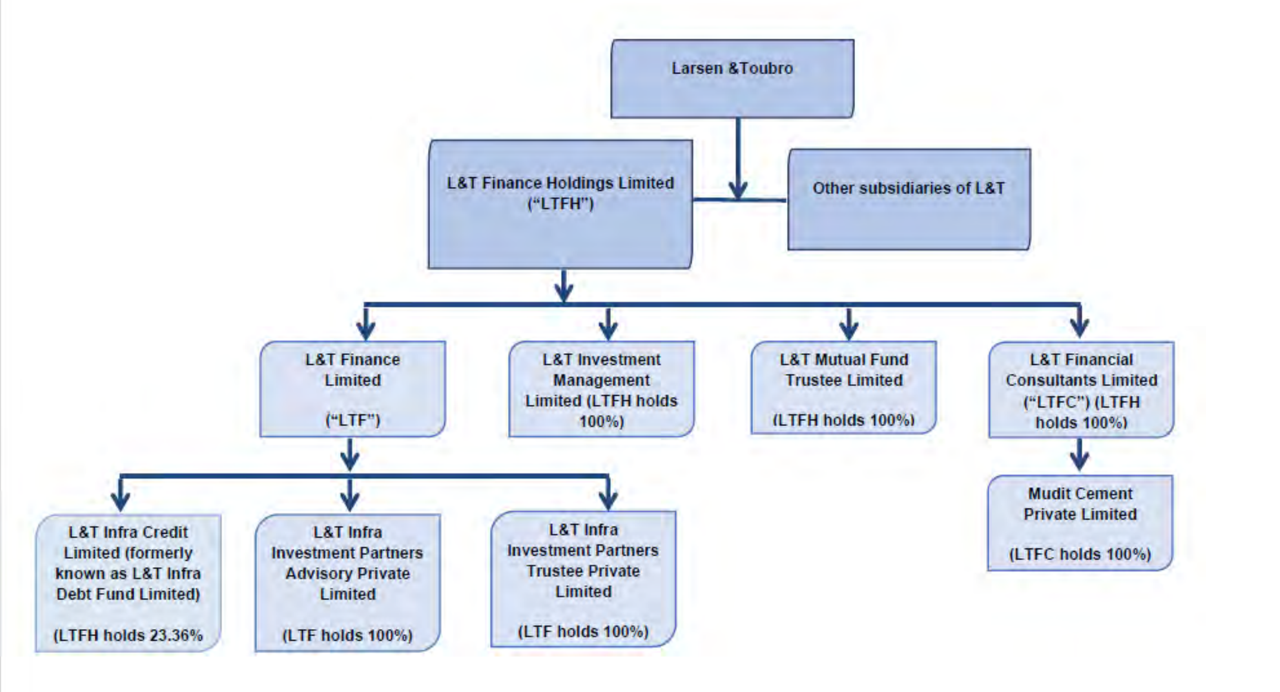
As on June 30, 2022, our Promoter holds 2,68,41,72,360 Equity Shares equivalent to 100.00% of the Equity Share capital of our Company. 6 Equity Shares are held jointly with individuals.

Profile of our Promoter

L&T Finance Holdings Limited ("LTFHL")

Our Promoter was incorporated and registered in India under the Indian Companies Act, 1956 on May 1, 2008 as L&T Capital Holdings Limited. The name of our Promoter was changed to L&T Finance Holdings Limited on September 6, 2010. There has been no change in the control or management of our Promoter in the three years preceding the date of this Draft Shelf Prospectus. The equity shares of our Promoter are currently listed on BSE and NSE. Our promoter is registered with the RBI as a Non-Banking Financial Company – Core Investment Company ("**NBFC-CIC**") conducting business through our wholly-owned subsidiaries. Our Promoter through its subsidiaries is engaged in non-banking financial services and its primary businesses includes infrastructure, housing, rural and investment management. For details of the special achievements of our Promoter, see "*awards and accolades*" section of "*Our Business*" beginning on page 127.

Other Ventures:



Board of Directors of LTFHL

Sr. No.	Name of Director	DIN	Designation
1.	Sekharipuram Narayanan Subrahmanyan	02255382	Non-Executive Director & Chairperson
2.	Dinanath Mohandas Dubhashi	03545900	Managing Director & Chief Executive Officer

Sr. No.	Name of Director	DIN	Designation
3.	Ramamurthi Shankar Raman	00019798	Non-Executive Director
4.	Shailesh Vishnubhai Haribhakti	00007347	Independent Director
5.	Thomas Mathew Thumpeparambil	00130282	Independent Director
6.	Rajani Rajiv Gupte	03172965	Independent Director
7.	Pradeep Vasudeo Bhide	03304262	Independent Director
8.	Pavninder Singh	03048302	Nominee Director

Shareholding Pattern of LTFHL as on June 30, 2022

Table I - Summary Statement holding of specified securities

Category (I)	Category of shareholder (II)	Nos. of Shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of Shares underlying Depository Receipts (VI)	Total Nos. of shares Held (VII) = (IV)+ (V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII) + (X) As a % of (A+B+C2)	Number of Locked in Shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No. of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class X	Class Y	Total								
(I)	(II)																	
(A)	Promoter & Promoter Group	1	1639229920	0	0	1639229920	66.2341	1639229920	0	1639229920	66.2341	0	66.2341	0	0	0	0.0000	1639229920
(B)	Public	763708	835674454	0	0	835674454	33.7659	835674454	0	835674454	33.7659	0	33.7659	0	0	NA		NA
(C)	Non-Promoter-Non-Public				0				0			0			0	NA		NA
(C1)	Shares underlying DRs	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0	NA		NA
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0	NA		NA
	Total:	**763709**	**2474904374**	**0**	**0**	**2474904374**	**100.0000**	**2474904374**	**0**	**2474904374**	**100.0000**	**0**	**100.0000**	**0**	0	**0**	**0.0000**	**2474874823**

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group:

Category (I)	Category & Name of the Shareholders (II)	No. of shareholders (III)[$]	No. of fully paid-up equity shares held (IV)	Nos. of Partly paid-up equity shares held (V)	Nos. of Shares Underlying Depository Receipts (VI)	Total Nos. of shares held (VII=IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) as a % of (A+B+C2)	Number of Locked in Shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No.(a)	As a % of total Shares held (b)	
								Class X	Class Y	Total								
(1)	**Indian**																	
(a)	**Individuals/ Hindu undivided Family**			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0
(b)	**Central Government/ State Government(s)**			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0
(c)	**Financial Institutions/Banks**			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0
(d)	**Any Other (specify)**			1	1639229920	0	0	1639229920	66.2341	1639229920	0	1639229920	66.2341	0	66.2341	0	0.0000	0
	Bodies Corporate			1	1639229920	0	0	1639229920	66.2341	1639229920	0	1639229920	66.2341	0	66.2341	0	0.0000	0
	Larsen and Toubro Limited *(PAN-AAACL0140P)*	Promoter Group	AAACL0140P	1	1639229920	0	0	1639229920	66.2341	1639229920	0	1639229920	66.2341	0	66.2341	0	0.0000	0

Category (I)	Category & Name of the Shareholders (II)	No. of shareholders (III)$	No. of fully paid-up equity shares held (IV)	Nos. of Partly paid-up equity shares held (V)	Nos. of Shares Underlying Depository Receipts (VI)	Total Nos. of shares held (VII=IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) as a % of (A+B+C2)	Number of Locked in Shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No.(a)	As a % of total Shares held (b)	
								Class X	Class Y	Total								
	Sub-Total (A)(1)			1	1639229920	0	0	1639229920	66.2341	1639229920	0	1639229920	66.2341	0	66.2341	0	0.0000	0
(2)	Foreign																	
(a)	Individuals (Non-Resident Individuals/Foreign Individuals			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0
				0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0
(b)	Government			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0
(c)	Institutions			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0
(d)	Foreign Portfolio Investor			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0
(e)	Any Other			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0
	Sub-Total (A)(2)			0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0

Category (I)	Category & Name of the Shareholders (II)	No. of shareholders (III)$	No. of fully paid-up equity shares held (IV)	Nos. of Partly paid-up equity shares held (V)	Nos. of Shares Underlying Depository Receipts (VI)	Total Nos. of shares held (VII=IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) as a % of (A+B+C2)	Number of Locked in Shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total Shares held (b)	No.(a)	As a % of total Shares held (b)	
								Class X	Class Y	Total								
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1) + (A)(2)			1	1639229920	0	0	1639229920	66.2341	1639229920	0	1639229920	66.2341	0	66.2341	0	0.0000	0

Table III - Statement showing shareholding pattern of the Public Shareholder :

Category & Name of the shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII))	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialised form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
Institutions																		
Mutual Fund		19	22902833	0	0	22902833	0.9254	22902833	0	22902833	0.9254	0	0.9254	0	0.0000	NA	NA	22902833
Venture Capital Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
Alternate Investment Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
Foreign Venture Capital Investors		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
Foreign Portfolio		98	163549	0	0	1635492	6.6083	163549	0	16354	6.60	0	6.6083	0	0.0000	NA	NA	1635492

Category & Name of the shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII))	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialised form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
Investor			226			26		226		9226	83							26
Bnp Paribas Arbitrage - Odi	AAGFB5324G	1	57838949	0	0	57838949	2.3370	57838949	0	57838949	2.3370	0	2.3370	0	0.0000	NA	NA	57838949
Financial Institutions / Banks		1	25	0	0	25	0.0000	25	0	25	0.0000	0	0.0000	0	0.0000	NA	NA	25
Insurance Companies		6	109193970	0	0	109193970	4.4120	109193970	0	109193970	4.4120	0	4.4120	0	0.0000	NA	NA	109193970
Life Insurance Corporation Of India	AAACL0582H	1	53366596	0	0	53366596	2.1563	53366596	0	53366596	2.1563	0	2.1563	0	0.0000	NA	NA	53366596
Icici Prudential Life Insurance	AAA	1	509908	0	0	5099087	2.0603	509908	0	50990	2.06	0	2.0603	0	0.0000	NA	NA	5099087

Category & Name of the shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII))	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialised form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
Company Limited	CI735 1P		78			8		78		878	03							8
Provident Funds/ Pension Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
Any Other (Specify)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
Sub Total (B)(1)		**124**	**295646054**	**0**	**0**	**295646054**	**11.9458**	**295646054**	**0**	**295646054**	**11.9458**	**0**	**11.9458**	**0**	**0.0000**	**NA**	**NA**	**295646054**
Central Government/ State Government(s)/ President of India																		

Category & Name of the shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII))	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialised form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
Sub Total (B)(2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
Non-Institutions																		
Individuals			0	0										0		NA	NA	
i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.		738628	297433880	0	0	297433880	12.0180	297433880	0	297433880	12.0180	0	12.0180	0	0.0000	NA	NA	297404329
ii. Individual shareholders holding nominal share capital in excess of ₹ 2		1201	68490391	0	0	68490391	2.7674	68490391	0	68490391	2.7674	0	2.7674	0	0.0000	NA	NA	68490391

Category & Name of the shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII))	Number of Voting Rights held in each class of securities (IX) — No of Voting Rights — Class eg: X	Number of Voting Rights held in each class of securities (IX) — No of Voting Rights — Class eg: y	Number of Voting Rights held in each class of securities (IX) — No of Voting Rights — Total	Number of Voting Rights held in each class of securities (IX) — Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII) — No. (a)	Number of Locked in shares (XII) — As a % of total Shares held(b)	Number of Shares pledged or otherwise encumbered (XIII) — No. (a)	Number of Shares pledged or otherwise encumbered (XIII) — As a % of total Shares held(b)	Number of equity shares held in dematerialised form (XIV)
lakhs.																		
NBFCs registered with RBI		6	89456	0	0	89456	0.0036	89456	0	89456	0.0036	0	0.0036	0	0.0000	NA	NA	89456
Trust Employee		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
Overseas Depositories(holding DRs) (balancing figure)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0
Any Other (Specify)		23749	174014673	0	0	174014673	7.0312	174014673	0	174014673	7.0312	0	7.0312	0	0.0000	NA	NA	174014673
IEPF		1	130818	0	0	130818	0.0053	130818	0	130818	0.0053	0	0.0053	0	0.0000	NA	NA	130818

Category & Name of the shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII))	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialised form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
Trusts		10	497436	0	0	497436	0.0201	497436	0	497436	0.0201	0	0.0201	0	0.0000	NA	NA	497436
Hindu Undivided Family		14696	14640153	0	0	14640153	0.5915	14640153	0	14640153	0.5915	0	0.5915	0	0.0000	NA	NA	14640153
Foreign Companies		2	100332637	0	0	100332637	4.0540	100332637	0	100332637	4.0540	0	4.0540	0	0.0000	NA	NA	100332637
Bc Asia Growth Investments	AADCB6851C	1	66242568	0	0	66242568	2.6766	66242568	0	66242568	2.6766	0	2.6766	0	0.0000	NA	NA	66242568
Bc Investments Vi Limited	AAGCB3659R	1	34090069	0	0	34090069	1.3774	34090069	0	34090069	1.3774	0	1.3774	0	0.0000	NA	NA	34090069

Category & Name of the shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII))	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialised form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
Non Resident Indians (Non Repat)		2831	3678106	0	0	3678106	0.1486	3678106	0	3678106	0.1486	0	0.1486	0	0.0000	NA	NA	3678106
Non Resident Indians (Repat)		4633	9895276	0	0	9895276	0.3998	9895276	0	9895276	0.3998	0	0.3998	0	0.0000	NA	NA	9895276
Body Corp-Ltd Liability Partnership		103	1186051	0	0	1186051	0.0479	1186051	0	1186051	0.0479	0	0.0479	0	0.0000	NA	NA	1186051
Overseas Bodies Corporate		1	50000.00	0	0	50000	0.0020	50000	0	50000	0.0020	0	0.0020	0	0.0000	NA	NA	50000
Clearing Member		118	1107789	0	0	1107789	0.0448	1107789	0	1107789	0.0448	0	0.0448	0	0.0000	NA	NA	1107789
Bodies		1348	416847	0	0	4168475	1.6843	416847	0	41684	1.68	0	1.6843	0	0.0000	NA	NA	4168475

Category & Name of the shareholders (I)	PAN (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) VIII))	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialised form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
Corporate			57			7		57		757	43							7
Director		6	811650	0	0	811650	0.0328	811650	0	811650	0.0328	0	0.0328	0	0.0000	NA	NA	811650
Sub Total (B)(3)		**763584**	**540028400**	**0**	**0**	**540028400**	**21.8202**	**540028400**	**0**	**540028400**	**21.8202**	**0**	**21.8202**	**0**	**0.0000**	**NA**	**NA**	**539998849**
Total Public Shareholding (B)= (B)(1)+(B)(2)+ (B)(3)		**763708**	**835674454**	**0**	**0**	**835674454**	**33.7659**	**835674454**	**0**	**835674454**	**33.7659**	**0**	**33.7659**	**0**	**0.0000**	**NA**	**NA**	**835644903**

Other understanding and confirmations

Our Company confirms that the Permanent Account Number and Bank account number of the Promoter and Permanent Account Number of Directors have been submitted to the Stock Exchanges at the time of filing this Draft Shelf Prospectus.

Our Promoter has confirmed that neither it nor its directors have been identified as Wilful Defaulters by the RBI or any other governmental authority and is not a Promoter or a whole-time director of any such company which has been identified as a Wilful Defaulter by the RBI or any other governmental authority or which has been in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months. Further, no members of our Promoter Group have been identified as Wilful Defaulters.

Our Promoter has not been declared as a fugitive economic offender.

No violation of securities laws has been committed by our Promoter in the past and no regulatory action before SEBI or RBI is currently pending against our Promoter except as disclosed in section titled "*Outstanding Litigations*" on page 397.

Our Promoter was not a promoter or person in control of any company which was delisted within a period of ten years preceding the date of this Draft Shelf Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

Our Promoter and Promoter Group are not restrained or debarred or prohibited from accessing the securities markets or restrained or debarred or prohibited from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad and are not promoters, directors or person in control of any other company which is restrained or debarred or prohibited from accessing or operating in securities markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

No benefit or interest will accrue to our Promoters out of the objects of the Issue.

Common pursuits of our Promoter

Our Promoter and/ or its affiliates have invested or may invest in other companies globally, engaged in similar businesses, thereby giving rise to a conflict of interest and accordingly, there are certain common pursuits between the Promoter and our Company. Our Company currently sees this as a conflict of interest situation and will adopt necessary procedures and practices as permitted by law and regulatory guidelines to address any conflict situations as and when they arise.

Interest of our Promoter in our Company

Except as stated under the chapter titled "*Capital Structure*" beginning on page 63 and as disclosed under "*Related Party Transactions*" segment of "*Financial Information*" beginning on page 201, and to the extent of their shareholding in our Company, our Promoter, as of June 30, 2022, does not have any other interest in our Company's business.

Further as on June 30, 2022, our Promoter has not guaranteed/secured any bank facilities sanctioned by our Company.

Our Promoter does not propose to subscribe to this Issue.

Our Promoter has no financial or other material interest in the Issue and no benefit / interest will accrue to our Promoter or Promoter Group out of the objects of the Issue.

Payment of benefit to our Promoter in last three fiscal years

Other than as disclosed under the sections *"Our Management"* and *"Related Party Transactions"*, available at page 158 and 186 of this Draft Shelf Prospectus, our Company has not made any payments of any benefits to the Promoter during the last three fiscals preceding the date of this Draft Shelf Prospectus.

Interest of our Promoter in property, land and construction

Our Promoter does not have any interest in any property acquired by our Company within two years preceding the date of filing of this Draft Shelf Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery.

Promoter Group

1. L&T Finance Holdings Limited
2. Larsen & Toubro Limited
3. L&T Investment Management Limited
4. L&T Mutual Fund Trustee Limited
5. L&T Financial Consultants Limited
6. L&T Infra Credit Limited (Formerly known as L&T Infra Debt Fund Limited)

Details of Equity Shares allotted to our Promoter during the last three Fiscal Years

Except as disclosed under "*Capital Structure*", our Promoter has not been allotted any Equity Shares of our Company during the last three Fiscal Years.

RELATED PARTY TRANSACTIONS

For details of the related party transactions for the Fiscals 2022, 2021 and 2020 in accordance with the requirements under Ind AS 24 "Related Party Disclosures" notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, see "*Financial Information*" on page 201.

REGULATIONS AND POLICIES

The regulations summarized below are not exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for any professional legal advice. Taxation statutes such as the IT Act, GST laws (including CGST, SGST and IGST) and applicable local sales tax statutes, labour regulations such as the Employees State Insurance Act, 1948 and the Employees Provident Fund and Miscellaneous Provisions, Act, 1952, and other miscellaneous regulations such as the Trade Marks Act, 1999 and applicable Shops and Establishments statutes apply to us as they do to any other Indian company and therefore have not been detailed below.

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company and its subsidiaries. The information detailed in this chapter has been obtained from publications available in the public domain. The statements below are based on the current provisions of the Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

As per the RBI Act, a financial institution has been defined as any non-banking institution carrying on as its business or part of its business the financing, whether by way of making loans or advances or otherwise, of any activity, other than its own; acquisition of shares/stock/bonds/debentures/securities issued by the Government of India or other local authorities or other marketable securities of like nature; letting or delivering any goods to a hirer under a hire- purchase agreement; insurance business; chit business; and collecting monies in any manner from such persons, and disbursing money to such persons from whom monies are collected or any other person, but does not include any institution whose principal business is that of any agricultural operation, industrial activity, the sale/purchase of goods other than securities, providing any service or the sale/purchase/construction of immovable property.

Any financial institution which is a company, or any non-banking institution which is a company and which has as its principal business the receiving of deposits or lending in any manner is to be treated as an NBFC. Since the term 'principal business' has not been defined under the RBI Act, the RBI has clarified through a press release (Ref. No. 1998-99/ 1269) in 1999, that in order to identify a particular company as an NBFC, it will consider both the assets and the income pattern as evidenced from the last audited balance sheet of the company to decide its principal business. The company will be treated as an NBFC if its financial assets are more than 50% of its total assets (netted off by intangible assets) and income from financial assets should be more than 50% of the gross income. Both these tests are required to be satisfied as the determining factor for principal business of a company.

With effect from 1997, NBFCs were not permitted to commence or carry on the business of a non-banking financial institution without obtaining a certificate of registration ("**CoR**"). Further, with a view to imparting greater financial soundness and achieving the economies of scale in terms of efficiency of operations and higher managerial skills, RBI vide notification No. DNBS (PD)No.CC.10/02.59/98-99 dated April 20, 1999 raised the requirement of minimum net owned fund from ₹ 2.50 million to ₹ 20 million for the NBFC which commences business of a non- banking financial institution on or after April 21, 1999. Every NBFC is required to submit to the RBI a certificate every year, from its statutory auditor within one month from the date of finalization of the balance sheet and in any case not later than December 31st of that year, stating that it is engaged in the business of non-banking financial institution requiring it to hold a CoR under section 45-IA of the RBI Act. Further as per RBI Scale based regulation (SBR) circular dated October 22, 2021 it shall be mandatory for NBFC ICC to achieve NOF of ₹ 5 crore by the end of March 31, 2025 and ₹ 10 crore by March 31, 2027.

I. *Regulation of Systemically Important NBFCS Registered with the RBI*

Systemically important NBFCs are primarily governed by the RBI Act, 1934 ("**RBI Act**"), Master Direction on Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("**Master Directions**") and the Master Direction on Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 ("**Public Deposit Directions**") in case the NBFC is permitted to accept public deposits. In addition to these regulations, NBFCs are also governed by various circulars, notifications, guidelines and directions issued by the RBI from time to time.

II. *Types of NBFCs*

NBFCs have been classified on the basis of the types of liabilities they access, types of activities they pursue and their perceived systemic importance.

(a) *Liabilities-based classification*

NBFCs are classified on the basis of liabilities into two broad categories – a) deposit taking and b) non-deposit taking. Deposit taking NBFCs (NBFC – D) are subject to requirements of stricter capital adequacy, liquid assets maintenance, and exposure norms etc.

Further, in 2015, non-deposit taking NBFCs with asset size of Rs 5 billion and above were labelled as 'systemically important non-deposit taking NBFCs' (NBFC – ND – SI) and separate prudential regulations were made applicable to them.

(b) Activity-based classification

As per the RBI notification dated February 22, 2019, the RBI merged the three categories of NBFCs viz. Asset Finance Companies (AFCs), Loan Companies (LCs) and Investment Companies (ICs) into a new category called NBFC – Investment and Credit Company (NBFC- ICC) with the below definition: "Investment and Credit Company – (NBFC-ICC)" means any company which is a financial institution carrying on as its principal business – asset finance, the providing of finance whether by making loans or advances or otherwise for any activity other than its own and the acquisition of securities; and is not any other category of NBFC as defined by RBI in any of its Master Directions.

Within this broad categorization the different types of NBFCs are (a) investment and credit companies, (b) infrastructure finance companies, (c) infrastructure debt fund, (d) NBFC – micro finance institutions, (e) NBFC – factors, (f) NBFC – non-operative financial holding company, (g) systemically important core investment companies and (h) mortgage guarantee companies.

III. Types of Activities that NBFCs are permitted to carry out

Although, NBFCs are permitted to operate in similar sphere of activities as banks, there are a few important and key differences. The most important distinctions are:

(a) an NBFC cannot accept deposits repayable on demand;
(b) NBFCs do not form part of the payment and settlement system and cannot issue cheques drawn on itself; and
(c) deposit insurance facility of Deposit Insurance and Credit Guarantee Corporation is not available to depositors of NBFCs, unlike in case of banks.

Our Company has been classified as a loan company and is an NBFC-ND-SI, being an Investment and Credit Company ("NBFC-ICC").

RBI Master Directions define 'NBFC ICC' to mean a company which is a financial institution carrying on as its principal business of asset finance, the providing of finance whether by making loans or advances or otherwise for any activity other than its own and the acquisition of securities.

IV. Regulatory requirements of an NBFC under the RBI Act

Scale Based Classification

As per RBI circular dated October 22, 2021, the central bank introduced Scale Based Regulation (SBR) framework for classification of NBFCs along with the activity-based classification of NBFCs as per earlier regulations. The revised SBR framework shall be effective from October 01, 2022.

As per the revised framework NBFCs will be classified into four layers based on their size, activity and perceived riskiness. NBFCs in the lowest layer will be known as NBFC – Base Layer (NBFC BL), NBFCs in middle layer and upper layer shall be known as NBFC - Middle Layer (NBFC-ML) and NBFC - Upper Layer (NBFC-UL) respectively. The Top Layer is expected to be empty and will be known as NBFC - Top Layer (NBFC - TL).

Base Layer – NBFC – BL shall comprise of (a). Non deposit taking NBFCs below asset size of Rs 1000 crore and (b). Following NBFCs – (i) NBFC P2P, (ii) NBFC–AA, (iii) NOHFC, and (iv) NBFCs not availing public funds and not having any customer interface.

Middle Layer – NBFC – ML shall comprise of (a). All deposit taking NBFCs irrespective of asset size, (b). Non-deposit taking with asset size of Rs 1000 crore and above and (c). Following NBFCs – (i) Standalone primary dealer (SPD), (ii) Infrastructure debt fund (IDF), (iii) Core investment companies (CIC), (iv) Housing finance companies

(HFCs) and (v) Infrastructure finance companies (IFCs) Government owned NBFCs shall be placed in the Base Layer or Middle Layer, as the case may be. They will not be placed in the Upper Layer till further notice by RBI.

Upper Layer – NBFC–UL shall comprise of NBFCs which are specifically identified by the Reserve Bank as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology. The top ten eligible NBFCs in terms of their asset size shall always reside in the upper layer, irrespective of any other factor.

Top Layer – NBFC–TL shall be populated only if in opinion of RBI there is a substantial increase in the potential systemic risk from specific NBFCs in the Upper Layer. Such NBFCs shall be moved to Top layer from the Upper layer.

Net Owned Fund

Section 45-IA of the RBI Act provides that to carry on the business of a NBFC, an entity would have to register as an NBFC with the RBI and would be required to have a minimum net owned fund of ₹200 lakh. Further as per RBI circular on Scale based regulation (SBR) dated October 22, 2021 it shall be mandatory for NBFC ICC to achieve NOF of ₹ 5 crore by the end of March 31, 2025 and ₹ 10 crore by March 31, 2027.

For this purpose, the RBI Act has defined "net owned fund" to mean:

Net Owned Fund - The aggregate of the paid-up equity capital and free reserves as disclosed in the latest balance sheet of the company, after deducting (i) accumulated balance of losses, (ii) deferred revenue expenditure, (iii) deferred tax asset (net); and (iv) other intangible assets; and further reduced by the amounts representing,

(i) investment by such companies in shares of (i) its subsidiaries, (ii) companies in the same group, (iii) other NBFCs; and

(ii) the book value of debentures, bonds, outstanding loans and advances (including hire purchase and lease finance) made to, and deposits with (i) subsidiaries of such companies; and (ii) companies in the same group, to the extent such amount exceeds 10 per cent of (a) above.

Further, in accordance with RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016 updated as on July 22, 2022 (as amended), which provides that a non-banking financial company holding a certificate of registration issued by RBI and having minimum net owned fund of less than ₹ 20 million may continue to carry on the business of non-banking financial institution, if such company achieves net owned fund of ₹ 20 million before April 1, 2017. Further as per RBI circular on Scale based regulation (SBR) dated October 22, 2021 it shall be mandatory for NBFC ICC to achieve NOF of ₹ 5 crore by the end of March 31, 2025 and ₹ 10 crore by March 31, 2027.

Reserve Fund

In addition to the above, Section 45-IC of the RBI Act requires NBFCs to create a reserve fund and transfer therein a sum of not less than 20% of its net profits earned annually before declaration of dividend. Such a fund is to be created by every NBFC irrespective of whether it is a ND NBFC or not. Such sum cannot be appropriated by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation is required to be reported to the RBI within 21 days from the date of such appropriation.

Maintenance of liquid assets

The RBI through notification dated January 31, 1998, as amended has prescribed that every NBFC shall invest and continue to invest in unencumbered approved securities valued at a price not exceeding the current market price of such securities an amount which shall, at the close of business on any day be not less than 10% in approved securities and the remaining in unencumbered term deposits in any scheduled commercial bank; the aggregate of which shall not be less than 15% of the public deposit outstanding at the last working day of the second preceding quarter.

NBFCs such as our Company, which do not accept public deposits, are subject to lesser degree of regulation as compared to a NBFC-D and are governed by the RBI's Master Directions.

An NBFC-ND-SI is required to inform the RBI of any change in the address, telephone no's, etc. of its Registered Office, names and addresses of its directors/auditors, names and designations of its principal officers, the specimen signatures of its authorised signatories, within one month from the occurrence of such an event. Further, an NBFC-ND-SI would need to ensure that its registration with the RBI remains current.

Similarly, all NBFCs are required to comply with “Know Your Customer Guidelines - Anti Money Laundering Standards” issued by the RBI, with suitable modifications depending upon the activity undertaken by the NBFC concerned.

NBFCs shall constitute grievance redressal machinery as contained in RBI’s circular on Grievance Redressal Mechanism, vide DNBS. CC. PD. No. 320/03.10. 01/2012-13 dated February 18, 2013 which states that at the operational level, all NBFCs shall display the name and contact details of the grievance redressal officer prominently at their branches/ places where business is transacted. The designated officer shall ensure that genuine grievances of customers are redressed promptly without involving any delay. It shall be clearly indicated that NBFCs' grievance redressal machinery shall also deal with the issue relating to services provided by the outsourced agency. Generally, a time limit of 30 (thirty) days may be given to the customers for preferring their complaints/ grievances. The grievance redressal procedure of the NBFC and the time frame fixed for responding to the complaints shall be placed on the NBFC's website.

Prudential Norms

The RBI Master Directions, amongst other requirements, prescribe guidelines on NBFCs-ND-SI regarding income recognition, asset classification, provisioning requirements, constitution of audit committee, capital adequacy requirements, concentration of credit/investment and norms relating to infrastructure loans. The RBI Master Directions state that the credit/ investment norms shall not apply to a systemically important non-banking financial company not accessing public funds in India, either directly or indirectly, and not issuing guarantees.

Provisioning Requirements

An NBFC-ND-SI, after taking into account the time lag between an account becoming non-performing, its recognition, the realization of the security and erosion overtime in the value of the security charged, shall make provisions against standard assets, sub-standard assets, doubtful assets and loss assets in the manner provided for in the RBI Master Directions.

In the interests of counter cyclicality and so as to ensure that NBFCs create a financial buffer to protect them from the effect of economic downturns, RBI vide their circular no. DNBS.PD.CC. No.207/ 03.02.002/2010-11 dated January 17, 2011, introduced provisioning for Standard Assets by all NBFCs. NBFCs are required to make a general provision at 0.25% of the outstanding standard assets. RBI vide their circular no. DNBR (PD) CC No. 037/03.01.001/2014-15 dated June 3, 2015 raised the provision for standard assets to 0.40% to be met by March 2018. The provisions on standard assets are not reckoned for arriving at net NPAs. The provisions towards Standard Assets are not needed to be netted from gross advances but shown separately as ‘Contingent Provisions against Standard Assets’ in the balance sheet. NBFCs are allowed to include the ‘General Provisions on Standard Assets’ in Tier II Capital which together with other ‘general provisions/ loss reserves’ will be admitted as Tier II Capital only up to a maximum of 1.25% of the total risk-weighted assets.

(a) **Asset Classification**

The Master Directions require that every applicable NBFC shall after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realization, classify its lease/hire purchase assets, loans and advances and any other form of credit into the following classes:

- Standard assets;
- Sub-standard assets;
- Doubtful assets; and
- Loss assets.

Such class of assets shall not be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for such upgradation. At present every NBFC is required to make a provision for standard assets at 0.40%.

(b) **‘Non-preforming asset’ is defined as:**

- an asset, in respect of which, interest has remained overdue for a period of three months or more;

- a term loan inclusive of unpaid interest, when the instalment is overdue for a period of three months or more or on which interest amount remained overdue for a period of three months or more;
- a demand or call loan, which remained overdue for a period of three months or more from the date of demand or call or on which interest amount remained overdue for a period of three months or more;
- a bill which remains overdue for a period of three months or more;
- the interest in respect of a debt or the income on receivables under the head 'other current assets' in the nature of short term loans/advances, which facility remained overdue for a period of three months or more;
- any dues on account of sale of assets or services rendered or reimbursement of expenses incurred, which remained overdue for a period of three months or more;
- the interest in respect of a debt or the income on receivables under the head 'other current assets' in the nature of short term loans/ advances, which facility remained overdue for a period of three months or more;
- any dues on account of sale of assets or services rendered or reimbursement of expenses incurred, which remained overdue for a period of three months or more;
- the lease rental and hire purchase instalment, which has become overdue for a period of three months or more;
- in respect of loans, advances and other credit facilities (including bills purchased and discounted), the balance outstanding under the credit facilities (including accrued interest) made available to the same borrower/
- However, for the purpose of asset classification by NBFC-MFIs:
    - Standard assets' means an asset in respect of which, no default in repayment of principal or payment of interest is perceived and which neither discloses any problem nor carries more than normal risk attached to the business;
    - 'Non-performing asset' means an asset for which interest/principal payment has remained overdue for a period of 90 days or more.
    - Subject to the definition of 'standard asset' and 'non-performing asset' mentioned above and other applicable provisions of Chapter IX of the Master Directions, all other asset classifications requirements applicable to NBFCs pursuant to the Master Directions also apply to NBFC-MFIs.

(c) **Acquisition or transfer of control**

NBFCs are required to obtain prior written permission of RBI for, (a) any takeover or acquisition of control, which may or may not result in change in management, (b) any change in the shareholding, including progressive increases over time, which would result in acquisition or transfer of shareholding of 26% or more of the paid up equity capital except for any shareholding going beyond 26% due to buyback of shares or reduction in capital where it has approval of a competent court, and (c) any change in the management of the NBFCs which results in change in more than 30% of the directors, excluding independent directors. However, prior approval shall not be required for directors who get re-elected on retirement by rotation.

(d) **Capital Adequacy Norms**

Every NBFC-ND-SI should maintain, with effect from April 1, 2007, a minimum capital ratio consisting of Tier I and Tier II Capital of not less than 15% of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items is required to be maintained. Further, NBFCs primarily engaged in lending against gold jewellery (such loans comprising 50% or more of their financial assets) are required to maintain a minimum Tier I capital of 12.00%. Also, the total of the Tier II Capital of a ND-NBFC shall not exceed 100% of the Tier I capital.

Tier – I Capital means, owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a Systemically important non-deposit taking non-banking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year.

Owned Funds means, paid-up equity capital, Cumulative Compulsory Convertible Preference Shares which are compulsorily convertible into equity, free reserves, balance in share premium account; capital reserve representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of assets; less accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

Tier – II Capital means to include the following (a) Preference Shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%; (c) general provisions and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one-and one-fourth per cent of risk weighted assets; (d) hybrid debt capital instruments; (e) subordinated debt to the extent the aggregate does not exceed Tier – I capital; and (f) perpetual debt instrument issued by a systemically important NDSI-NBFC, which is in excess of what qualifies for Tier I Capital to the extent that the aggregate Tier-II capital does not exceed 15% of the Tier – I capital.

Hybrid debt means, capital instrument, which possess certain characteristics of equity as well as debt.

Subordinated debt means a fully paid up capital instrument, which is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of the NBFC. The book value of such instrument is subjected to discounting as prescribed.

Exposure Norms

In order to ensure better risk management and avoidance of concentration of credit risks, the RBI has, in terms of the Master Direction, prescribed credit exposure limits for NBFC-ND-SI (except for NBFC-MFIs with asset size of ₹ 500 crore and above) in respect of their lending to single/ group borrowers. Credit exposure to a single borrower shall not exceed 15 per cent of the owned funds of the systemically important NBFC-ND, while the credit exposure to a single group of borrowers shall not exceed 25 per cent of the owned funds of the systemically important NBFC-ND. Further, the systemically important NBFC-ND may not invest in the shares of another company exceeding 15 per cent of its owned funds, and in the shares of a single group of companies exceeding 25 per cent of its owned funds. However, this prescribed ceiling shall not be applicable on a NBFC-ND-SI for investments in the equity capital of an insurance company to the extent specifically permitted by the RBI. Any NBFC-ND-SI not accessing public funds, either directly or indirectly may make an application to the RBI for modifications in the prescribed ceilings Any systemically important NBFC-ND classified as asset finance company by RBI, may in exceptional circumstances, exceed the above ceilings by 5% of its owned fund, with the approval of its Board of Directors. The loans and investments of the systemically important NBFC-ND taken together may not exceed 25% of its owned funds to or in single party and 40% of its owned funds to or in single group of parties. A systemically important ND-NBFC may, make an application to the RBI for modification in the prescribed ceilings. RBI circular DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 has prescribed a single credit concentration limit (as against separate limits for lending and investments) for NBFCs in the middle and upper layers. Such limit must now be determined with reference to the tier 1 capital of the NBFC (as against owned funds). Such NBFCs must ensure that their exposure to a single party and a single borrower group does not exceed 25% and 40% of their tier 1 capital respectively with effect from October 1, 2022.

(e) **Asset Liability Management**

RBI has prescribed the Guidelines for Asset Liability Management ("**ALM**") System in relation to NBFCs, ("**ALM Guidelines**") that are applicable to all NBFCs through a Master Circular on Miscellaneous Instructions to All Non-Banking Financial Companies dated July 1, 2015 and Guidelines on "Asset Liability Management (ALM) System for NBFCs" dated June 27, 2001 ("**ALM Circular**"). As per the ALM Circular, the applicable NBFCs with an asset base of ₹ 1,000 million, irrespective of whether they are accepting / holding public deposits or not, or holding public deposits of ₹ 200 million or more (irrespective of the asset size) as per their last audited balance sheet, are required to put in place an ALM system. The ALM Guidelines mainly address liquidity and interest rate risks. In case of structural liquidity, the negative gap (i.e. where outflows exceed inflows) in the 1 to 30/31 days' time-bucket should not exceed the prudential limit of 15% of cash outflows of each time-bucket and the cumulative gap of up to one year should not exceed 15% of the cumulative cash outflows of up to one year. In case these limits are exceeded, the measures proposed for bringing the gaps within the limit should be shown by a footnote in the relevant statement.

Pursuant to its circular dated November 4, 2019, the RBI has issued the 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies' (the "**LRM Guidelines**") in order to strengthen and raise the standard of the ALM framework applicable to NBFCs. The LRM Guidelines are required to be adhered to by all non-deposit taking NBFCs with asset size of ₹ 1,000 million and above, systemically important Core Investment Companies and all deposit taking NBFCs (irrespective of their asset size). Further, all non-deposit taking NBFCs with asset size of ₹100 billion and above, and all deposit taking NBFCs irrespective of their asset size, are required to maintain a liquidity buffer in terms of the liquidity coverage ratio by ensuring that they have sufficient high quality liquid asset ("**HQLA**") to survive any acute liquidity stress scenario lasting for 30 days. The stock of HQLA to be maintained by the NBFCs shall be minimum of 100% of total net cash outflows over the next 30 calendar days.

The liquidity coverage ratio requirement shall be binding on NBFCs from December 1, 2020 with the minimum HQLAs to be held being 50% of the liquidity coverage ratio, progressively reaching up to the required level of 100% by December 1, 2024. All non-deposit taking NBFCs with asset size of ₹ 50 billion and above but less than ₹ 100 billion shall also maintain the required level of liquidity coverage ratio starting December 1, 2020 with the minimum HQLAs to be held being 30% of the liquidity coverage ratio, progressively reaching up to the required level of 100% by December 1, 2024.

(f) **Fair Practices Code**

The RBI Master Directions requires all NBFCs having customer interface to formulate with the approval of their Board a Fair Practices Code (which shall preferably be in the vernacular language or a language as understood by the borrower) based on the directions outlined therein. Applicable NBFCs will have the freedom of drafting the Fair Practices Code, enhancing the scope of the directions but in no way sacrificing the spirit underlying the directions. The same shall be put up on their web-site, if any, for the information of various stakeholders.

(g) **Corporate Governance Guidelines**

The Master Directions prescribed certain corporate governance norms required to be adhered to by applicable NBFCs. The Master Directions, *inter alia*, provide for constitution of an audit committee, a nomination committee, an asset liability management committee and risk management committee and certain other norms in connection with disclosure and transparency. Further, applicable NBFCs with asset size of more than ₹50 billion in categories – investment and credit companies, infrastructure finance companies, micro finance institutions, factors and infrastructure debt funds are required to appoint a chief risk officer ("**CRO**") with clearly specified role and responsibilities. The CRO is required to function independently so as to ensure highest standards of risk management. In this regard, NBFCs are required to strictly adhere to the instructions laid down in Chapter XI of the Master Directions.

(h) **Norms for Excessive Interest Rates**

The Master Directions directed all applicable NBFCs to put in place appropriate internal principles and procedures in determining interest rates and processing and other charges. In addition to the aforesaid instruction, the Master Directions regulates the rates of interest charged by such NBFCs. These directions stipulate that the board of each NBFC is required to adopt an interest rate model taking into account the various relevant factors including cost of funds, margin and risk premium to determine the rate of interest to be charged for loans and advances. The rate of interest and the approach for gradation of risk and the rationale for charging different rates of interest for different categories of borrowers are required to be disclosed to the borrowers in the application form and expressly communicated in the sanction letter. This is also required to be made available on the NBFCs' website or published in newspapers and is required to be updated in the event of any change therein. Further, the rate of interest would have to be an annualized rate so that the borrower is aware of the exact rates that would be charged to the account.

(i) **Grievance Redressal System**

At the operational level, all applicable NBFCs are required to display the following information prominently, for the benefit of their customers, at their branches / places where business is transacted:

(1) the name and contact details (Telephone / Mobile nos. as also email address) of the Grievance Redressal Officer who can be approached by the public for resolution of complaints against the Company.

(2) If the complaint/ dispute is not redressed within a period of one month, the customer may appeal to the Officer-in-Charge of the Regional Office of Department of Supervision of RBI (with complete contact details), under whose jurisdiction the registered office of the applicable NBFC falls.

(j) **Ombudsman scheme for customers of NBFCs**

(A) The RBI has on November 12, 2021 through its circular CEPD. PRD. No.S873/13.01.001/2021-22 dated November 12, 2021 integrated the three Ombudsman schemes – (i) the Banking Ombudsman Scheme, 2006, as amended up to July 01, 2017; (ii) the Ombudsman Scheme for Non-Banking Financial Companies, 2018; and (iii) the Ombudsman Scheme for Digital Transactions, 2019 into the Reserve Bank - Integrated Ombudsman Scheme, 2021 (the "Scheme") in order to make the alternate dispute redress mechanism simpler and more responsive to the customers of entities regulated by it. It will also provide cost-free redress of customer complaints involving deficiency in services rendered by entities regulated by RBI, if not resolved to the satisfaction of the customers or not replied within a period of 30 days by the regulated entity. The stated objective of the Scheme is to enable the resolution of complaints free of cost, relating to certain aspects of services rendered by certain categories of NBFCs registered with the RBI to facilitate the satisfaction or settlement of such complaints, and matters connected therewith. The Scheme provides for the appointment by RBI of one or more officers not below the rank of general manager as ombudsmen (the "Ombudsmen") for a period not exceeding three years at a time, to carry out the functions entrusted to Ombudsmen under the Scheme. NBFCs covered under the Scheme (Covered NBFC) is required to appoint Principal Nodal Officer in accordance with directions provided under the said Scheme. The Scheme describes the nature of complaints which any person could file with an Ombudsman alleging deficiency in services by an Covered NBFC, which include inter alia failure to convey in writing the amount of loan sanctioned along with the terms and conditions including annualised rate of interest and method of application thereof, failure or refusal to provide adequate notice on proposed changes being made in the sanctioned terms in vernacular or a language understood by the borrower, levying of charges without adequate prior notice to the borrower/customer and failure or inordinate delay in releasing the securities documents to the borrower on repayment of all dues. The complaints may be settled by the Covered NBFC within a specified period or may be decided by an award passed by Ombudsman after affording the parties a reasonable opportunity to present their case, either in writing or in a meeting. Where the Ombudsman decides to allow the complaint, the award passed is required to contain the direction/s, if any, to the Covered NBFC for specific performance of its obligations and in addition to or otherwise, the amount, if any, to be paid by the Covered NBFC to the complainant by way of compensation for any loss suffered by the complainant, arising directly out of the act or omission of the Covered NBFC. The Covered NBFC is required to implement the settlement arrived at with the complainant or the award passed by the Ombudsman when it becomes final and send a report in this regard to the RBI within 15 days of the award becoming final. The Ombudsman is required to send a report to the RBI governor annually (as on June 30 every year) containing general review of the activities of his office during the preceding financial year and provide such other information as may be required by the RBI. Further RBI through its circular CEPD. PRD. No.S873/13.01.001/2021-22 dated November 12, 2021 integrates the three Ombudsman schemes – (i) the Banking Ombudsman Scheme, 2006, as amended up to July 01, 2017; (ii) the Ombudsman Scheme for Non-Banking Financial Companies, 2018; and (iii) the Ombudsman Scheme for Digital Transactions, 2019 into the Reserve Bank - Integrated Ombudsman Scheme, 2021 in order to make the alternate dispute redress mechanism simpler and more responsive to the customers of entities regulated by it. It will also provide cost-free redress of customer complaints involving deficiency in services rendered by entities regulated by RBI, if not resolved to the satisfaction of the customers or not replied within a period of 30 days by the regulated entity.

(B) Appointment of Internal Ombudsman by NBFCs

The RBI under circular on ‘Appointment of Internal Ombudsman by Non-Banking Financial Companies’ dated November 15, 2021 laid down the requirement of appointment of Internal Ombudsman (IO) for by the NBFCs fulfilling the following criteria as on date of the circular:(a) Deposit-taking NBFCs (NBFCs-D) with 10 or more branches. (b) Non-Deposit taking NBFCs (NBFCs-ND) with asset size of Rs.5,000 crore and above and having public customer interface. NBFCs fulfilling the criteria laid down the circular are required to appoint the IO and adhere to the corresponding guidelines.

(k) **KYC Guidelines**

The RBI has issued a Master Direction on Know Your Customer (KYC) Direction dated February 25, 2016, as amended, (“**KYC Guidelines**”) and advised all regulated entities (including NBFCs) to adopt such guidelines with suitable modifications depending upon the activities undertaken by them and ensure that a proper policy framework on KYC standards duly approved by the board of directors or any committee of the board of directors is put in place. The KYC policies are required to have certain key elements such as customer acceptance policy, customer identification procedures, monitoring of transactions and risk management. Persons authorised by NBFCs for collecting the deposits and their brokers/agents shall be fully compliant with the KYC Guidelines applicable to NBFCs.

(l) **Information Technology Framework**

Reserve Bank of India has issued Master Direction – Information Technology Framework for the NBFC Sector dated June 8, 2017 (“**IT Directions**”). The focus of the IT direction is on information technology governance, information technology policy, information and cyber security, information technology operations, information security audit, business continuity planning and information technology services outsourcing. These directions are categorized into two parts, those which are applicable to all NBFCs with asset size above ₹5,000 million (considered as systemically important) and directions for NBFCs with asset size below ₹ 5,000 million. The IT Directions, *inter alia*, mandate NBFCs to form an information technology strategy committee, to formulate an information technology policy, and ensure that the IT systems have information security and cyber security. The IT Directions also prescribe the time frame within which the mandated activities should be completed by the NBFC.

(l) Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, 2017

With a view to put in place necessary safeguards applicable to outsourcing of activities by NBFCs, the RBI has issued directions on managing risks and code of conduct in outsourcing of financial services by NBFCs (“Risk Management Directions”). The Risk Management Directions specify that core management functions like internal auditing, compliance functions, decision making functions such as compliance with KYC norms shall not be outsourced by NBFCs. Further, the Risk Management Directions specify that outsourcing of functions shall not limit its obligations to its customers.

(m) **Anti-Money Laundering**

The Prevention of Money Laundering Act, 2002 ("**PMLA**") was enacted to prevent money-laundering and to provide for confiscation of property derived from or involved in, money-laundering and for matters connected therewith or incidental thereto. The Government of India under PMLA has issued the Prevention of Money-laundering (Maintenance of Records) Rules, 2005, as amended ("**PML Rules**"). PMLA & PML Rules extends to all banking companies and financial institutions, including NBFCs and intermediaries.

Further the KYC Guidelines ensure that a proper policy frame work for the PMLA and PML Rules is put in place. Pursuant to the provisions of PMLA, PML Rules and the RBI Master Circular – KYC Guidelines.

Anti Money Laundering Standards – PMLA, 2002 – Obligations of NBFCs dated July 1, 2013, all NBFCs are advised to appoint a principal officer for internal reporting / reporting to Financial Intelligence Unit – India (FIU-IND) of suspicious transactions and cash transactions and to maintain a system of proper record

(i) all cash transactions of value of more than ₹1 million – or its equivalent in foreign currency; (ii) all series of cash transactions integrally connected to each other which have been valued below ₹1 million or its equivalent in foreign currency, where such series of transactions have taken place within a month and the aggregate value of such transaction exceeds ₹1 million; (iii) all transactions involving receipts by non- profit organisations of value more than ₹1 million, or its equivalent in foreign currency; (iv) all cash transactions where forged or counterfeit currency notes have been used. The NBFCs shall also appoint a designated director who shall be responsible for ensuring overall compliance as required under the PMLA and the PML Rules.

The KYC Guidelines also require the regulated entities to ensure compliance with the requirements/obligations under international agreements. The regulated entities must also pay adequate attention to any money-laundering and financing of terrorism threats that may arise from new or developing technologies and ensure that appropriate KYC procedures issued from time to time are duly applied before introducing new products/services/technologies. The KYC Guidelines were updated on 20 April 2018 to enhance the disclosure requirements under the Prevention of Money-Laundering Act, 2002 and in accordance with the Prevention of Money-Laundering Rules vide Gazette Notification GSR 538 (E) dated June 01, 2017 and the final judgment of the Supreme Court in the case of Justice K.S. Puttaswamy (Retd.) & Another v. Union of India (Writ Petition (Civil) 494/2012). The KYC Guidelines were updated to accommodate authentication as per the AADHAR (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 and use of an Indian resident's Aadhar number as a document for the purposes of fulfilling KYC requirement.

Additionally, NBFCs should ensure that records pertaining to the identification of their customers and their address are obtained while opening the account and during the course of business relationship, and that the same are properly preserved for at least ten years after the business relationship is ended. Also, NBFCs should maintain all necessary records of transactions with the customers, both domestic and international, for at least ten years from the date of cessation of transaction. The identification records and transaction data are to be made available to the competent authorities upon request.

(n) **External Commercial Borrowings (ECB) Policy**

The Reserve Bank of India has, through the Master Direction on External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 (the "**ECB Policy**"), notified the external commercial borrowings framework. Few of the changes as per the ECB Policy are, NBFCs, being eligible entities to receive FDI, are permitted to raise ECB up to USD 750 million or equivalent in a financial year under the automatic route and exceeding USD 750 million or equivalent in a financial year under the approval route and the eligible borrowers have been expanded to include all entities eligible to receive FDI. Vide RBI Notification No. FEMA. 3(R)(3)/2022-RB, dated 28.07.2022, the automatic route limit stands temporarily increased from USD 750 million or equivalent to USD 1.5 billion or equivalent. This relaxation is available for ECBs to be raised till December 31, 2022.

The ECB Policy, *inter alia*, provides for various aspects of ECB transactions, including eligible borrowers, recognised lenders, route of the ECB, minimum average maturity period and all-in-cost ceiling per annum.

ML Master Directions – Reserve Bank of India (Regulatory Framework for Microfinance Loans) Directions, 2022 ("ML Master Directions")

The ML Master Directions cater to the unique requirements of the Microfinance space in India. It is applicable to all the institutions called as “regulated entities” consisting of following:

- All Commercial Banks (including Small Finance Banks, Local Area Banks, and Regional Rural Banks) excluding Payments Banks
- All Primary (Urban) Co-operative Banks/ State Co-operative Banks/ District Central Co-operative Banks; and
- All Non-Banking Financial Companies (including Microfinance Institutions and Housing Finance Companies).

Key Highlights:

(a) Definition of Microfinance Loans

Clause 3 of the ML Master Directions definition of the term:-

- The Microfinance Loan has been defined under the ML Master Directions as collateral free loan given to a household having annual income of ₹ 3 Lakhs. The term household has been defined as individual unit comprising of husband, wife and their unmarried children.

- Also, the definition of Microfinance Loan has been given a wider scope and it is provided that any collateral free loan given to house-hold unit having annual income up to ₹ 3 Lakhs irrespective of end use and mode of application/ processing/ disbursal will be considered as micro loan. Earlier annual income was demarcated separately for Rural and Urban household. In order to ensure that the loans stay collateral-free, RBI has suggested non-linkage of lien on deposit account of the borrowers with loans under the ML Master Directions.

(b) Assessment of Household Income

Clause 4 of the ML Master Directions lays down for assessment of household income by Board of Directors of Microfinance Institution.

- The Board of Directors of NBFC to approve policy on Assessment of Household Income. A sample assessment methodology has been provided under the Annexure- I which cover areas like composition of household, source of incomes etc. The methodology specifies following parameters to be taken into consideration while construing Income of Household:

  a. Household profile- includes information about members, amenities, assets of household

  b. Household income- Primary and other sources of Income

  c. Household expenses- Regular and irregular expenses (over the year)

  Also, all the entities engaged in micro loans mandatorily have to submit the household income information to the “Credit Information Companies”.

(c) Limit on Loan Repayment Obligations of a Household

The direction also provides for board approved policy in regard to the repayment of the loan under Clause 5.

- Computation of loan repayment obligations shall include taking into account all outstanding loans (collateral-free microfinance loans as well as any other type of collateralized loans) of the household.

- The outflows capped at 50% of the monthly household income shall include repayments (including both principal as well as interest component) towards all existing loans as well as the loan under consideration.

(d) Pricing of Loans

Clause 6 of the ML Master Directions proposes on pricing of microfinance loans to cover the following particulars:

- A well-documented interest rate model/ approach for arriving at the all-inclusive interest rate;

- Delineation of the components of the interest rate such as cost of funds, risk premium and margin, etc. in terms of the quantum of each component based on objective parameters;

- The range of spread of each component for a given category of borrowers; and

- A ceiling on the interest rate and all other charges applicable to the microfinance loans.

Regulated Entities (RE) are required to disclose pricing related information to a prospective borrower in a standardised and simplified factsheet, as illustrated in Annexure II of the ML Master Directions.

All type of fees and charges applicable for microfinance borrower, payable to RE and/ or its partner/ agent, are required to be clearly mentioned in the said factsheet, i.e. the borrower shall not be charged any amount which is not explicitly mentioned.

(e) Guidelines related to the recovery of Loans

The ML Master Direction's Clause 7.4 has provided for the accommodative approach to be adopted by the regulated entities while doing recovery of Loans. The ML Master Directions states that regulated entities should provide assistance and guidance if some difficulties are faced by borrower as part of Fair Practice Code. It also prohibits certain types of tactics which are considered to be of harsh nature. It also mandatorily provides for mechanism of grievance redressal related to loan recovery.

(f) Maximum Limit of Microfinance Loans by NBFC

The Reserve Bank has revised the maximum limit up to which a Non-Banking Financial Institution other than NBFC-MFI can issue Micro Loans to 25% of Total Asset earlier it was 10%.

Companies Act, 2013

The Companies Act, 2013 ("**Companies Act**") has been notified by the Government of India on August 30, 2013 (the "**Notification**"). Under the Notification, Section 1 of the Companies Act has come into effect and the remaining provisions of the Companies Act have and shall come into force on such dates as the Central Government has notified and shall notify. Section 1 of the Companies Act deals with the commencement and application of the Companies Act and among others sets out the types of companies to which the Companies Act applies.

The Companies Act provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit procedures, corporate social responsibility, requirements for independent directors, director's liability, class action suits, and the inclusion of women directors on the boards of companies. The Companies Act is complemented by a set of rules that set out the procedure for compliance with the substantive provisions of the Companies Act. As mentioned above, certain provisions of the Companies Act, 2013 have already come into force and the rest shall follow in due course.

Under the Companies Act every company having net worth of ₹ 5,000 million or more, or turnover of ₹ 10,000 million or more or a net profit of ₹ 50 million or more during the immediately preceding financial year shall formulate a corporate social responsibility policy. Further, the board of every such company shall ensure that the company spends, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years in pursuance of its corporate social responsibility policy.

SEBI Regulations

The Securities and Exchange Board of India ("**SEBI**") governs listed entities pursuant to the powers granted to it under the Securities and Exchange Board of India Act, 1992, as amended from time to time. In pursuance of these powers, SEBI prescribes regulations with respect to listed entities, ensuring high standards of investor safety and corporate governance. SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended from time to time, list out the continuous disclosure obligations of a listed entity for securing transparency in process and ethical capital market dealings.

SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("***SEBI NCS Regulations***")

The Securities and Exchange Board of India, on August 9, 2021, notified the SEBI NCS Regulations, thereby merging the SEBI (Issue and Listing of Debt Securities) Regulations ("**SEBI Debt Regulations**") and the SEBI (Non-Convertible Redeemable Preference Shares) Regulations, 2013 ("NCRPS Regulations") into a single regulation. The proposal to merge the two regulations was first introduced by way of a consultation paper released on May 19, 2021, which sought to align the extant regulations with the provisions of the Companies Act 2013, and incorporate the enhanced obligations of debenture trustees, informal guidance and provisions of circulars issued by SEBI. The SEBI NCS Regulations came in to force from the seventh day of their notification in the gazette, i.e. from August 16, 2021. The SEBI Debt Regulations and the NCRPS Regulations stand repealed from this date.

The SEBI NCS Regulations have aligned the extant regulations with the provisions of the Companies Act 2013, and incorporate the enhanced obligations of debenture trustees, informal guidance and provisions of circulars issued by SEBI. The SEBI NCS Regulations apply to: (i) the issuance and listing of debt securities and non-convertible redeemable preference shares (NCRPS) by an issuer by way of public issuance; (ii) issuance and listing of non-convertible securities by an issuer issued on private placement basis which are proposed to be listed; and (iii) listing of commercial paper issued by an issuer in compliance with the guidelines framed by the RBI.

In addition to collating the existing provisions of the erstwhile regulations, the SEBI NCS Regulations, also provide for, change in disclosure requirements for financial and other information from past five years to three years; parameters for identification of risk factors; removal of restriction of four issuances in a year through a single shelf prospectus; and filing of shelf prospectus post curing of defaults.

*SEBI Operational Circular for issue and listing of Non-Convertible Securities (NCS), Securitised Debt Instruments (SDI), Security Receipts (SR), Municipal Debt Securities and Commercial Paper (CP) on August 10, 2021 ("**SEBI Operational Circular**").*

Following the SEBI's notification of the SEBI NCS Regulations, to merge the SEBI Debt Regulations and the NCRPS Regulations into a single regulation, SEBI has issued the SEBI Operational Circular.

Since the notification of the SEBI Debt Regulations and the NCRPS Regulations, SEBI had issued multiple circulars covering the procedural and operational aspects of the substantive law in these regulations. Therefore, the process of merging these regulations into the SEBI NCS Regulations also entails consolidation of the related existing circulars into a single SEBI Operational Circular, in alignment with the NCS Regulations. The stipulations contained in such circulars have been detailed chapter-wise in the SEBI Operational Circular. Accordingly, the circulars listed at Annex - 1 of the SEBI Operational Circular, stand superseded by the SEBI Operational Circular.

Other applicable laws:

In addition to the above, we are required to comply with the Companies Act, regulations notified by the SEBI, labour laws, various tax-related legislations, intellectual property related legislations and other applicable laws, in the ordinary course of our day-to-day operations.

Shops and establishments regulations in various states

The provisions of various Shops and Establishments legislations, as applicable, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of inter alia registration, opening and closing hours, daily and weekly working hours, holidays, leave, health, termination of services and safety measures and wages for overtime work.

Labour laws

India has stringent labour related legislations. Our Company is required to comply with certain labour laws, which include the Employees' Provident Funds and Miscellaneous Provisions Act 1952, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, Workmen Compensation Act, 1923, the Payment of Gratuity Act, 1972 and the Payment of Wages Act, 1936, amongst others.

Intellectual property regulations

Intellectual Property in India enjoys protection under both common law and statute. Under statute, India provides for patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 and trademark protection under the Trade Marks Act, 1999. The above enactments provide for protection of intellectual property by imposing civil and criminal liability for infringement.

SECTION V – FINANCIAL STATEMENTS

FINANCIAL INFORMATION

M S K A & Associates
Chartered Accountants

602, Floor 6, Raheja Titanium,
Western Express Highway,
Geetanjali Railway Colony,
Ram Nagar, Goregaon (E),
Mumbai – 400 063.

Kalyaniwalla & Mistry LLP
Chartered Accountants

2nd Floor, 29, Esplanade House
Hazarimal Somani Marg, Fort
Mumbai – 400 001.

INDEPENDENT AUDITOR'S **EXAMINATION REPORT** ON THE REFORMATTED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
L&T Finance Limited
15th Floor, PS SRIJAN Tech Park,
Plot No 52 Block DN, Sector-V,
Salt Lake City,
Kolkata Parganas,
West Bengal - 700 091.

1. We have examined the attached Reformatted Consolidated Financial Information of L&T Finance Limited (the "Issuer" or "Company") as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, comprising the Reformatted Consolidated Balance Sheet as at March 31, 2022, March 31, 2021 and March 31, 2020, the Reformatted Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Reformatted Consolidated Statement of Cash Flows for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, the Reformatted Statement of Changes in Equity and notes to the reformatted Consolidated financial information, including a summary of significant accounting policies and other explanatory information (the "Reformatted Consolidated Financial Information"). The Reformatted Consolidated Financial Information have been prepared by the Management of the Company on the basis of Note 1.2 to the Reformatted Consolidated Financial Information and approved by the Board of Directors of the Company (the "Board of Directors") on September 16, 2022, for the purpose of inclusion in the Draft Shelf Prospectus ("DSP") and Shelf Prospectus ("SP") in connection with its proposed public issue of secured redeemable Non-Convertible Debentures of face value Rs. 1,000 each for an amount aggregating to Rs. 5,000 crore (the "Issue"), in accordance with the requirements of:

   a. the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

   b. the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended (the "SEBI NCS Regulations") in pursuance of the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"); and

   c. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "ICAI"), as amended from time to time (the "Guidance Note").

2. The Board of Directors of the Company is responsible for the preparation of the Reformatted Consolidated Financial Information for the purpose of inclusion in the DSP to be filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") in connection with the proposed Issue and the SP to be filed with SEBI and Registrar of Companies ("RoC"), West Bengal at Kolkata, BSE and NSE in connection with the proposed Issue. The Reformatted Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 1.2 to the Reformatted Consolidated Financial Information.

The Board of Directors of the Company is also responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Reformatted Consolidated Financial Information. The Board of Directors of the Company is also responsible for identifying and ensuring that the Company complies with the Act, the SEBI NCS Regulations and the Guidance Note.

3. We have examined the Reformatted Consolidated Financial Information taking into consideration:

   a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated September 02, 2022, in connection with the issue;

   b. the Guidance Note, which also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;

   c. the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Reformatted Consolidated Financial Information; and

   d. the requirements of Section 26 of the Act and the SEBI NCS Regulations.

   Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI NCS Regulations and the Guidance Note in connection with the Issue.

4. The Reformatted Consolidated Financial Information have been compiled by the Management from the audited Consolidated financial statements of the Company as at and for the years ended March 31, 2022, March 31, 2021 (along with audited comparative financial information as at and for the year ended March 31, 2020) prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on April 29, 2022 and April 28, 2021, respectively.

5. For the purpose of our examination, we have relied on:

   a. The Auditor's report issued by us dated April 29, 2022 on the Consolidated financial statements of the Company as at and for the year ended March 31, 2022 as referred in paragraph 4 above, on which we expressed an unmodified opinion;

   b. The Auditor's report issued by Deloitte Haskins & Sells LLP ("Previous Auditor") dated April 28, 2021, on the Consolidated financial statements of the Company as at and for the year ended March 31, 2021 (along with audited comparative financial information as at and for the year ended March 31, 2020), as referred in paragraph 4 above.

c. The audit reports on the consolidated financial statements issued by the Previous Auditor included the following explanatory paragraphs, which have been reproduced below:

i. Emphasis of matter paragraph:

A. As at and for the year ended March 31, 2021:

"We draw attention to Note 50 of the Consolidated Financial Statements, in which the group describes the continuing uncertainties arising from the COVID 19 pandemic. Our opinion is not modified in respect of this matter."

B. As at and for the year ended March 31, 2020:

"As more fully described in note 48 to the Consolidated Financial Statements, to assess the recoverability of certain assets, the Company has considered internal and external information upto the date of the Consolidated Financial Statements in respect of the current and estimated future global economic indicators consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets. Our opinion is not modified in respect of this matter."

ii. Other matter paragraph:

As at and for the year ended March 31, 2021:

"We draw attention to Note 43 to the Consolidated Financial Statements regarding the scheme of amalgamation of L&T Infrastructure Finance Company Limited and L&T Housing Finance Limited (the 'merged entities') with the Company, which is accounted as a common control business combination in accordance with Appendix C of the Indian Accounting Standard (Ind AS) 103 - "Business Combinations". Accordingly, the figures reported represents the financial position and results of the Amalgamated Company from appointed date April 1, 2020.

Further, the financial statements of the merged entities for the previous year were audited by the respective previous statutory auditors and are recasted to represent the financial position and results of the Amalgamated Company in accordance with Indian Accounting Standard 103.

Our opinion is not modified in respect of this matter."

6. Examination Report submitted by Previous Auditor dated September 16, 2022 on the Reformatted Consolidated Financial Information of the Company as at and for the years ended March 31, 2021 and March 31, 2020 in connection with the proposed Issue. Accordingly, reliance has been placed on the Reformatted Consolidated Balance Sheet, the Reformatted Consolidated Statement of Profit and Loss and Reformatted Consolidated Statement of Cash Flows, the Reformatted Statement of Changes in Equity, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "2021 and 2020 Reformatted Consolidated Financial Information") examined by Previous Auditor for the said years. Our examination report included for the said years is based solely on the report submitted by the Previous Auditor. Based on our examination and according to the information and explanations given to us and also as per

the reliance placed on the examination report of the Previous Auditor for the respective years, we report that the Reformatted Consolidated Financial Information have been prepared by the Company, in all material aspects, on the basis described in Note 1.2 to the Reformatted Consolidated Financial Information taking into consideration the requirements of the Act and SEBI NCS Regulations.

7. The Reformatted Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.

8. This examination report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by the Previous Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our examination report for events and circumstances occurring after the date of this report.

10. Our examination report is intended solely for use of the Board of Directors for inclusion in the DSP and SP to be filed with the SEBI, BSE, NSE and the RoC in connection with the proposed Issue. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Srividya Vaidison
Partner
Membership No: 207132
UDIN: 22207132ASROVC4058

Mumbai
September 16, 2022

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

Roshni R. Marfatia
Partner
Membership No: 106548
UDIN: 22106548ASRPIE7949

Mumbai
September 16, 2022

L&T Finance Limited
Reformatted Consolidated Balance Sheet

₹ in crore

	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
A.	**ASSETS:**				
1.	**Financial assets**				
	(a) Cash and cash equivalents	2	4,768.99	5,547.83	5,595.83
	(b) Bank balance other than (a) above	3	3,024.23	1,449.29	2,202.40
	(c) Derivative financial instruments	4	204.04	32.60	155.06
	(d) Receivables	5			
	(i) Trade receivables		14.56	23.00	46.92
	(ii) Other receivables		54.93	65.64	26.65
	(e) Loans	6	82,469.44	87,030.25	91,462.50
	(f) Investments	7	11,528.25	8,316.00	5,888.13
	(g) Other financial assets	8	83.95	69.10	76.31
			1,02,148.39	**1,02,533.71**	**1,05,453.80**
2.	**Non-financial assets**				
	(a) Current tax assets (net)		655.04	592.24	783.12
	(b) Deferred tax assets (net)		1,409.53	1,584.36	1,417.74
	(c) Property, plant and equipment	9	19.41	22.56	36.31
	(d) Intangible assets under development	10	21.81	23.84	62.00
	(e) Goodwill	10	-	-	565.70
	(f) Other Intangible assets	10	116.02	110.94	157.58
	(g) Right of use assets		32.36	29.79	32.54
	(h) Other non-financial assets	11	677.71	951.39	311.26
			2,931.88	**3,315.12**	**3,366.25**
	Total Assets		**1,05,080.27**	**1,05,848.83**	**1,08,820.05**
B.	**LIABILITIES AND EQUITY :**				
1.	**Liabilities**				
a.	**Financial liabilities**				
	(a) Payables	12			
	(i) Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises		0.19	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		425.89	369.21	224.21
	(ii) Other payables				
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		6.49	5.07	0.83
	(b) Debt securities	13	42,194.10	45,374.48	42,529.63
	(c) Borrowings (other than debt securities)	14	40,356.40	38,658.11	45,335.36
	(d) Subordinated liabilities	15	3,583.50	3,824.27	3,660.09
	(e) Lease liabilities		35.53	34.05	36.34
	(f) Other financial liabilities	16	663.94	559.84	234.90
			87,266.04	**88,825.03**	**92,021.36**
b.	**Non-financial liabilities**				
	(a) Current tax liabilities (net)		184.32	266.37	99.26
	(b) Provisions	17	26.78	27.57	33.28
	(c) Deferred tax liabilities (Net)		0.28	0.20	-
	(d) Other non-financial liabilities	18	53.47	40.59	5.70
			264.85	**334.73**	**138.24**
2.	**Equity**				
	(a) Equity share capital	19	2,684.17	2,684.17	2,684.17
	(b) Other equity	20	14,372.27	13,495.74	13,489.78
	Equity attributable to owners of the Company		**17,056.44**	**16,179.91**	**16,173.95**
3	Non-controlling interest		492.94	509.16	486.50
	Total Liabilities and Equity		**1,05,080.27**	**1,05,848.83**	**1,08,820.05**
	Significant accounting policies	1			
	See accompanying notes forming part of the reformatted consolidated financial statements	2 to 54			

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

For and on behalf of the board of directors of
L&T Finance Limited

Srividya Vaidison
Partner
Membership No: 207132

Roshni R. Marfatia
Partner
Membership No: 106548

Dinanath Dubhashi
Chairperson
DIN : 03545900

Keshav Loyalka
Head Accounts
Chief Financial Officer

Apurva Rathod
Company Secretary

Place : Mumbai
Date : September 16, 2022

Place : Mumbai
Date : September 16, 2022

Place : Mumbai
Date : September 16, 2022

L&T Finance Limited

Reformatted Consolidated Statement of Profit and Loss

₹ in crore

	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
	Revenue from operations				
(i)	Interest income	21	11,680.33	13,100.31	13,254.10
(ii)	Dividend income	22	0.18	0.04	0.12
(iii)	Rental income	23	1.73	4.52	9.04
(iv)	Fees and commission income	24	98.09	142.89	381.41
(v)	Net gain on fair value changes	25	6.80	4.88	20.09
(vi)	Net gain on derecognition of financial instruments under amortised cost category	26	-	2.11	-
I	**Total revenue from operations**		**11,787.13**	**13,254.75**	**13,664.76**
II	**Other income**	27	388.19	343.70	295.44
III	**Total income (I + II)**		**12,175.32**	**13,598.45**	**13,960.20**
	Expenses				
(i)	Finance costs	28	5,727.96	7,062.82	7,380.64
(ii)	Fees and commission expense	29	1.06	1.08	7.27
(iii)	Net loss on fair value changes	30	1,089.20	420.62	44.58
(iv)	Net loss on derecognition of financial instruments under amortised cost category	31	285.01	237.25	273.01
(v)	Impairment on financial instruments	32	1,708.62	2,973.76	1,994.17
(vi)	Employee benefits expenses	33	1,075.79	918.39	909.61
(vii)	Depreciation, amortisation and impairment	34	95.81	726.51	710.67
(viii)	Other expenses	35	1,105.18	784.08	818.27
IV	**Total expenses**		**11,088.63**	**13,124.51**	**12,138.22**
V	**Profit before tax (III - IV)**		**1,086.69**	**473.94**	**1,821.98**
VI	**Tax expense**				
	(1) Current tax	48	134.91	482.36	595.31
	(2) Deferred tax	48	157.07	(150.37)	(163.49)
	(3) Provision for tax related to earlier years		-	95.93	-
VI	**Total tax expense**		**291.98**	**427.92**	**431.82**
VII	**Profit before impact of change in the rate on opening deferred tax (V-VI)**		**794.71**	**46.02**	**1,390.16**
VIII	**Impact of change in the rate on opening deferred tax (Refer note 48)**		-	-	472.87
IX	**Profit for the year (VII - VIII)**		**794.71**	**46.02**	**917.29**
	Profit for the year attributable to:				
	Owners of the company		**814.48**	**53.65**	**867.45**
	Non-controlling interest		(19.77)	(7.63)	49.84
X	**Other comprehensive income**				
A.	(i) Items that will not be reclassified to profit or loss				
	a) Remeasurements of the defined benefit plans		2.04	1.34	(4.91)
	b) Change in fair value of equity instruments measured at fair value through other comprehensive income		-	55.05	(56.16)
	Income tax relating to items that will not be reclassified to profit or loss		(0.51)	(0.27)	1.20
	Subtotal (A)		**1.53**	**56.12**	**(59.87)**
B.	(i) Items that will be reclassified to profit or loss				
	a) Change in fair value of debt instruments measured at fair value through other comprehensive income		22.05	(12.42)	0.16
	b) The effective portion of gains and loss on hedging instruments in a cash flow hedge		52.53	(2.94)	(133.02)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(13.43)	0.74	33.48
	Subtotal (B)		**61.15**	**(14.62)**	**(99.38)**
	Total other comprehensive income (A+B)		**62.68**	**41.50**	**(159.25)**
	Other comprehensive income for the year attributable to:				
	Owners of the company		**62.68**	**41.50**	**(159.25)**
	Non-controlling interest		-	-	-
XI	**Total comprehensive income for the year (IX+X)**		**857.39**	**87.52**	**758.04**
	Total comprehensive income for the year attributable to:				
	Owners of the company		**877.16**	**95.15**	**708.20**
	Non-controlling interest		**(19.77)**	**(7.63)**	**49.84**
XII	**Earnings per equity share attributable to Owners of the company:**	41			
	Basic earnings per equity share (₹)		3.03	0.20	3.23
	Diluted earnings per equity share (₹)		3.03	0.20	3.23
	Significant accounting policies	1			
	See accompanying notes forming part of the reformatted consolidated financial statements	2 to 54			

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Srividya Vaidison
Partner
Membership No: 207132

Place : Mumbai
Date : September 16, 2022

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place : Mumbai
Date : September 16, 2022

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Keshav Loyalka
Head Accounts
Chief Financial Officer

Apurva Rathod
Company Secretary

Place : Mumbai
Date : September 16, 2022

L&T Finance Limited

Reformatted Consolidated Statement of Cash Flow

₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
A. Cash flows from operating activities :			
Profit before tax for the year	1,086.68	473.94	1,821.98
Adjustments for:			
Net loss on sale of property, plant and equipment (refer note : 35)	0.03	0.53	2.66
Net loss on fair value changes (refer note : 30)	1,082.39	415.74	28.04
Net loss on derecognition of financial instruments under amortised cost category (refer note : 31)	285.01	235.14	273.01
Impairment on financial instruments (refer note : 32)	1,708.62	2,973.76	1,994.17
Depreciation, amortisation and impairment (refer note : 34)	95.81	726.51	710.67
Operating profit before working capital changes	**4,258.54**	**4,825.62**	**4,830.53**
Changes in working capital			
Adjustments for increase/(decrease) in operating liabilities			
Other financial liabilities	(789.01)	(86.76)	(30.94)
Lease liabilities	(19.80)	(9.92)	(4.00)
Provisions	1.16	(4.37)	2.02
Trade and other payables	58.08	310.50	88.41
Other non-financial liabilities	13.04	34.89	(16.71)
Adjustments for (increase)/decrease in operating assets			
Other non-financial assets	257.60	(52.30)	(49.00)
Other financial assets	13.16	(7.96)	74.45
Trade and other receivables	17.65	1.34	(2.07)
Cash generated from operations	**3,810.42**	**5,011.04**	**4,892.69**
Direct taxes paid (net)	(275.27)	(220.29)	(725.60)
Loans disbursed (net of repayments)	1,813.49	500.39	(2,303.30)
Net cash used in operating activities (A)	**5,348.64**	**5,291.14**	**1,863.79**
B. Cash flows from investing activities :			
Change in other bank balance not available for immediate use	(1,574.95)	753.11	(2,157.41)
Purchase of property, plant and equipment[2]	(7.93)	(2.85)	(23.71)
Proceeds from sale of property, plant and equipment	0.81	3.20	3.56
Purchase of intangible assets[2]	(68.17)	(45.74)	(54.25)
Purchase of investments[3]	(5,958.37)	(3,827.40)	(2,672.37)
Proceeds on sale of investments	2,421.30	1,158.58	4,798.14
Net cash (used in)/generated from investing activities (B)[4]	**(5,187.31)**	**(1,961.10)**	**(106.04)**
C. Cash flows from financing activities			
Proceeds from issue of equity shares (including securities premium)	-	-	1,000.00
Payment for share issue costs	-	-	(1.00)
Payment to minority interest	7.79	(1.00)	(2.14)
Proceeds from borrowings[5]	18,667.63	18,008.36	32,986.94
Repayment of borrowings[5]	(19,615.59)	(21,385.40)	(31,380.72)
Dividend paid	-	-	(474.20)
Additional tax on dividend	-	-	(97.47)
Net cash (used in)/generated from financing activities (C)	**(940.17)**	**(3,378.04)**	**2,031.41**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(778.84)**	**(48.00)**	**3,789.16**
Cash and cash equivalents at beginning of the year	5,547.83	5,595.83	1,806.67
Cash and cash equivalents at the end of the year	4,768.99	5,547.83	5,595.83
Net (decrease)/increase in cash and cash equivalents	**(778.84)**	**(48.00)**	**3,789.16**

Notes:

1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2. Purchase of Property, Plant and Equipment (PPE), represents additions to PPE and other intangible assets adjusted for movement of (a) capital-work-in-progress for PPE and (b) intangible assets under development during the year.

3. Purchase of investments is after adjustments of proceeds from sale / redemption of mutual fund.

4. Net cash used in investing activity excludes investments aggregating to ₹10.97 crore for FY 2021-22, ₹100.64 crore for FY 2020-21 and NIL for FY 2019-20 acquired against claims.

5. Includes proceeds and repayment of debt securities, borrowings (other than debt securities) and subordinate liabilities .

6. Net cash used in operating activity is determined after adjusting the following:

₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Interest received	12,031.59	11,402.57	12,742.61
Dividend received	0.18	0.04	0.12
Interest paid	6,454.29	7,163.47	6,970.25

Significant accounting policies

See accompanying notes forming part of the reformatted consolidated financial statements 2 to 54

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Srividya Vaidison
Partner
Membership No: 207132

Place : Mumbai
Date : September 16, 2022

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place : Mumbai
Date : September 16, 2022

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Keshav Loyalka
Head Accounts
Chief Financial Officer

Apurva Rathod
Company Secretary

Place : Mumbai
Date : September 16, 2022

L&T Finance Limited

Reformatted Consolidated Statement of Changes in Equity

A. Equity share capital

Particulars	As at March 31, 2022 Number of Shares	As at March 31, 2022 Equity share capital (₹ in crore)	As at March 31, 2021 Number of Shares	As at March 31, 2021 Equity share capital (₹ in crore)	As at March 31, 2020 Number of Shares	As at March 31, 2020 Equity share capital (₹ in crore)
Issued, subscribed and fully paid up equity shares at the beginning of the year	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17	1,59,91,38,199	1,599.14
Changes in equity share capital due to prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year	-	-	-	-	-	-
Changes in equity share capital during the year (Refer note: 43)					1,08,50,34,161	1,085.03
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	**2,68,41,72,360**	**2,684.17**	**2,68,41,72,360**	**2,684.17**	**2,68,41,72,360**	**2,684.17**

B. Other equity

₹ in crore

Particulars	Reserves and Surplus											Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total Other Equity	Non-Controlling interest	Total
	Capital redemption reserve	Debenture redemption reserve	Securities premium	Capital reserve	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act , 1934	Reserve u/s 29C of National Housing Bank Act, 1987	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Impairement reserve	Retained earnings						
Balance as at April 1, 2019	3.20	428.24	10,109.78	-	97.98	1,277.59	27.42	722.68	(538.06)	-	(422.43)	(0.63)	-	-	**11,705.77**	**448.75**	**12,154.52**
Profit for the year	-	-	-	-	-	-	-	-	-	-	867.45	-	-	-	**867.45**	**49.84**	**917.29**
Actuarial gain/(loss) on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	-	-	-	(3.71)	-	-	-	**(3.71)**	**-**	**(3.71)**
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	-	-	-	0.16	(56.16)	(99.54)	**(155.54)**	**-**	**(155.54)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**863.74**	**0.16**	**(56.16)**	**(99.54)**	**708.20**	**49.84**	**758.04**
Capital Reserve on Merger	-	-	-	585.64	-	-	-	-	-	-	-	-	-	-	**585.64**	-	**585.64**
Payment of Interim Dividend	-	-	-	-	-	-	-	-	-	-	(221.11)	-	-	-	**(221.11)**	-	**(221.11)**
Tax on Interim Dividend	-	-	-	-	-	-	-	-	-	-	(45.45)	-	-	-	**(45.45)**	-	**(45.45)**
Issue of equity shares	-	-	750.00	-	-	-	-	-	-	-	-	-	-	-	**750.00**	-	**750.00**
Share issue expenses	-	-	(1.00)	-	-	-	-	-	-	-	-	-	-	-	**(1.00)**		**(1.00)**
Transition impact on IndAs 116	-	-	-	-	-	-	-	-	-	-	(2.22)	-	-	-	**(2.22)**	-	**(2.22)**
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	-	171.71	-	-	-	-	(161.76)	-	-	-	**9.95**	(9.95)	**-**
Transfer to Impairement reserve	-	-	-	-	-	-	-	-	-	11.47	(11.47)	-	-	-	**-**	-	**-**
Transfer to general reserve	-	(34.27)	-	-	34.27	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Transfer to amalgamation adjustment account	-	(74.76)	-	-	-	-	-	-	74.76	-	-	-	-	-	**-**	-	**-**
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	-	-	80.75	-	-	(80.75)	-	-	-	**-**	-	**-**
Net gain/(loss) on transaction with non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	(2.14)	**(2.14)**
Balance as at March 31, 2020	**3.20**	**319.21**	**10,858.78**	**585.64**	**132.25**	**1,449.30**	**27.42**	**803.43**	**(463.30)**	**11.47**	**(81.45)**	**(0.47)**	**(56.16)**	**(99.54)**	**13,489.78**	**486.50**	**13,976.28**

B. Other equity

₹ in crore

Particulars	Reserves and Surplus											Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total Other Equity	Non-Controlling interest	Total
	Capital redemption reserve	Debenture redemption reserve	Securities premium	Capital reserve	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act , 1934	Reserve u/s 29C of National Housing Bank Act, 1987	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Impairement reserve	Retained earnings						
Balance as at April 1, 2020	3.20	319.21	10,858.78	585.64	132.25	1,449.30	27.42	803.43	(463.30)	11.47	(81.45)	(0.47)	(56.16)	(99.54)	**13,489.78**	**486.50**	**13,976.28**
Profit for the year	-	-	-	-	-	-	-	-	-	-	53.65	-	-	-	**53.65**	(7.63)	**46.02**
Actuarial gain/(loss) on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	-	-	-	1.07	-	-	-	**1.07**	-	**1.07**
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	-	-	-	(12.42)	55.05	(2.20)	**40.43**	-	**40.43**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**54.72**	**(12.42)**	**55.05**	**(2.20)**	**95.15**	**(7.63)**	**87.52**
Merger Related expenses	-	-	(57.89)	-	-	-	-	-	-	-	-	-	-	-	**(57.89)**	-	**(57.89)**
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	-	12.92	-	-	-	-	(9.97)	-	-	-	**2.95**	(2.95)	**-**
Transfer to Impairement reserve	For M S K A &	-	-	-	-	-	-	-	-	11.95	(11.95)	-	-	-	**-**	-	**-**
Transfer to general reserve	Chartered Ac	(106.10)	-	-	106.10	-	-	-	-	-	-	-	-	-	**-**	-	**-**
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	(107.92)	-	-	107.92	-	-	-	-	-	-	**-**	-	**-**
Net gain/(loss) on transaction with non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	(1.00)	**(1.00)**
Transfer to Retained earnings	-	-	-	-	-	-	-	-	-	-	(1.11)	-	1.11	-	**-**	-	**-**
Adjustments on account of restatement of previous year figures	Partner	-	-	-	-	-	-	-	-	-	(34.25)	**-**	**-**	**-**	**(34.25)**	34.25	**-**
Balance as at March 31, 2021	**3.20**	**213.11**	**10,800.89**	**585.64**	**130.43**	**1,462.22**	**27.42**	**911.35**	**(463.30)**	**23.42**	**(84.01)**	**(12.89)**	**-**	**(101.74)**	**13,495.74**	**509.16**	**14,004.91**

Note:

1. There is no share application money pending allotment & no monies received against share warrant.
2. There is no increase in carrying value of asset on account of revaluation as per IND AS 16 and IND AS 38, hence revaluation reserve is not required.
3. There is no compound financial instrument having equity component.
4. There is no foreign operation of the company, hence no exchange difference on translating the financial statement of foreign operations is required as per IND AS 21.

L&T Finance Limited
Reformatted Consolidated Statement of Changes in Equity

₹ in crore

Date : September 16, 2022 Date : September 16, 2022

Particulars	Capital redemption reserve	Debenture redemption reserve	Securities premium	Capital reserve	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act , 1934	Reserve u/s 29C of National Housing Bank Act, 1987	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Impairement reserve	Retained earnings	Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total Other Equity	Non-Controlling interest	Total
Balance as at April 1, 2021	**3.20**	**213.11**	**10,800.89**	**585.64**	**130.43**	**1,462.22**	**27.42**	**911.35**	**(463.30)**	**23.42**	**(84.01)**	**(12.89)**	**-**	**(101.74)**	**13,495.74**	**509.16**	**14,004.91**
Profit for the year	-	-	-	-	-	-	-	-	-	-	814.47	-	-	-	**814.47**	(19.77)	**794.70**
Actuarial gain/ (loss) on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	-	-	-	1.53	-	-	-	**1.53**	-	**1.53**
Other Comprehensive income for the period (net of tax)	-	-	-	-	-	-	-	-	-	-	(0.62)	21.84	-	39.31	**60.53**	-	**60.53**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**815.38**	**21.84**	**-**	**39.31**	**876.53**	**(19.77)**	**856.76**
Capital reserve	33.10	-	-	-	-	-	-	-	-	-	(33.10)	-	-	-	**-**		**-**
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**	**-**
Transfer to general reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**	**-**
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	-	-	(44.85)	-	-	44.85	-	-	-	**-**	**-**	**-**
Net gain/(loss) on transaction with non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**3.55**	**3.55**
Balance as at March 31, 2022	**36.30**	**213.11**	**10,800.89**	**585.64**	**130.43**	**1,462.22**	**27.42**	**866.50**	**(463.30)**	**23.42**	**743.12**	**8.95**	**-**	**(62.43)**	**14,372.27**	**492.94**	**14,865.22**

Note:
1. There is no share application money pending allotment & no monies received against share warrant.
2. There is no increase in carrying value of asset on account of revaluation as per IND AS 16 and IND AS 38, hence revaluation reserve is not required.
3. There is no compound financial instrument having equity component.
4. There is no foreign operation of the company, hence no exchange difference on translating the financial statement of foreign operations is required as per IND AS 21.

Significant accounting policies	1
See accompanying notes forming part of the reformatted consolidated financial statements	2 to 54

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Srividya Vaidison
Partner
Membership No: 207132

Place : Mumbai
Date : September 16, 2022

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place : Mumbai
Date : September 16, 2022

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Keshav Loyalka
Head Accounts
Chief Financial Officer

Apurva Rathod
Company Secretary

Place : Mumbai
Date : September 16, 2022

1. Significant Accounting Policies:

1.1 Statement of compliance:

(FY 2021-22, FY 2020-21 & FY 2019-20)

The Reformatted consolidated financial information of L&T Finance Limited (the "Company") and its subsidiaries and associates (together the "Group") have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the applicable regulations of Reserve Bank of India (RBI) /National Housing Bank (NHB) and the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied.

1.2 Basis of preparation:

(FY 2021-22, FY 2020-21 & FY 2019-20)

The Reformatted Consolidated Financial Information of the Company comprise of the Reformatted Consolidated Balance Sheet as at March 31, 2022, March 31, 2021 and March 31, 2020, the related Reformatted Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Reformatted Consolidated Statement of Changes in Equity and the Reformatted Consolidated Statement of Cash Flows for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, and the Summary of Significant Accounting Policies and explanatory notes (collectively, the "Reformatted Consolidated Financial Information").

These Reformatted Consolidated Financial Information have been prepared for the purpose providing information for the years ended March 31, 2022, 2021 and 2020 in connection with its proposed public issue of secured redeemable non-convertible debentures ("NCDs").

The Reformatted Consolidated Financial Information have been prepared in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended (the "SEBI Regulations") issued by the Securities and Exchange Board of India and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "ICAI"), as amended (the "Guidance Note").

These Reformatted Consolidated Financial Information have been compiled by the Management from the audited Consolidated financial statements of the Company as at and for the year ended March 31, 2021 (along with audited comparative financial information as at and for the year ended March 31, 2020, read with note 45 to the reformatted Consolidated financial information) prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Systemically Important Non-Deposit accepting NBFC ('NBFC-ND-SI'), and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on April 29, 2022 and April 28, 2021 respectively.

The Reformatted Consolidated Financial Information have been prepared after incorporating adjustments for regrouping / reclassifications retrospectively in the financial years ended March 31, 2021 and March 31, 2020 to reflect the same accounting treatment as per the grouping / classifications followed in the audited Consolidated financial statements as at and for the year ended March 31, 2022, except in respect of disclosures arising from RBI guidelines which are presented as per applicable guidelines for the respective years.

The statutory auditors of the Company for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 have issued an unmodified opinion vide their respective reports dated April 29, 2022, April 28, 2021 and May 29, 2020 respectively, on these audited Consolidated financial statements. The statutory auditor's reports for the year ended March 31, 2021 and March 31, 2020 included "Emphasis of Matter" paragraph.

The reformatted Consolidated financial information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at reporting date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

1.3 Presentation of financial statements:

(FY 2021-22, FY 2020-21 & FY 2019-20)

The Balance Sheet, Statement of changes in Equity for the year, and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Financial Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Division III of Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees in Crore rounded off to two decimal places as permitted by Division III of Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

1.4 Basis of consolidation:

(FY 2021-22 & FY 2020-21)

a) The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as subsidiary. The Parent Company together with its subsidiaries constitute the Group. Control is achieved when the Group, directly or indirectly:
   - has power over the investee.

- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

b) The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

c) Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests (NCI) and have been shown separately in the financial statements. Total comprehensive income of the subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

d) Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company.

e) All intragroup assets and liabilities, equity, income, expenses, unrealised profits/losses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

f) The consolidated financial statements of the Group combine financial statements of the Parent Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses.

g) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Company.

Investments in associates:

(FY 2021-22 & FY 2019-20)

An Associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using equity method of accounting. Under the equity method, an investment in associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The carrying amount of investment in associates is reduced to recognize impairment, if any, when there is objective evidence of impairment.

1.5 Business combinations:

(FY 2021-22)

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date except deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements, which are recognised and measured in accordance with Ind AS 12- Income taxes and Ind AS 19- Employee benefits, respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of non-controlling interest in the acquiree, and the fair value of acquirer's previously held equity instrument in the acquiree (if any) over the net of acquisition date fair value of identifiable assets acquired and liabilities assumed. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis.

(FY 2020-21)

A Common control business combination, involving entities or business in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 "Business Combination".

Business combinations involving entities or business under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior period are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserve with disclosure of its nature and purpose in the notes.

1.6 Non-current assets held for sale:

(FY 2020-21)

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. except in some circumstances this period can be extended if it is beyond the control of management and there are sufficient evidence that the entity remains committed to its plan to sell the asset.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

1.7 Financial instruments:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Financial assets and financial liabilities are recognised in the consolidated balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously:

(i) Financial assets:
The Group assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Group's business model for managing the asset.

For an asset to be classified and measured at amortised cost, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

The Group has more than one business model for managing its financial instruments which reflect how the Group manages its financial assets in order to generate cash flows. The Group's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group considers all relevant information available when making the business model assessment. However, this assessment is performed on the basis of scenarios that the Group reasonably expects to occur and not so-called 'worst case' or 'stress case' scenarios. The Group takes into account all relevant evidence available such as:
- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; and
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

The Group reassess its business models each reporting period to determine whether the business models have changed since the preceding period. If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Group's financial assets.

The Group considers sale of financial assets measured at amortised cost portfolio as consistent with a business model whose objective is to hold financial assets in order to collect contractual cash flows if these sales are

- due to an increase in the assets' credit risk or
- due to other reasons such as sales made to manage credit concentration risk (without an increase in the assets' credit risk) and are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent).

In addition, the Group also considers sale of such financial assets as consistent with the objective of holding financial assets in order to collect contractual cash flows if the sale is made close to the maturity of the financial assets and the proceeds from sale approximate the collection of the remaining contractual cash flows.

(a) Financial assets at amortised cost:
Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI):
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

(c) Financial assets at fair value through profit or loss (FVTPL):
Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the Group irrevocably elects on initial recognition of financial asset on an asset-by-asset basis to present subsequent changes in fair value in other comprehensive income.

(d) Debt instruments at amortised cost or at FVTOCI:
For an asset to be classified and measured at FVTOCI, the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

(e) De-recognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

(ii) Financial liabilities:

a) Financial liabilities, including derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher.

   All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

b) A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

1.8 Impairment:

(FY 2021-22, FY 2020-21 & FY 2019-20)

The Group recognises loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers
- Debt investment securities
- Trade and other receivable
- Lease receivables
- Irrevocable loan commitments issued and
- Financial guarantee contracts issued

Credit-impaired financial assets:

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer
- a breach of contract such as a default or past due event

- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Group assesses whether debt instruments that are financial assets measured at amortised cost or FVTOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Group considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default (see below) includes unlikeliness to pay indicators and a back-stop if amounts are overdue for more than 90 days. The 90-day criterion is applicable unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Definition of default:
Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Group considers the following as constituting an event of default:
- the borrower is past due more than 90 days on any material credit obligation to the Group: or
- the borrower is unlikely to pay its credit obligations to the Group in full.

The forbearance granted to borrowers in accordance with COVID 19 Regulatory Package notified by the Reserve Bank of India (RBI) is excluded in determining the period of default (Days Past Due) in the assessment of default.

When assessing if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

The Group uses a variety of sources of information to assess default which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial assets unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial asset.

With the exception of POCI financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition (and consequently to credit impaired financial assets). For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

- for financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Group expects to receive from the holder, the debtor or any other party.

The Group measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics.

Significant increase in credit risk:
The Group monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

Effective from FY 2020-21, consequent to the recommendation of the Reserve Bank of India, made during the annual inspection, the Group has changed its definition of "Significant Increase in Credit Risk". Consequently, such loan assets with defaults ranging between 31 and 60 days past due, which were previously classified as "Stage 1" are now classified as "Stage 2" and estimated the expected credit loss applying the corresponding probability of default. The said change does not have any significant impact on the accumulated ECL allowance as of March 31, 2020.

Purchased or originated credit impaired (POCI) financial assets:
POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Group recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in profit or loss. A favourable change for such assets creates an impairment gain.

1.9 Write off:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Loans and debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

1.10 Modification and derecognition of financial assets:

(FY 2021-22, FY 2020-21 & FY 2019-20)

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Group assesses whether this modification results in derecognition. In accordance with the Group's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Group considers the following:

a) Qualitative factors, such as contractual cash flows after modification are no longer SPPI,
b) Change in currency or change of counterparty,
c) The extent of change in interest rates, maturity, covenants.

If these do not clearly indicate a substantial modification, then;

a) In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Group monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

b) When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Group determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

    - the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Group's ability to collect the modified cash flows taking into account the Group's previous experience of similar forbearance action, as well as various behavioral indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviors following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Group calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Group measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Group derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain/loss allocated to it that had been recognised in OCI is recognised in profit or loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

1.11 Presentation of allowance for ECL in the Balance Sheet:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Loss allowances for ECL are presented in the Balance sheet as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognised in the Balance Sheet as the carrying amount is at fair value.

1.12 Derivative financial instruments:

(FY 2021-22, FY 2020-21 & FY 2019-20)

The Group enters into swap contracts and other derivative financial instruments to hedge its exposure to foreign exchange and interest rates. The Group does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

Cash flow hedges: In case of transaction related hedges, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

1.13 Revenue recognition:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

(i) Interest and dividend income:

Interest income is recognised in the consolidated statement of Profit and Loss using effective interest rate (EIR) on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI) except for those classified as held for trading. Financial assets measured or designated at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

The calculation of the EIR includes all fees or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Dividend income is recognised when the Group's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

(ii) Fee and commission income:

Fee and commission income and expense include fees other than those that are an integral part of EIR. The fees included in the Consolidated statement of profit and loss include among other things fees charged for servicing a loan, non-utilisation fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement and loan advisory fees.

Fee and commission expenses with regards to services are accounted for as the services are received.

(iii) Net gain or fair value change:

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Group on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in “Net gains or fair value changes” under revenue from operations and if there is a net loss the same is disclosed “Expenses”, in the statement of profit and loss.

(iv) Investment management fees, guarantee fees and portfolio management fees:

Income from investment management fees is recognised in accordance with the Investment Management Agreement and the SEBI regulations based on average Assets Under Management (AUM) of mutual fund schemes over the period of the agreement in terms of which services are performed.

Guarantee fees is recognised on pro rata basis over the period of the guarantee.

Portfolio management fees are recognised on accrual basis in accordance with Portfolio Management Agreement entered into with respective clients over the period of the agreement in terms of which the services are rendered.

(v) Other operational revenue:

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

1.14 Borrowing costs:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.15 Property, plant and equipment (PPE):

(FY 2021-22, FY 2020-21 & FY 2019-20)

PPE including subsequent expenditure, if any, is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes all direct cost related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Group’s accounting policy.

Land and buildings held for use are stated in the consolidated balance sheet at cost less accumulated impairment and losses accumulated depreciation, respectively. Freehold land is not depreciated.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as “capital work-in-progress”. Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets held under finance leases are depreciated over the shorter of lease term and their useful life on the same basis as owned assets. However, when there is no reasonable certainty that the Group shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the Group for similar assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

1.16 Intangible assets:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Direct expenses and administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as “Intangible assets under development”.

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognised in profit or loss when the asset is derecognised.

1.17 Impairment of tangible and intangible assets other than goodwill:

(FY 2021-22, FY 2020-21 & FY 2019-20)

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE, investment property and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

a) in the case of an individual asset, at the higher of the net selling price and the value in use; and

b) in the case of a cash generating unit (the smallest identifiable group of assets that generates independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit), except for allocated goodwill, is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

1.18 Employee benefits:

(FY 2021-22, FY 2020-21 & FY 2019-20)

(i) Short term employee benefits:
Employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(ii) Post-employment benefits:

a) Defined contribution plans: The Group's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

b) Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the Group, the post-retirement medical care plan and the Parent Company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Group recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(iii) Long term employee benefits:

The obligation recognised in respect of long term benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the Group and is recognised in a similar manner as in the case of defined benefit plans vide (ii) (b) above.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Group's offer of the termination benefit is accepted or when the Group recognises the related restructuring costs whichever is earlier

1.19 Leases:

(FY 2021-22, FY 2020-21 & FY 2019-20)

The Group as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation /impairment losses (Refer note no 40 for Lease).

The right-of-use assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- Low value leases; and
- Leases which are short-term.

The Group as a lessor, classifies leases as either operating lease or finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Group's net investment in the lease. A lease which is not classified as a finance lease is an operating lease. Accordingly, the Group recognises lease payments as income on a straight-line basis in case of assets given on operating leases. The Group presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

(FY 2020-21 & FY 2019-20)

Transition disclosure:
The Group has applied Ind AS 116 "Leases" ("Standard") effective April 1, 2019 (Initial application date). Ind AS 116 supersedes Ind AS 17 "Leases". The Standard sets out the principles for recognition, measurement, presentation and disclosure of leases. The Standard has brought major changes with respect to lease accounting for the lessee. It requires a lessee to account for right-of-use asset and lease liability for all the leases without lease classification into operating and finance lease.

Under modified retrospective method of transition, the Group has applied the Standard retrospectively and recognised the cumulative effect of initially applying the Standard as an adjustment to the opening balance of retained earnings at the date of initial application. Accordingly, the figures of the previous year have not been restated.

The Company has availed of following practical expedients as on the transition date as provided by the Standard:

- Leases for which the lease term ends within 12 months of the date of initial application are accounted in the same way as short-term leases.
- The Company has not reassessed whether a contract is or contains a lease at the date of initial

application and instead applied the Standard to those contracts that were previously identified as leases under Ind AS 17.

The Company has excluded initial direct costs from the measurement of the right of use asset at the date of initial application.

1.20 Cash and bank balances:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

1.21 Securities premium account:

(FY 2021-22, FY 2020-21 & FY 2019-20)

(i) Securities premium includes:
- The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.
- The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

1.22 Share-based payment arrangements:

(FY 2021-22, FY 2020-21 & FY 2019-20)

The stock options granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

1.23 Accounting and reporting of information for Operating Segments:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. Segment accounting policies are in line with the accounting policies of the Group.

1.24 Foreign currencies:

(FY 2021-22, FY 2020-21 & FY 2019-20)

(i) The functional currency and presentation currency of the Group is Indian Rupee. Functional currency of the Group and foreign operations has been determined based on the primary economic environment in which the Group and its foreign operations operate considering the currency in which funds are generated, spent and retained.

(ii) Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the prevailing closing spot rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

(iii) Financial statements of foreign operations whose functional currency is different than Indian Rupees are translated into Indian Rupees as follows:
   A. assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet
   B. income and expenses for each income statement are translated at average exchange rates; and
   C. all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations.

1.25 Taxation:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Current tax
Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments/appeals.

Deferred Tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unutilised tax credits are recognised to the extent it is probable of such unutilised tax credits will get realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

1.26 Provisions, contingent liabilities and contingent assets:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Provisions are recognised only when:
(i) an Group entity has a present obligation (legal or constructive) as a result of a past event; and
(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
(iii) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:
(i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
(ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

1.27 Commitment:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:
a) estimated amounts of contracts remaining to be executed on capital account and not provided for
b) uncalled liability on shares and other investments partly paid
c) funding related commitment to associate companies and
d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.28 Statement of cash flows:

(FY 2021-22, FY 2020-21 & FY 2019-20)

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:
(i) changes during the period in operating receivables and payables transactions of a non-cash nature
(ii) non-cash items such as depreciation, provisions, deferred taxes, unrealised gains and losses; and
(iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

1.29 Earnings per share:

(FY 2021-22, FY 2020-21 & FY 2019-20)

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

1.30 Asset Acquired under settlement of claims:

(FY 2021-22, FY 2020-21 & FY 2019-20)
Asset acquired under settlement of claims are initially recognised on acquisition of the assets based on the fair value of the property, including cost of acquisition. Asset acquired under settlement of claims are subsequently measured at the prevailing market price/fair valuation or acquisition cost, whichever is lower, on periodic basis.

Any profit or loss arising on the sale of complete unit is recognised in Statement of Profit and Loss.

1.31 Key source of estimation:

(FY 2021-22, FY 2020-21 & FY 2019-20)

The preparation of financial statements in conformity with Ind AS requires that the management of the Group makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, expected credit loss on loan books, future obligations in respect of retirement benefit plans, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

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Note 2 : Cash and cash equivalents ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Cash on hand	7.23	6.90	0.20
Balances with banks in current accounts#	863.63	677.18	772.01
Cheques, drafts on hand	-	4.09	-
Bank deposit with original maturity less than three months	3,898.13	4,859.66	4,823.62
Total cash and cash equivalents	**4,768.99**	**5,547.83**	**5,595.83**

includes ₹ 0.13 crore, ₹ 0.14 crore and ₹ 4.44 crores towards unutilised funds raised through public issue for FY 2021-22, FY2020-21 and FY 2019-20, respectively.

Note 3 : Bank balance other than note 2 above ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Earmarked balances with banks	367.46	244.66	17.99
Balances with banks to the extent held as margin money or security against borrowing, guarantees, other commitments	1,540.89	944.59	683.17
Banks deposit with maturity greater than three months and less than twelve months	1,115.88	260.04	1,501.24
Total bank balance other than note 2 above	**3,024.23**	**1,449.29**	**2,202.40**

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Note 4 : Derivative financial instruments

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Part I			
(i) Currency derivatives:			
Notional Amounts			
-Currency swaps	3,014.34	3,114.34	3,014.34
Fair value assets			
-Currency swaps[1]	204.04	32.60	155.06
Total derivative financial instruments	**204.04**	**32.60**	**155.06**

Part II

Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(i) Cash flow hedging:			
Notional Amounts			
- Currency derivatives	3,014.34	3,114.34	3,014.34
Fair Value Assets			
- Currency derivatives	204.04	32.60	155.06
Total Derivative Financial Instruments	**204.04**	**32.60**	**155.06**

Note:

1. Net of fair value on interest rate swap of ₹ 83.42 crores, ₹ 141.97 crore and ₹ 133.02 for FY 2021-22, FY 2020-21 and FY 2019-20, respectively.
2. The company has a board approved policy for entering in to derivative transcations. Derivative comprises of currency and interest rate swap. Refer the accounting policy for derivative financial instruments.

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Note 5 : Receivables ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(i) Trade receivables			
(a) Receivables considered good - secured	-	-	-
(b) Receivables considered good - unsecured	14.56	23.00	40.25
(c) Receivables which have significant increase in credit risk	-	-	-
(d) Receivables - credit impaired			
Receivables	2.98	2.98	26.06
Less : Impairment loss allowance	(2.98)	(2.98)	(19.39)
Total trade receivables (i)	**14.56**	**23.00**	**46.92**
(ii) Other receivables			
(a) Receivables considered good - Secured	-	-	-
(b) Receivables considered good - unsecured	46.60	56.06	15.66
(c) Receivables which have significant increase in Credit Risk	-	-	-
(d) Receivables from related parties* (refer note : 38)	8.33	9.58	10.99
(e) Receivables - credit impaired	-	-	-
Total other receivables (ii)	**54.93**	**65.64**	**26.65**
Total receivables (i+ii)	**69.49**	**88.64**	**73.57**

*There are no dues by Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

(iii) : Ageing Schedule for Trade Receivables#

₹ in crore

Particulars		Outstanding as on 31st March 2022 *					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	14.56	-	-	-	-	14.56
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iv)	Undisputed Trade Receivables – credit impaired	2.98	-	-	-	-	2.98
(v)	Less : Impairment loss allowance	(2.98)	-	-	-	-	(2.98)
(vi)	Disputed Trade Receivables–considered good	-	-	-	-	-	-
(vii)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(viii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	Total	**14.56**	**-**	**-**	**-**	**-**	**14.56**

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₹ in crore

Particulars		Outstanding as on 31st March 2021 *					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	22.85	0.15	-	-	-	23.00
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	2.98	-	-	-	-	2.98
(iv)	Less : Impairment loss allowance	(2.98)	-	-	-	-	(2.98)
(v)	Disputed Trade Receivables–considered good	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total		**22.85**	**0.15**	**-**	**-**	**-**	**23.00**

₹ in crore

Particulars		Outstanding as on 31st March 2020 *					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	40.25	-	-	-	-	40.25
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	26.06	-	-	-	-	26.06
(iv)	Less : Impairment loss allowance	(19.39)	-	-	-	-	(19.39)
(v)	Disputed Trade Receivables–considered good	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total		**46.92**	**-**	**-**	**-**	**-**	**46.92**

 # The above ageing is prepared on the basis of date of transaction. There are no "Unbilled" and "Not Due" invoices, hence not disclosed separately.

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Note 6 : Loans ₹ in crore

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
(A)			
(i) At amortised cost			
- Bills purchased and bills discounted	-	-	-
- Loans repayable on demand	718.28	657.44	476.29
- Term loans	59,869.79	64,189.18	64,661.13
- Leasing	5.17	23.92	45.48
- Debentures	2,748.95	4,356.62	6,026.93
Total gross loans at amortised cost	**63,342.19**	**69,227.16**	**71,209.83**
Less: Impairment loss allowance	(3,626.53)	(5,074.58)	(4,624.97)
Total net loans at amortised cost (i)	**59,715.66**	**64,152.58**	**66,584.86**
(ii) At fair value through profit or Loss			
- Loans repayable on demand	-	-	103.73
- Term loans	23,119.45	22,842.43	24,332.68
- Debentures	343.00	395.81	662.06
Total gross loans at fair value through profit or loss	**23,462.45**	**23,238.24**	**25,098.47**
Less: Impact on fair value changes	(708.67)	(360.57)	(220.83)
Total net loans at fair value through profit or loss (ii)	**22,753.78**	**22,877.67**	**24,877.64**
Total net loans (A) = (i)+(ii)	**82,469.44**	**87,030.25**	**91,462.50**
(B)			
(i) At amortised cost			
-Secured by tangible assets	46,318.35	53,728.04	56,420.92
-Unsecured	17,023.84	15,499.12	14,788.91
Total gross loans at amortised cost	**63,342.19**	**69,227.16**	**71,209.83**
Less: Impairment loss allowance	(3,626.53)	(5,074.58)	(4,624.97)
Total net loans at amortised cost (i)	**59,715.66**	**64,152.58**	**66,584.86**
(ii) At fair value through profit or loss:			
-Secured by tangible assets	23,462.45	23,238.24	25,098.47
-Unsecured	-	-	-
Total gross loans at fair value through profit or loss	**23,462.45**	**23,238.24**	**25,098.47**
Less: Impact on fair value changes	(708.67)	(360.57)	(220.83)
Total net loans at fair value through profit or loss (ii)	**22,753.78**	**22,877.67**	**24,877.64**
Total net loans (B) = (i)+(ii)	**82,469.44**	**87,030.25**	**91,462.50**

L&T Finance Limited
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Note 6 : Loans ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(C)			
(I) Loans in India			
(i) At amortised cost			
- Public sector	43.75	81.25	118.75
- Others	63,298.44	69,145.91	71,091.08
Total gross loans at amortised cost	**63,342.19**	**69,227.16**	**71,209.83**
Less: Impairment loss allowance	(3,626.53)	(5,074.58)	(4,624.97)
Total net loans in India at amortised cost (i)	**59,715.66**	**64,152.58**	**66,584.86**
(ii) At fair value through profit or loss:			
- Public sector	-	-	-
- Others	23,462.45	23,238.24	25,098.47
Total gross loans at fair value through profit or loss	**23,462.45**	**23,238.24**	**25,098.47**
Less: Impact on fair value changes	(708.67)	(360.57)	(220.83)
Total net loans at fair value through profit or loss (ii)	**22,753.78**	**22,877.67**	**24,877.64**
Total net loans in India (C)(I) = (i)+(ii)	**82,469.44**	**87,030.25**	**91,462.50**
(II) Loans outside India			
(i) At amortised cost			
- Public sector	-	-	-
- Others	-	-	-
Total gross loans at amortised cost	**-**	**-**	**-**
Less: Impairment loss allowance	-	-	-
Total net loans outside India at amortised cost (i)	**-**	**-**	**-**
(ii) At fair value through profit or loss:			
- Public sector	-	-	-
- Others	-	-	-
Total gross loans at amortised cost	**-**	**-**	**-**
Less: Impact on fair value changes	-	-	-
Total net loans at fair value through profit or loss (ii)	**-**	**-**	**-**
Total net loans outside India (C)(II) = (i)+(ii)	**-**	**-**	**-**
Total net loans (C) = (I)+(II)	**82,469.44**	**87,030.25**	**91,462.50**

Note:

There are no loans or advances, in the natures of loans, are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013), either severally or jointly with any other person for FY 2021-22, FY 2020-21 and FY 2019-20 except the Inter company deposit given in FY 2019-20 to related party as disclosed in Note No 38 for which outstanding balance is Nil.

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
A. Investments in fully paid equity shares									
(a) Other equity shares									
(i) Quoted									
(a) Investments carried at fair value through profit or loss									
Unity Infraprojects Limited	2.00	6,94,370	-	2.00	6,94,370	0.06	2.00	6,94,370	0.01
JSW Ispat Special Product Limited (Erstwhile Monnet Ispat Special Product Limited)	10.00	5,93,420	1.91	10.00	5,93,420	1.55	10.00	5,94,412	0.55
KSK Energy Ventures Limited	10.00	1,06,88,253	-	10.00	1,06,88,253	0.59	10.00	1,06,88,253	0.37
Integrated Digital Info Services Limited	10.00	3,83,334	-	10.00	3,83,334	-	10.00	3,83,334	-
Elque Polyesters Limited	10.00	1,94,300	-	10.00	1,94,300	-	10.00	1,94,300	-
Monnet Industries Limited	10.00	4,638	-	10.00	4,638	-	10.00	5,640	-
Monnet Project Developers Limited	10.00	11,279	-	10.00	11,279	-	10.00	11,280	-
Bhushan Steel Limited	-	-	-	2.00	-	-	2.00	3,67,119	0.60
Jaihind Projects Limited	-	-	-	10.00	-	-	10.00	24,797	-
Diamond Power Infrastructure Limited	10.00	28,89,921	-	10.00	28,89,921	-	10.00	28,89,921	-
3I Infotech Limited	10.00	2,42,638	1.24	10.00	24,26,383	1.81	10.00	24,26,383	0.32
Gol Offshore Limited	10.00	1,13,44,315	-	10.00	1,13,44,315	-	10.00	1,13,44,315	-
SVOGL Oil Gas and Exploration Services Limited	10.00	34,37,172	-	10.00	34,37,172	-	10.00	34,37,172	-
Glodyne Technoserve Limited	6.00	3,19,262	-	6.00	3,19,262	-	6.00	3,19,262	-
MIC Electronics Limited	2.00	53,84,616	2.25	2.00	53,84,616	-	2.00	53,84,616	-
Usher Agro Limited	10.00	3,35,344	-	10.00	3,35,344	-	10.00	3,35,344	-
Hindusthan National Glass & Industries Ltd	-	-	-	2.00	3,76,928	1.22	2.00	4,09,674	1.13
Ballarpur Industries Limited	-	-	-	10.00	12,60,52,000	13.24	-	-	-
Dish TV India Limited	10.00	3,59,27,667	58.74	10.00	3,59,27,667	33.23	-	-	-
Zee Learn Limited	10.00	2,21,62,667	27.48	10.00	2,21,62,667	22.94	-	-	-
Zee Media Corporation Limited	10.00	2,53,98,667	42.16	10.00	2,53,98,667	16.25	-	-	-
Siti Networks Limited	10.00	5,73,83,732	16.35	10.00	5,73,83,732	4.88	-	-	-
Future Retail Limited	10.00	26,47,883	8.26	10.00	5,01,000	2.14	-	-	-
Castex Technologies Limited	2.00	7,65,241	-	-	-	-	-	-	-
(b) Investment carried at fair value through other comprehensive income									
CG Power and Industrial Solutions Limited	-	-	-	-	-	-	10.00	6,26,00,000	31.61
(ii) Unquoted									
(a) Investments carried at fair value through profit or loss									
The Kalyan Janatha Sahakari Bank Limited	10.00	20,000	0.05	10.00	20,000	0.05	10.00	20,000	0.05
The Malad Sahakari Bank Limited	10.00	100	-	10.00	100	-	10.00	100	-
Coastal Projects Limited	10.00	78,96,884	-	10.00	78,96,884	-	10.00	78,96,884	-
ICOMM Tele Limited	10.00	41,667	-	10.00	41,667	-	10.00	41,667	-
VMC Systems Limited	10.00	9,07,264	-	10.00	9,07,264	-	10.00	9,07,264	-
Hanjer Biotech Energies Private Limited	10.00	2,08,716	-	10.00	2,08,716	-	10.00	2,08,716	-
Soma Enterprises Limited	10.00	5,00,000	-	10.00	5,00,000	-	10.00	5,00,000	-
Mediciti Healthcare Services Private Limited	10.00	16,35,003	-	10.00	16,35,003	-	10.00	16,35,003	-
Tikona Infinet Limited	10.00	4,25,912	-	10.00	4,25,912	-	10.00	4,25,912	0.17
Bhoruka Power Corporation Limited	10.00	17,58,848	195.85	10.00	5,87,850	134.14	10.00	5,87,850	134.14
Bhoruka Power India Investments Private Limited	10.00	10	-	10.00	10	-	10.00	10	-
Soma Tollways Private Limited	10.00	1,92,65,780	329.10	10.00	1,92,65,780	329.10	10.00	1,92,65,780	329.10
Indian Highways Management Company Limited	10.00	15,00,000	1.73	10.00	15,00,000	1.73	10.00	15,00,000	1.73
KSK Mahanadi Power Co. Ltd.	10.00	2,63,85,109	-	10.00	2,63,85,109	-	10.00	2,63,85,109	-
NSL Sugars Limited	10.00	29,25,656	-	10.00	29,25,656	-	10.00	29,25,656	-
Athena Chattisgarh Power Limited	10.00	6,93,00,000	-	10.00	6,93,00,000	-	10.00	6,93,00,000	-
Supreme Best Value Kolhapur(Shiroli) Sangli Tollways	10.00	5,026	-	10.00	5,026	-	10.00	5,026	-
Grameen Capital India Private Limited	10.00	21,26,000	-	10.00	21,26,000	-	10.00	21,26,000	-
Alpha Micro Finance Consultants Private Limited	10.00	2,00,000	-	10.00	2,00,000	-	10.00	2,00,000	-
Metropoli Overseas Limited	10.00	99,400	-	10.00	99,400	-	10.00	99,400	-
Anil Chemicals and Industries Limited	10.00	40,000	-	10.00	40,000	-	10.00	40,000	-
Saumya Mining Limited	10.00	10,77,986	-	10.00	10,77,986	-	10.00	10,77,986	-
Ardom Telecom Private Limited	10.00	33,58,380	9.50	10.00	33,58,380	9.50	10.00	33,58,380	9.50
Total investment in equity shares (A)			**694.62**			**572.43**			**509.28**
B. Investments in debt securities									
(a) Investment carried at fair value through profit or loss									
Bhoruka Power Corporation Limited	1,00,000.00	32,500	510.10	1,00,000.00	32,500	510.10	1,00,000.00	32,500	510.10
Soma Enterprises Limited	10.00	8,07,12,081	18.40	10.00	8,07,12,081	18.52	10.00	8,07,12,081	38.56
Tikona Infinet Limited	2,840.00	5,79,772	2.58	2,840.00	5,79,772	85.58	2,840.00	5,79,772	149.58
NSL Sugars Ltd.	-	-	-	100.00	21,32,310	12.71	100.00	21,32,310	14.74
NSL Renewable Power Private Limited	-	-	-	-	-	-	20,000.00	4,811	6.67
Regen Infrastructure And Services Private Limited	10,00,000.00	701	35.75	10,00,000.00	701	74.39	10,00,000.00	701	70.14
RKV Enterprise Private Limited	1,00,000.00	5,846	24.00	1,00,000.00	5,846	24.00	1,00,000.00	5,846	70.33
(b) Investment carried at fair value through other comprehensive income									
TATA AIG General Insurance Company Limited	-	-	-	-	-	-	10,00,000.00	310	32.25
U. P. Power Corporation Limited	5,00,000.00	1,607	159.58	-	-	-	10,00,000.00	522	56.04
Cholamandlam MS General Insurance Company Limited	-	-	-	-	-	-	10,00,000.00	418	44.84
Dewan Housing Finance Corporation Limited	-	-	-	10,00,000.00	2,496	241.45	10,00,000.00	2,496	241.45
Dewan Housing Finance Corporation Limited	-	-	-	1,000.00	27,50,000	295.10	1,000.00	27,50,000	295.10
The South Indian Bank Limited	1,00,000.00	38,759	407.83	1,00,000.00	38,759	416.87	1,00,000.00	38,759	416.20
ECL Finance Limited	1,000.00	15,00,000	161.89	1,000.00	15,00,000	161.93	1,000.00	30,00,000	326.38
7.00% HDFC LTD 19/05/2022	10,00,000.00	390	415.48	-	-	-	-	-	-
8.54% BAJAJ FINANCE LTD	10,00,000.00	25	26.75	-	-	-	-	-	-
8.05% HDFC LTD 20/06/2022	10,00,000.00	25	25.20	-	-	-	-	-	-
Sundaran Finance	10,00,000.00	60	61.10	-	-	-	-	-	-
Total investment in debt securities (B)			**1,848.66**			**1,840.65**			**2,272.38**

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
C. Investments in mutual funds									
(a) Investment carried at fair value through profit or loss									
Canara Robeco Liquid fund - Direct Growth				-	-	-	1,000.00	21,004	5.02
L and T Mutual Fund	1,000.00	17,276	1.75	1,000.00	14,574	1.48	1,000.00	13,619	1.38
L&T Liquid Fund - Direct Plan-Growth	1,000.00	4,17,244	121.62	1,000.00	1,49,072	42.02	1,000.00	4,51,217	122.80
ICICI Prudential Liquid Fund - Direct Plan- Growth	100.00	47,135	1.49	100.00	8,20,848	25.02	100.00	70,90,295	208.30
SBI Liquid Fund - Direct Plan -Growth	-	-	-	1,000.00	77,645	25.02	-	-	-
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	-	-	-	100.00	7,54,504	25.01	100.00	36,08,641	115.32
Nippon India Liquid Fund - Direct Plan - Growth	-	-	-	-	-	-	1,000.00	3,11,541	151.12
IDFC Cash Fund -Direct Plan-Growth	-	-	-	-	-	-	1,000.00	2,09,158	50.24
L&T Low Duration Fund Direct Plan - Growth	-	8,74,15,476	208.58	10.00	8,74,15,476	200.06	-	-	-
L&T Money Market Fund Direct Plan - Growth	-	9,32,07,621	207.30	10.00	9,32,07,621	200.01	-	-	-
L&T Ultra Short Term Fund Direct Plan - Growth	-	6,87,16,207	250.06	-	-	-	-	-	-
Total investment in mutual funds (C)			**790.80**			**518.62**			**654.18**
D. Investments in fully paid preference shares (Unquoted)									
(a) Investment carried at fair value through profit or loss									
Grameen Capital India Private Limited	10.00	38,74,000	-	10.00	38,74,000	-	10.00	38,74,000	-
SKS Ispat Power Limited	-	-	-	-	-	-	10.00	97,73,621	3.05
3I Infotech Limited	5.00	38,96,954	-	5.00	38,96,954	0.68	5.00	38,96,954	0.68
10% SEW Vizag Coal Terminal Private Limited	10.00	47,95,256	-	10.00	47,95,256	-	10.00	47,95,256	-
Ardom Telecom Private Limited	1,00,000.00	2,150	75.48	1,00,000.00	2,150	75.48	1,00,000.00	2,150	85.48
Total investment in preference shares (D)			**75.48**			**76.16**			**89.21**
E. Investments in government securities									
(a) Investment carried at amortised cost									
12% National Saving Certificate 2002	-	-	-	-	-	-	-	-	*0.00
(b) Investment carried at fair value through profit or loss									
7.50% Government of India Stock 2034	-	-	-	-	-	-	100.00	14,000	0.14
6.13% Government of India Stock 2028	-	-	-	-	-	-	100.00	40,000	0.39
(c) Investment carried at fair value through other comprehensive income									
8.15% Govt Stock -11-06-2022	100.00	5,00,00,000	516.74	100.00	5,00,00,000	535.20	-	-	-
364 Day T-Bills 16-09-2021	-	-	-	100.00	7,50,00,000	738.57	-	-	-
364 Day T-Bill 24-03-2022	100.00	2,00,00,000	-	100.00	2,00,00,000	192.89	-	-	-
7.70% NHAI Sept 2029	10,00,000.00	5	5.21	10,00,000.00	550	59.09	-	-	-
7.70% NHAI Sept 2029	10,00,000.00	5	5.59	-	-	-	-	-	-
7.70% NHAI Sept 2029	10,00,000.00	54	58.58	-	-	-	-	-	-
8.27% NHAIMar29	10,00,000.00	15	16.87	-	-	-	-	-	-
8.36% NHAIMay29	10,00,000.00	10	10.79	-	-	-	-	-	-
6.84% Govt Stock 19-12-2022	100.00	3,00,00,000	311.00	-	-	-	-	-	-
8.20% Govt Stock 2022	100.00	4,50,00,000	-	-	-	-	-	-	-
7.37% Govt Stock 2023	100.00	50,00,000	100.85	-	-	-	-	-	-
8.08% GOI STOCK	100.00	75,00,000	77.04	-	-	-	-	-	-
5.87% GOI STOCK	100.00	1,60,00,000	162.17	-	-	-	-	-	-
7.16% GOI STOCK	100.00	95,00,000	100.04	-	-	-	-	-	-
6.30% GOI STOCK	100.00	20,00,000	20.95	-	-	-	-	-	-
182 Day T-Bills 18-08-22	100.00	35,00,000	34.49	-	-	-	-	-	-
8.50% LIC Housing Finance Ltd	10,00,000.00	100	107.24	-	-	-	-	-	-
NTPC 22	10,00,000.00	40	43.02	-	-	-	-	-	-
NBRD22	10,00,000.00	50	53.62	-	-	-	-	-	-
Total investment in government securities (E)			**1,624.20**			**1,525.75**			**0.53**
F. Investment in Commercial Papers									
(a) Investment carried at fair value through profit or loss									
HDFC LTD	10,00,000.00	515	510.36	-	-	-	-	-	-
LIC HOUSING FINANCE LIMITED	10,00,000.00	575	570.92	-	-	-	-	-	-
HDFC LTD	10,00,000.00	500	494.87	-	-	-	-	-	-
Total investment in commercial papers (F)			**1,576.15**						
G. Investment in other securities									
(a) Investment carried at fair value through profit or loss									
KKR India debt Opportunities Fund II	1,000.00	6,47,310	14.27	1,000.00	7,42,182	53.06	1,000.00	13,56,565	101.32
KKR India debt Opportunities Fund III	1,000.00	21,226	-	1,000.00	21,226	0.17	1,000.00	21,226	0.20
LICHFL Urban Development Fund	10,000.00	10,000	1.21	10,000.00	10,000	2.97	10,000.00	10,000	3.76
LICHFL Housing And Infrastructure Trust	100.00	14,53,720	15.72	100.00	5,16,000	5.16	100.00	1,16,000	1.16
(b) Investment carried at fair value through other comprehensive income									
Indinfravit Trust	100.00	1,00,000	0.91	100.00	1,00,000	0.94	100.00	1,00,000	0.94
Total investment in other securities (G)			**32.11**			**62.30**			**107.38**

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
H. Investment in pass through certificates									
(a) Investment carried at fair value through other									
Goldstein IFMR Capital	43.00	8,57,170	2.45	43.00	8,57,170	2.45	43.00	8,57,170	2.45
Smith IFMR Capital	4.00	1,20,96,782	3.29	4.00	1,20,96,782	3.29	4.00	1,20,96,782	3.30
Syme IFMR Capital	1.00	1,42,10,515	1.11	1.00	1,42,10,515	1.11	1.00	1,42,10,515	1.12
Moses IFMR Capital	1.00	22,50,000	0.22	1.00	22,50,000	0.22	1.00	22,50,000	0.22
Total investment in pass through certificate (G)			**7.07**			**7.07**			**7.09**
I. Investment in security receipts									
(a) Investment carried at fair value through profit or loss									
Phoenix ARF Scheme 6	1,000.00	-	-	1,000.00	9,843	-	1,000.00	9,843	-
Phoenix ARF Scheme 9	1.00	6,612	-	1.00	6,612	*0.00	1.00	6,612	*0.00
Phoenix ARF Scheme 11	1.00	44,208	-	1.00	44,208	*0.00	1.00	44,208	*0.00
Phoenix ARF Scheme 13	5.00	27,404	-	5.00	27,404	0.01	5.00	27,404	0.01
Phoenix ARF Scheme 14	1,000.00	34,882	-	1,000.00	34,882	0.87	1,000.00	34,882	2.62
Phoenix Trust FY19-6	649.00	12,49,500	63.10	649.00	12,49,500	81.09	899.00	12,49,500	112.33
JM Financial Asset Reconstruction Company Private Limited (Series I - JMFARC-IRIS December 2016 - Trust)	1,000.00	6,885	-	1,000.00	6,885	-	1,000.00	6,885	-
EARC Trust SC - 258 - Series I	547.16	32,30,000	-	547.16	32,30,000	1.76	551.40	32,30,000	8.90
JMFARC LTF June 2017 Trust	710.67	2,97,500	4.64	710.67	2,97,500	8.55	710.67	2,97,500	9.71
JMFARC LTF June 2017 Trust	710.67	4,80,849	14.36	710.67	4,80,849	17.95	710.67	4,80,849	17.95
Suraksha ARC - 024 Trust	1,000.00	10,87,175	108.72	1,000.00	10,87,175	108.72	1,000.00	10,87,175	108.72
Suraksha ARC - 020 Trust	768.17	8,67,000	50.60	768.17	8,67,000	50.60	768.17	8,67,000	66.60
Suraksha ARC - 020 Trust (Series - II)	888.89	1,26,310	7.75	888.89	1,26,310	7.75	888.89	1,26,310	7.75
Phoenix Trust FY 20-4	257.00	30,26,000	38.88	257.00	30,26,000	77.77	522.00	30,26,000	157.96
Omkara PS10/2019-20 Trust	1,000.00	1,72,765	3.17	1,000.00	2,16,750	10.63	1,000.00	3,48,500	23.91
EARC TRUST SC 367	985.51	1,17,30,000	1,056.66	985.51	1,17,30,000	1,151.76	999.91	1,17,30,000	1,168.68
ARCIL-CPS-062-I-Trust	1,000.00	51,85,000	388.05	1,000	51,85,000	518.51	1,000.00	51,85,000	518.51
Suraksha ARC - 037 Trust	1,000.00	11,07,125	109.47	1,000.00	11,07,125	109.47	1,000.00	11,07,125	109.47
Phoenix Trust FY 14-9	1,000.00	11,08,935	-	1,000.00	11,08,935	16.63	1,000.00	11,08,935	27.72
EARC Trust - SC 105	976.26	11,90,000	14.50	976.26	11,90,000	29.04	976.26	11,90,000	63.90
EARC Trust - SC 132	903.20	8,500	0.77	903.20	8,500	0.77	903.20	8,500	0.77
JM Financials (JMFARC) Series	680.90	26,21,651	66.44	680.90	26,21,651	89.25	710.67	26,21,651	93.16
ARCIL-AST-065-I-Trust	1,000.00	19,55,000	-	1,000.00	19,55,000	184.00	-	-	-
ARCIL-CPS-I-Trust	1,000.00	44,20,000	431.23	1,000.00	44,20,000	442.00	-	-	-
Arcil-AST- IX Trust	1,000.00	76,58,500	755.20	1,000.00	76,58,500	765.85	-	-	-
CFMARC Trust 67	1,000.00	7,22,500	36.38	1,000.00	7,22,500	42.80	-	-	-
CFMARC Trust 73	1,000.00	23,08,090	215.65	1,000.00	23,08,090	218.83	-	-	-
CFMARC Trust 74	1,000.00	11,07,210	101.98	1,000.00	11,07,210	102.82	-	-	-
CFMARC Trust 76	1,000.00	5,92,705	55.46	1,000.00	5,92,705	56.19	-	-	-
Pegasus Group Thirty Eight Trust 1	1,000.00	3,28,729	18.92	1,000.00	3,28,729	21.25	-	-	-
ARCIL-CPS-I-Trust	1,000.00	13,85,500	135.96	-	-	-	-	-	-
ACRE 109 TRUST	1,000.00	7,82,000	75.84	-	-	-	-	-	-
Phoenic Trust FY 22-7	1,000.00	31,53,500	213.86	-	-	-	-	-	-
Phoenix Trust-FY22-16	1,000.00	9,52,000	918.64	-	-	-	-	-	-
Total investment in security receipts (I)			**4,886.23**			**4,114.87**			**2,498.67**
Total investments (J)			**11,535.32**			**8,717.85**			**6,138.72**
(i) Investments outside India			-			-			-
(ii) Investments in India			11,535.32			8,717.85			6,138.72
Total Investments (II)			**11,535.32**			**8,717.85**			**6,138.72**
Investment carried at fair value through other comprehensive income			**7.07**			**401.85**			**250.59**
Net total investment (IV)= (I)-(III)			**11,528.25**			**8,316.00**			**5,888.13**

***Amount less than ₹ 1 lakh**

L&T Finance Limited
Reformatted Consolidated notes forming part of the financial statements

Note 8 : Other financials assets

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Security deposit	65.72	67.14	71.36
Other advances	10.43	0.47	3.96
Margin money deposits	7.80	1.34	0.84
Accrued interest on fixed deposit	-	0.15	0.15
Total other financials assets	**83.95**	**69.10**	**76.31**

L&T Finance Limited

Reformatted Consolidated notes forming part of the financial statements

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	For the year	Disposals	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Buildings : Owned*	0.38	-	-	0.38	0.04	0.01	-	0.05	**0.33**	**0.34**
Lease hold renovation : Owned	11.78	0.57	2.98	9.37	9.48	0.87	2.76	7.59	**1.78**	**2.30**
Plant and equipments : Lease out	2.80	-	-	2.80	2.16	-	-	2.16	**0.64**	**0.64**
Computers : Owned	40.36	-	0.07	40.29	30.51	4.66	0.03	35.14	**5.15**	**9.85**
Furniture and fixtures										
Owned	10.71	0.83	0.61	10.93	7.11	0.80	0.38	7.53	3.40	3.60
Leased out	4.74	-	-	4.74	3.94	0.12	-	4.06	0.68	0.80
Sub total - Furniture and fittings	**15.45**	**0.83**	**0.61**	**15.67**	**11.05**	**0.92**	**0.38**	**11.59**	**4.08**	**4.40**
Office equipment										
Owned	9.82	3.90	0.18	13.54	6.39	2.90	0.17	9.12	4.42	3.43
Leased out	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub total - Office equipment	**9.83**	**3.90**	**0.18**	**13.55**	**6.39**	**2.90**	**0.17**	**9.12**	**4.43**	**3.44**
Vehicles										
Owned	2.44	2.64	1.20	3.88	1.60	0.72	1.14	1.18	2.70	0.84
Leased out	1.72	-	0.79	0.93	0.97	0.17	0.51	0.63	0.30	0.75
Sub total - Vehicles	**4.16**	**2.64**	**1.99**	**4.81**	**2.57**	**0.89**	**1.65**	**1.81**	**3.00**	**1.59**
Total	**84.76**	**7.94**	**5.83**	**86.87**	**62.20**	**10.25**	**4.99**	**67.46**	**19.41**	**22.56**

Note:

*The title deed of the immovable property acquired under the scheme of amalgamation, is held in the name of erstwhile L&T Finance Limited which was merged with the Company with effect from 01 April, 2016, also the title deed holder is not a promoter, director or related party of the company.

L&T Finance Limited

Reformatted Consolidated notes forming part of the financial statements

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	For the year	Disposals	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Buildings : Owned	0.38	-	-	0.38	0.03	0.01	-	0.04	**0.34**	**0.35**
Lease hold renovation : Owned	11.78	-	-	11.78	8.23	1.25	-	9.48	**2.30**	**3.55**
Plant and equipments : Lease out	6.70	-	3.90	2.80	3.73	0.22	1.79	2.16	**0.64**	**2.97**
Computers : Owned	40.11	0.25	-	40.36	22.78	7.73	-	30.51	**9.85**	**17.33**
Furniture and fixtures										
Owned	10.39	0.68	0.36	10.71	6.48	0.84	0.21	7.11	3.60	3.91
Leased out	4.74	-	-	4.74	3.56	0.38	-	3.94	0.80	1.18
Sub total - Furniture and fittings	**15.13**	**0.68**	**0.36**	**15.45**	**10.04**	**1.22**	**0.21**	**11.05**	**4.40**	**5.09**
Office equipment										
Owned	8.56	1.36	0.10	9.82	5.02	1.46	0.09	6.39	3.43	3.54
Leased out	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub total - Office equipment	**8.57**	**1.36**	**0.10**	**9.83**	**5.02**	**1.46**	**0.09**	**6.39**	**3.44**	**3.55**
Vehicles										
Owned	2.28	0.56	0.40	2.44	1.14	0.56	0.10	1.60	0.84	1.14
Leased out	4.37	-	2.65	1.72	2.04	0.42	1.49	0.97	0.75	2.33
Sub total - Vehicles	**6.65**	**0.56**	**3.05**	**4.16**	**3.18**	**0.98**	**1.59**	**2.57**	**1.59**	**3.47**
Total	**89.32**	**2.85**	**7.41**	**84.76**	**53.01**	**12.87**	**3.68**	**62.20**	**22.56**	**36.31**

Note:

*The title deed of the immovable property acquired under the scheme of amalgamation, is held in the name of erstwhile L&T Finance Limited which was merged with the Company with effect from 01 April, 2016, also the title deed holder is not a promoter, director or related party of the company.

L&T Finance Limited

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Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	For the year	Disposals	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Buildings : Owned	0.38	-	-	0.38	0.02	0.01	-	0.03	**0.35**	**0.36**
Lease hold renovation : Owned	14.82	0.61	3.65	11.78	8.87	2.74	3.38	8.23	**3.55**	**5.95**
Plant and equipments : Lease out	11.84	-	5.14	6.70	4.92	1.58	2.77	3.73	**2.97**	**6.92**
Computers : Owned	33.79	6.32	-	40.11	13.16	9.62	-	22.78	**17.33**	**20.63**
Furniture and fixtures										
Owned	8.67	1.73	0.01	10.39	4.66	1.83	0.01	6.48	3.91	4.01
Leased out	4.74	-	-	4.74	3.00	0.56	-	3.56	1.18	1.74
Sub total - Furniture and fittings	**13.41**	**1.73**	**0.01**	**15.13**	**7.66**	**2.39**	**0.01**	**10.04**	**5.09**	**5.75**
Office equipment										
Owned	6.26	2.51	0.21	8.56	3.30	1.86	0.14	5.02	3.54	2.96
Leased out	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub total - Office equipment	**6.27**	**2.51**	**0.21**	**8.57**	**3.30**	**1.86**	**0.14**	**5.02**	**3.55**	**2.97**
Vehicles										
Owned	2.01	0.67	0.40	2.28	0.83	0.52	0.21	1.14	1.14	1.18
Leased out	11.06	-	6.69	4.37	3.88	1.34	3.18	2.04	2.33	7.18
Sub total - Vehicles	**13.07**	**0.67**	**7.09**	**6.65**	**4.71**	**1.86**	**3.39**	**3.18**	**3.47**	**8.36**
Total	**93.58**	**11.84**	**16.10**	**89.32**	**42.64**	**20.06**	**9.69**	**53.01**	**36.31**	**50.94**

Note:

*The title deed of the immovable property acquired under the scheme of amalgamation, is held in the name of erstwhile L&T Finance Limited which was merged with the Company with effect from 01 April, 2016, also the title deed holder is not a promoter, director or related party of the company.

Note 10 : Other intangible assets, Goodwill and Intangible assets under development

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	For the year	Disposals	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Other intangible assets										
Specialised software	242.84	71.93	-	314.77	131.90	66.85	-	198.75	116.02	110.94
Distribution and customer network rights	438.80	-	-	438.80	438.80	-	-	438.80	-	-
(a) Total other intangible assets	**681.64**	**71.93**	**-**	**753.57**	**570.70**	**66.85**	**-**	**637.55**	**116.02**	**110.94**
(b) Goodwill	**2,828.51**	**-**	**-**	**2,828.51**	**2,828.51**	**-**	**-**	**2,828.51**	**-**	**-**
(c) Intangible assets under development									**21.81**	**23.84**

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	For the year	Disposals	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Other intangible assets										
Specialised software	151.92	90.92	-	242.84	82.10	49.80	-	131.90	110.94	69.82
Distribution and customer network rights	438.80	-	-	438.80	351.04	87.76	-	438.80	-	87.76
(a) Total other intangible assets	**590.72**	**90.92**	**-**	**681.64**	**433.14**	**137.56**	**-**	**570.70**	**110.94**	**157.58**
(b) Goodwill	**2,828.51**	**-**	**-**	**2,828.51**	**2,262.81**	**565.70**	**-**	**2,828.51**	**-**	**565.70**
(c) Intangible assets under development									**23.84**	**62.00**

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	For the year	Disposals	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Other intangible assets										
Specialised software	107.17	44.75	-	151.92	54.77	27.33	-	82.10	69.82	52.40
Distribution and customer network rights	438.80	-	-	438.80	263.28	87.76	-	351.04	87.76	175.52
(a) Total other intangible assets	**545.97**	**44.75**	**-**	**590.72**	**318.05**	**115.09**	**-**	**433.14**	**157.58**	**227.92**
(b) Goodwill	**2,828.51**	**-**	**-**	**2,828.51**	**1,697.10**	**565.71**	**-**	**2,262.81**	**565.70**	**1,131.41**
(c) Intangible assets under development									**62.00**	**38.65**

(c) Intangible assets under development

(i) Schdedule of ageing of Intangible assets under development as at March 31, 2022*

₹ in crore

Particulars	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	21.81	-	-	-	21.81
Projects temporarily suspended	-	-	-	-	-
Total	**21.81**	**-**	**-**	**-**	**21.81**

(ii) Schdedule of ageing of Intangible assets under development as at March 31, 2021*

₹ in crore

Intangible assets under development	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.89	18.95	-	-	23.84
Projects temporarily suspended	-	-	-	-	-
Total	**4.89**	**18.95**	**-**	**-**	**23.84**

(iii) Schdedule of ageing of Intangible assets under development as at March 31, 2020*

₹ in crore

Intangible assets under development	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	41.12	20.88	-	-	62.00
Projects temporarily suspended	-	-	-	-	-
Total	**41.12**	**20.88**	**-**	**-**	**62.00**

* Above Intangible asset under development is not overdue or has not exceeded its cost compared to its original plan.

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Note 11 : Other non-financials assets ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	26.57	72.77	61.52
Advances to others	27.82	31.74	13.65
Amount paid under protest	52.72	53.19	42.78
Capital advances	0.92	2.66	9.68
Assets acquired in settlement of claims	569.68	791.03	183.63
Total other non-financials Assets	**677.71**	**951.39**	**311.26**

Note 12 : Payables ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(i) Trade payables			
Micro enterprises and small enterprises	0.19	-	-
Due to others	380.83	347.15	171.89
Due to related parties (refer note: 38)	45.06	22.06	52.32
Total trade payables (i)	**426.08**	**369.21**	**224.21**
(ii) Other payables			
Micro enterprises and small enterprises	-	-	-
Due to others	6.49	5.07	0.80
Due to related parties (refer note: 38)	-	-	0.03
Total other payables (i+ii)	**6.49**	**5.07**	**0.83**
Total payables	**432.57**	**374.28**	**225.04**

Note 12(iii) -Trade Payables aging schedule

₹ in crore

Particulars	Outstanding as on 31st March 2022 *					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	0.19	-	-	-	**0.19**
(ii) Others	2.07	62.68	-	-	-	**64.75**
(iii) Disputed Dues - MSME	-	-	-	-	-	**-**
(iv) Disputed Dues - Others	-	-	-	-	-	**-**
(v) Bill Raised But not paid	-	16.15	-	-	-	**16.15**
(vi) Undue Bills	344.99	-	-	-	-	**344.99**
Total	**347.06**	**79.02**	**-**	**-**	**-**	**426.08**

₹ in crore

Particulars	Outstanding as on 31st March 2021 *					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	**-**
(ii) Others	1.48	32.13	-	-	-	**33.61**
(iii) Disputed Dues - MSME	-	-	-	-	-	**-**
(iv) Disputed Dues - Others	-	-	-	-	-	**-**
(v) Bill Raised But not paid	-	22.82	-	-	-	**22.82**
(vi) Undue Bills	312.78	-	-	-	-	**312.78**
Total	**314.25**	**54.95**	**-**	**-**	**-**	**369.21**

₹ in crore

Particulars	Outstanding as on 31st March 2020 *					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	**-**
(ii) Others	-	62.96	-	-	-	**62.96**
(iii) Disputed Dues - MSME	-	-	-	-	-	**-**
(iv) Disputed Dues - Others	-	-	-	-	-	**-**
(v) Bill Raised But not paid	-	18.84	-	-	-	**18.84**
(vi) Undue Bills	142.41	-	-	-	-	**142.41**
Total	**142.41**	**81.80**	**-**	**-**	**-**	**224.21**

*** The above ageing is preapared on the basis of date of transaction**

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Note 13 : Debt securities ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(A)			
(i) At amortised cost			
- Redeemable non convertible debentures	35,856.09	39,524.80	38,741.53
- Commercial papers (net)	6,338.01	5,849.68	3,788.10
Total debt securities (A)	**42,194.10**	**45,374.48**	**42,529.63**
(B)			
(I) Debt securities in India			
(i) At amortised cost	42,194.10	45,374.48	42,529.63
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total debt securities in India (I = i+ii+iii)	**42,194.10**	**45,374.48**	**42,529.63**
(II) Debt securities outside India			
(i) At amortised cost	-	-	-
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total debt securities in outside India (II = i+ii+iii)	**-**	**-**	**-**
Total debt securities (B) = (I)+(II)	**42,194.10**	**45,374.48**	**42,529.63**
(C)			
(i) At amortised cost			
- Secured	35,856.09	39,524.80	38,741.53
- Unsecured	6,338.01	5,849.68	3,788.10
Total debt securities (C)	**42,194.10**	**45,374.48**	**42,529.63**

Note 14 : Borrowings (other than debt securities) ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(A)			
(i) At amortised cost			
(a) Term loans			
(i) from banks	13,597.77	17,126.81	22,496.35
(ii) from financial institutions	5,148.83	1,691.78	2,586.06
(b) Term loans from bank - FCNR	-	99.81	-
(c) External commercial borrowings	4,121.00	3,989.00	3,340.82
(d) Loan from related parties	1,037.59	1,075.53	817.36
(e) Loan repayable on demand			
(i) from banks	16,451.21	14,675.18	16,094.77
Total borrowings (other than debt securities) (A)	**40,356.40**	**38,658.11**	**45,335.36**

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Note 14 : Borrowings (other than debt securities) ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(B)			
(I) Borrowings (other than debt securities) in India			
(i) At amortised cost	36,235.40	34,669.11	41,994.54
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total borrowings (other than debt securities) in India (I = i+ii+iii)	**36,235.40**	**34,669.11**	**41,994.54**
(II) Borrowings (other than debt securities) outside India			
(i) At amortised Cost	4,121.00	3,989.00	3,340.82
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total borrowings (other than debt securities) in outside India (II = i+ii+iii)	**4,121.00**	**3,989.00**	**3,340.82**
Total borrowings (other than debt securities) (B) = (I)+(II)	**40,356.40**	**38,658.11**	**45,335.36**
(C)			
(i) At amortised cost			
- Secured	34,863.99	33,395.67	39,365.75
- Unsecured	5,492.41	5,262.44	5,969.61
Total borrowings (other than debt securities) (C)	**40,356.40**	**38,658.11**	**45,335.36**

Note 15 : Subordinated liabilities ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(A)			
(i) At amortised cost			
(a) Perpetual debt Instruments to the extent that do not qualify as equity	404.39	609.71	609.28
(b) Subordinate debt Instruments	2,893.20	2,891.88	2,694.64
(c) Preference Shares other than those that qualify as equity	285.91	322.68	356.17
Total subordinated liabilities (A) = (i)+(ii)+(iii)	**3,583.50**	**3,824.27**	**3,660.09**
(B)			
(I) Subordinated liabilities in India			
(i) At amortised cost	3,583.50	3,824.27	3,660.09
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total subordinated liabilities in India (I = i+ii+iii)	**3,583.50**	**3,824.27**	**3,660.09**
(II) Subordinated liabilities outside India			
(i) At amortised cost	-	-	-
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total subordinated liabilities in outside India (II = i+ii+iii)	**-**	**-**	**-**
Total subordinated liabilities (B) = (I)+(II)	**3,583.50**	**3,824.27**	**3,660.09**
(C)			
(i) At amortised cost			
- Secured	-	-	-
- Unsecured	3,583.50	3,824.27	3,660.09
Total borrowings (other than debt securities) (C)	**3,583.50**	**3,824.27**	**3,660.09**

Note 16 : Other financial liabilities

₹ in crore

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Security deposit and margin money received	10.10	10.10	12.28
Unclaimed principle and interest on infrastructure bonds	367.46	244.66	17.99
Liability for capital goods	-	-	0.12
Bank book credit balance	-	33.45	6.80
Liability for expenses	199.09	163.42	72.12
Short term obligation	9.62	13.07	9.32
Other payables	77.67	95.14	116.27
Total other financial liabilities	**663.94**	**559.84**	**234.90**

Note 17 : Provisions

₹ in crore

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Provision for employee benefits			
Compensated absences	18.30	17.92	21.16
Gratuity (refer note 39)	8.48	9.65	12.12
Total provisions	**26.78**	**27.57**	**33.28**

Note 18 : Other non-financial liabilities

₹ in crore

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Statutory dues payable	53.47	40.59	5.70
Total other non-financial liabilities	**53.47**	**40.59**	**5.70**

Note 19: Equity share capital

(a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in crore	No. of shares	₹ in crore	No. of shares	₹ in crore
Authorised						
Equity shares of ₹10 each	4,87,43,09,610	4,874.31	4,87,43,09,610	4,874.31	4,87,43,09,610	4,874.31
Preference shares of ₹ 100 each	12,00,000	12.00	12,00,000	12.00	12,00,000	12.00
Issued, subscribed and paid up						
Equity shares of ₹ 10 each fully paid up	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17
		2,684.17		**2,684.17**		**2,684.17**

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in crore	No. of shares	₹ in crore	No. of shares	₹ in crore
At the beginning of the year	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17	1,59,91,38,199	1,599.14
Add: Issue of equity shares on account of merger* (Refer note : 43)	-	-	-	-	1,08,50,34,161	1,085.03
At the end of the year	**2,68,41,72,360**	**2,684.17**	**2,68,41,72,360**	**2,684.17**	**2,68,41,72,360**	**2,684.17**

***Note: Shares pending issuance as on March 31, 2021 which have been subsequently issued at the meeting of the Board of Directors held on April 12, 2021.**

(c) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
	No. of shares	No. of shares	No. of shares
Fully paid up pursuant to contract(s) without payment being received in cash	2,32,07,71,845	2,32,07,71,845	2,32,07,71,845

(d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Members of the Company holding equity shares capital therein have a right to vote, on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid up equity capital of the Company held by the shareholders. The Company declares dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. The company has not declared any dividend in FY 2021-22 ,FY 2020 -21 and declared dividend of ₹ 221.11 crore in FY 2019-20.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shares held by Promoters

Particulars	No. of shares		No. of shares		No. of shares	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
L&T Finance Holdings Limited (Holding company) directly or through it's beneficiary nominee (Equity shares of ₹ 10 each fully paid up)	2,68,41,72,360	100%	2,68,41,72,360	100%	2,68,41,72,360	100%

There is no change in equity shares holding during the year by Promoters

(f) Shares held by holding company:

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in crore	No. of shares	₹ in crore	No. of shares	₹ in crore
L&T Finance Holdings Limited (Holding company) directly or through it's beneficially nominee (Equity shares of ₹ 10 each fully paid up)	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17

(g) Shareholder holding more than 5% of equity shares as at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
L&T Finance Holdings Limited (Holding company) directly or through it's beneficially nominee (Equity shares of ₹ 10 each fully paid up)	2,68,41,72,360	100%	2,68,41,72,360	100%	2,68,41,72,360	100%

Note 20 : Other equity

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Capital redemption reserve	36.30	3.20	3.20
Debenture redemption reserve[1]	213.11	213.11	319.21
Securities premium[2]	10,800.89	10,800.89	10,858.78
Capital reserve[3]	585.64	585.64	585.64
General reserve[4]	130.43	130.43	132.25
Reserve u/s 45 IC of Reserve Bank of India Act, 1934[5]	1,462.22	1,462.22	1,449.30
Reserve u/s 29C of National Housing Bank,1987[6]	27.42	27.42	27.42
Reserve u/s 36(1)(viii) of Income tax Act, 1961[7]	866.50	911.35	803.43
Amalgamation adjustment account[8]	(463.30)	(463.30)	(463.30)
Retained earnings[9]	743.12	(84.01)	(81.45)
Change in fair value of debt instruments classified at fair value through other comprehensive income (refer note 1.7)	8.95	(12.89)	(0.47)
Change in fair value of equity instruments measured at fair value through other comprehensive income (refer note 1.7)	-	-	(56.16)
Cash flow hedging reserve (refer note 1.12)	(62.43)	(101.74)	(99.54)
Impairment reserve	23.42	23.42	11.47
Total other equity	**14,372.27**	**13,495.74**	**13,489.78**

Notes:

1. Debenture redemption reserve (DRR): The Ministry of Corporate Affairs vide notification dated August 16, 2019, amended the Companies (Share capital and Debenture) Rules, 2014 by which the Company is no longer required to create DRR towards the debentures issued. Earlier to this amendment, the Company was required to maintain a DRR of 25% of the value of debentures issued, either by a public issue or on a private placement basis and the amounts credited to the DRR was not to be utilised by the Company except to redeem debentures. The above amount represents the DRR created out of profits of the Company prior to the said notification.

2. Securities premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

3. Capital reserve: It represents the gains of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the Company for business amalgamation transactions(Refer note 43).

4. General Reserve: The Companies (Transfer of Profits to Reserves) Rules, 1975 read with Section 205(2A) of the Companies Act, 1956, prohibited declaration of dividend for any financial year out of profits of the company for that year except after the transfer of a specified percentage of the profits not exceeding 10%, to its reserves. Amounts were transferred to General Reserve to comply with these provisions. The Companies Act, 2013, does not mandate such a transfer.General reserve is a free reserve available to the Company.

5. Reserve u/s 45 IC of Reserve Bank of India Act, 1934: The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.

6. Reserve u/s 29C of National Housing Bank, 1987: Upon amalgamation of the erstwhile L&T Housing Finance Limited (the "Transferor Companies") with L&T Finance Limited (the "Transferee Company"), the statutory reserves (i.e. Reserve under section 29C of National Housing Bank, 1987) of the Transferor Companies is also transfer to the Transferee Company.

7. Reserve u/s 36(1)(viii) of Income tax Act, 1961: In respect of any special reserve created and maintained by a specified entity, an amount not exceeding twenty percent of the profits derived from eligible business computed under the head "Profits and gains of business or profession" (before making any deduction under this clause) carried to such reserve account.

8. Amalgamation Adjustment Account: Upon amalgamation of the erstwhile L&T Finance Limited and the erstwhile L&T Fincorp Limited (the "Transferor Companies") with Family Credit Limited (the "Transferee Company" which was renamed as L&T Finance Limited") the statutory reserves (i.e. Debenture Redemption Reserve, Reserve under section 45 IC of the Reserve Bank of India Act, 1934 and Reserve under section 36(1)(viii) of the Income tax Act, 1961) of the Transferor Companies as on April 01, 2016 (the Appointed Date") with a corresponding debit to Amalgamation Adjustment Account. As the corresponding statutory reserve unwind, the Amalgamation Adjustment Account is also reversed.

9. Retained earnings: Retained earnings represent the amount of accumulated earnings of the Company.

10. The movement of other equity is given in the "Statement of Changes in Equity".

Note 21 : Interest Income

₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
(i) On financial assets measured at amortised cost			
- Interest on loans	8,772.10	9,728.08	9,667.66
- Interest income from investments	-	12.53	58.66
- Interest on deposits with banks	117.91	170.84	68.26
- Other interest income	0.09	0.23	1.90
Total interest income on financial assets measured at amortised cost (i)	**8,890.10**	**9,911.68**	**9,796.48**
(ii) On financial assets measured at fair value through other comprehensive income			
- Interest income from investments	156.08	85.65	112.10
Total interest income on financial assets measured at fair value through other comprehensive income (ii)	**156.08**	**85.65**	**112.10**
(iii) On financial assets classified at fair value through profit or loss			
- Interest on loans	2,627.79	3,101.69	3,325.53
- Interest income from investments	2.11	1.29	19.99
- Interest on deposits with bank	4.25	-	-
Total interest income on financial assets classified at fair value through profit or loss (iii)	**2,634.15**	**3,102.98**	**3,345.52**
Total interest income (i+ii+iii)	**11,680.33**	**13,100.31**	**13,254.10**

Note 22 : Dividend Income

₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Dividend income on mutual fund	0.04	0.04	0.08
Dividend income on equity shares	0.14	-	0.03
Dividend income on preference shares	-	-	0.01
Total dividend income	**0.18**	**0.04**	**0.12**

Note 23 : Rental income

₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Lease rental income	1.73	4.52	9.04
Total rental income	**1.73**	**4.52**	**9.04**

Note 24 : Fees and commission income

₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Consultancy fees and financial advisory fee	11.70	37.74	224.75
Other Charges and Commission	86.39	105.15	156.66
Total fees and commission income	**98.09**	**142.89**	**381.41**

Note 25 : Net gain on fair value changes

₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
(A) Net gain/(loss) on financial instruments classified at fair value through profit or loss			
On trading portfolio			
- Gain on sale of investments	7.71	8.19	16.12
- Fair value changes on investments	(0.91)	(3.31)	3.97
Total net gain on fair value changes (A)	**6.80**	**4.88**	**20.09**
(B) Fair value changes:			
-Realised	7.97	8.19	16.12
-Unrealised	(1.17)	(3.31)	3.97
Total net gain on fair value changes (B)	**6.80**	**4.88**	**20.09**

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Note 26 : Net gain on derecognition of financial instruments under amortised cost category ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Loss on sell down on loan assets	-	2.11	-
Total Net gain on derecognition of financial instruments under amortised cost category	**-**	**2.11**	**-**

Note 27 : Other income ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Income on cross sell	371.66	300.99	275.89
Other income	16.53	42.71	19.55
Total other income	**388.19**	**343.70**	**295.44**

Note 28 : Finance costs ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
On financial liabilities measured at amortised cost			
Interest on debt securities	3,424.70	3,643.84	3,690.69
Interest on borrowings	1,947.59	3,031.05	3,339.00
Interest on subordinated liabilities	335.44	342.14	323.63
Other interest expense	20.23	45.79	27.32
Total finance costs	**5,727.96**	**7,062.82**	**7,380.64**

Note 29 : Fees and commission expenses ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Advisory fees	1.06	1.08	7.27
Total fees and commission expenses	**1.06**	**1.08**	**7.27**

Note 30 : Net loss on fair value changes ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
(A) Net (gain)/loss on financial instruments classified at fair value through profit or loss			
On trading portfolio			
- (Gain)/loss on sale of investments	1.14	(11.79)	(106.51)
- (Gain)/loss on sale of loan assets	(0.77)	19.03	(1.35)
- Fair value changes on loan assets	348.10	139.74	93.31
- Fair value changes on investments	272.35	267.73	189.59
(B) Net gain on disposal of financial instruments classified at fair value through other comprehensive income			
- (Gain)/loss on sale of Investments	467.53	0.59	(130.46)
- Derivatives	0.85	5.32	-
Total net loss on fair value changes (A+B)	**1,089.20**	**420.62**	**44.58**
(C) Fair value changes:			
-Realised	467.90	7.83	(238.32)
-Unrealised	621.30	412.79	282.90
Total net loss on fair value changes (C)	**1,089.20**	**420.62**	**44.58**

L&T Finance Limited
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Note 31 : Net loss on derecognition of financial instruments under amortised cost category ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Loss on foreclosure and writeoff of loan	3,836.45	2,626.54	2,002.77
Less: Provision held reversed on derecognition of financial instruments	(3,551.44)	(2,389.29)	(1,729.76)
Total net loss on derecognition of financial instruments under amortised cost category	**285.01**	**237.25**	**273.01**

Note 32 : Impairment on financial instruments - ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
(a) On Financial instruments measured at fair value through other comprehensive income:			
- Investments	(394.77)	151.26	250.59
Total impairment on financial instruments on financial instruments measured at fair value through other comprehensive income (a)	**(394.77)**	**151.26**	**250.59**
(b) On financial instruments measured at amortised cost:			
- Loans	2,103.39	2,838.91	1,730.48
- Trade receivables	-	(16.41)	13.10
Total impairment on financial instruments on financial instruments measured at at amortised cost (b)	**2,103.39**	**2,822.50**	**1,743.58**
Total impairment on financial instruments (a+b)	**1,708.62**	**2,973.76**	**1,994.17**

Note 33 : Employee benefits expenses ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Salaries	950.18	797.84	770.80
Contribution provident and pension fund (refer note: 39)	38.92	34.52	32.88
Contribution to gratuity fund (refer note: 39)	9.34	9.25	5.75
Share based payments to employees	15.21	43.76	63.04
Staff welfare expenses	62.14	33.02	37.14
Total employee benefits expenses	**1,075.79**	**918.39**	**909.61**

Note 34 : Depreciation, amortization and impairment ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on property, plant and equipment (refer note: 9)	10.24	12.87	20.06
Depreciation on Right of use assets (refer note : 40)	18.71	10.38	9.81
Amortisation of Goodwill (refer note: 10)	-	565.70	565.71
Amortisation of Intangible assets (refer note: 10)	66.86	137.56	115.09
Total depreciation, amortization and impairment	**95.81**	**726.51**	**710.67**

Note 35 : Other expenses

₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Rent	49.93	55.06	57.33
Rates and taxes	1.53	1.45	1.84
Repairs and maintenance	78.05	74.16	82.45
Advertisement and publicity	3.08	2.87	17.43
Printing and stationery	6.15	7.02	15.91
Telephone and postage	7.38	6.39	9.77
Directors sitting fees	0.55	0.51	0.75
Auditor’s remuneration (refer footnote)	1.71	2.40	2.47
Legal and professional charges	394.74	219.54	170.47
Insurance	3.87	4.72	7.97
Electricity charges	4.79	4.82	5.59
Travelling and conveyance	21.49	14.91	33.96
Stamping charges	0.76	13.78	1.95
Collection charges	435.70	302.90	214.43
Guarantee fees	1.24	1.31	1.37
Loan processing charges	8.42	7.58	21.13
Corporate social responsibility expenses	8.84	15.07	23.53
Donation	-	-	21.23
Corporate support charges	15.61	23.08	29.03
Bank charges	11.21	17.51	39.56
Non executive directors remunerations	1.06	0.96	1.71
Loss on sale of property, plant and equipment (net)	0.03	0.53	2.68
Brand license fees	44.82	3.64	52.31
Miscellaneous expenses	4.22	3.87	3.40
Total administration and other expenses	**1,105.18**	**784.08**	**818.27**
footnote: Auditor’s remuneration comprises the following*			
Statutory audit fees	0.63	0.77	0.91
Limited review fees	0.69	0.61	0.65
Tax audit Fees	0.11	0.07	0.13
Certification and other service	0.06	0.76	0.46
Expenses reimbursed	0.01	0.03	0.07
GST/Service tax (net of input credit)	0.21	0.16	0.25
	1.71	**2.40**	**2.47**

*** Note: Auditors remuneration for FY 2020-21 & FY 2019-20 includes fees paid to respective auditors of amalgamating company's.**

Note 36 : The list of subsidiaries included in the consolidated financial statement are as under:

Sr. No.	Name of subsidiaries	Country of Incorporation	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
			Proportion of ownership interest (%)	Proportion of voting power held (%)	Proportion of ownership interest (%)	Proportion of voting power held (%)	Proportion of ownership interest (%)	Proportion of voting power held (%)
	Subsidiaries							
1	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	India	76.64%	76.64%	76.64%	76.64%	76.64%	76.64%
2	L&T Infra Investment Partners Advisory Private Limited	India	100%	100%	100%	100%	100%	100%
3	L&T Infra Investment Partners Trustee Private Limited	India	100%	100%	100%	100%	100%	100%
4	L&T Infra Investment Partners Fund	India	54.91%	54.91%	54.92%	54.92%	54.92%	54.92%

footnc Refer note 43

L&T Finance Limited

Notes forming part of the reformatted consolidated financial statements

Note 37 : Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended March 31, 2022

₹ in crore

Name of the entity		Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated total comprehensive income	Amount
Parent									
L&T Finance Limited	**(A)**	96.69%	16,491.23	99.20%	807.98	98.95%	62.02	99.18%	870.00
Subsidiaries									
Indian									
L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)		7.86%	1,340.38	0.50%	4.11	1.05%	0.66	0.54%	4.77
L&T Infra Investment Partners fund		2.34%	398.81	-5.69%	(46.32)	-	-	-5.28%	(46.32)
L&T Infra Investment Partners Advisory Private Limited		0.13%	21.52	0.44%	3.58	-	-	0.41%	3.58
L&T infra Investment Partners Trustee Private Limited		0.00%	0.08	0.00%	0.01	-	-	0.00%	0.01
Total Subsidiaries	**(B)**		**1,760.79**		**(38.62)**		**0.66**		**(37.96)**
Non-controlling interests in subsidiaries	**(C)**	-2.89%	(492.94)	2.43%	19.77	0.00%	-	2.25%	19.77
Consolidation adjustment and elimination	**(D)**	-4.12%	(702.64)	3.11%	25.35	0.00%	-	2.89%	25.35
Total	**(A+B+C+D)**	**100.00%**	**17,056.44**	**100.00%**	**814.48**	**100.00%**	**62.68**	**100.00%**	**877.16**

Note 38 : Disclosure pursuant to Ind AS 24 "Related Party Disclosures"

(a) List of Related Parties (with whom transactions were carried out during current or previous year)

		21-22	20-21	19-20
A. Ultimate Holding Company				
1. Larsen & Toubro Limited		✓	✓	✓
B. Holding Company				
2. L&T Finance Holdings Limited		✓	✓	✓
C. Fellow Subsidiary Companies				
3. Larsen & Toubro Infotech Limited		✓	✓	✓
4. L&T Investment Management Limited		✓	✓	✓
5. L&T Financial Consultants Limited		✓	✓	✓
6. Larsen & Toubro Electromech LLC		✓	✓	
7. L&T Hydrocarbon Engineering Limited		✓	✓	
8. L&T Capital Company Limited				✓
9. L&T Capital Markets Limited (up to April 24, 2020)				✓
D. Key Management Personnel				
10. Mr. Dinanath Dubhashi				
11. Mr. Sachinn Joshi	*(Appointed as Whole Time Director with effect from October 8, 2021)*	✓		
12. Mr. Sunil Prabhune	*(Ceased as Whole Time Director from August 12,2021)*	✓	✓	✓
13. Mr. P. V. Bhide	*(Reappointed as an Independent Director from March 18, 2022)*	✓	✓	✓
14. Dr (Mrs). Rajni R Gupte		✓	✓	✓
15. Mr. Rishi Mandawat	*(Appointed as Director with effect from April 28, 2019)*	✓	✓	✓
16. Mr. Thomas Mathew T.	*(Appointed as Director with effect from April 12, 2021)*	✓	✓	✓
17. Mrs. Nishi Vasudev	*(Appointed as Director with effect from April 12, 2021)*	✓	✓	✓
18. Mr. Ashish Kotecha	*(Ceased to be a Director with effect from April 28, 2019)*			

(b) Disclosure of related party transactions :

Sr. No.	Nature of transaction[1]	2021-22	2020-21	2019-20
1	**Inter corporate deposits borrowed**			
	Larsen & Tourbo Limited	-	-	1,000.00
	L&T Finance Holdings Limited	2,060.86	8,165.70	16,005.17
	L&T Investment Management Limited	451.29	643.46	2,054.13
	L&T Capital Company Limited	-	-	1.20
	L&T Capital Markets Limited	-	-	61.90
2	**Inter corporate deposits repaid**			
	Larsen & Tourbo Limited	-	-	1,000.00
	L&T Finance Holdings Limited	2,115.66	7,880.53	15,383.21
	L&T Investment Management Limited	451.29	671.26	2,026.33
	L&T Capital Company Limited	-	-	4.35
	L&T Capital Markets Limited	-	-	61.90
3	**Interest expense on inter corporate deposits**			
	Larsen & Tourbo Limited	-	-	16.81
	L&T Finance Holdings Limited	47.67	43.18	53.29
	L&T Investment Management Limited	12.53	10.52	14.28
	L&T Capital Company Limited	-	-	0.13
	L&T Capital Markets Limited	-	-	0.06
4	**Inter corporate deposits given**			
	L&T Financial Consultants Limited	-	-	361.64
5	**Inter corporate deposits received back**			
	L&T Financial Consultants Limited	-	-	361.64
6	**Advisory fees received from**			
	L&T Financial Consultants Limited	-	-	0.97

(b) Disclosure of related party transactions :

Sr. No.	Nature of transaction[1]	2021-22	2020-21	2020-21
7	**Corporate support charges paid to**			
	L&T Finance Holdings Limited	13.85	17.09	25.03
	Larsen & Toubro Limited	0.01	0.01	0.00
8	**Rent and maintenance cost paid to**			
	L&T Financial Consultants Limited	43.13	43.99	44.03
	L&T Investment Management Limited	0.08	0.34	0.44
	Larsen & Toubro Limited	0.11	-	-
9	**Rent and maintenance cost recovered from**			
	L&T Investment Management Limited	2.80	3.08	2.29
	L&T Capital Markets Limited	-	-	0.56
10	**Professional Charges paid to**			
	Larsen & Toubro Limited	4.46	-	-
11	**IT/Professional fees paid to**			
	Larsen & Toubro Limited	1.26	5.89	5.90
	Larsen & Toubro Infotech Limited	1.01	1.05	4.09
12	**Brand license fees paid to**			
	Larsen & Toubro Limited	42.29	3.44	49.35
13	**Employee stock option cost paid to**			
	L&T Finance Holdings Limited	15.21	43.76	63.04
14	**Equity capital infused (including securities premium)**			
	L&T Finance Holdings Limited	-	-	1,000.00
15	**Corporate support charges recovered**			
	Larsen & Toubro Limited	1.26	-	-
	L&T Investment Management Limited	13.51	12.25	-
16	**Expenses recovered from**			
	Larsen & Toubro Limited	-	0.44	-
17	**Security Deposit Paid**			
	L&T Financial Consultants Limited	0.28	0.66	1.78
18	**Security Deposit Received**			
	L&T Financial Consultants Limited	0.47	3.79	-
19	**Interest on security deposit**			
	L&T Financial Consultants Limited	-	-	0.03
20	**Interest on non convertible debenture (Borrowings)**			
	Larsen & Toubro Limited	128.33	113.69	6.15
21	**Interim dividend**			
	L&T Finance Holdings Limited	-	-	221.11
22	**Limit Creation Fees (NCD)**			
	Larsen & Toubro Limited	-	11.54	-
23	**Subscription in Non-Convertible Debentures (NCD)**			
	Larsen & Toubro Limited	-	2,445.00	-
24	**Other expenses paid to**			
	Larsen & Toubro Limited	0.02	0.02	0.03
	L&T Financial Consultants Limited	0.39	0.31	0.35
25	**Commission & brokerage paid to**			
	L&T Capital Market Limited	-	-	0.65

26 Compensation Paid to Key Managerial Personnel[2]

Name of Key Management Personnel	2021-22				2020-21				2019-20			
	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total
Mr. Sachinn Joshi	1.34	-	-	1.34	-	-	-	-	-	-	-	-
Mr. Sunil Prabhune	3.67	-	-	3.67	4.45	-	-	4.45	3.82	-	0.13	3.95
Mr. P. V. Bhide	0.24	-	-	0.24	0.31	-	-	0.31	0.36	-	-	0.36
Dr (Mrs). Rajni R Gupte	0.28	-	-	0.28	0.36	-	-	0.36	0.34	-	-	0.34
Mr. Rishi Mandawat	0.17	-	-	0.17	0.31	-	-	0.31	0.33	-	-	0.33
Mr. Thomas Mathew T.	0.37	-	-	0.37	0.28	-	-	0.28	0.34	-	-	0.34
Ms Nishi Vasudeva	0.42	-	-	0.42	0.35	-	-	0.35	0.37	-	-	0.37

footnote: Compensation paid to Key Managerial Personnels of erstwhile L&T Infrastructure Finance Company Limited ₹ 2.98 crore for FY 2020-21 and ₹ 3.56 crore in FY 2019-20 and erstwhile L&T Housing Finance Limited ₹ 3.30 crore for FY 2020-21 ₹ 2.61 crore in FY 2019-20 are not included in previous period numbers in above table.

(c) Amount due to/from related parties:

S. No.	Nature of transactions	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	**Inter corporate borrowings**			
	L&T Finance Holdings Limited	1,018.21	1,073.01	787.84
	L&T Investment Management Limited	-	-	27.80
2	**Interest accrued on inter corporate borrowings**			
	L&T Finance Holdings Limited	19.38	2.52	1.71
	L&T Investment Management Limited	-	-	0.01
3	**Non convertible debenture (Borrowings)**			
	Larsen & Toubro Limited	1,025.38	2,015.38	40.45
4	**Interest accrued on non convertible debenture (Borrowings)**			
	Larsen & Toubro Limited	39.66	76.73	0.81
5	**Rent deposit**			
	L&T Financial Consultants Limited	17.52	17.70	15.80
6	**Account payable**			
	Larsen & Toubro Limited	0.08	-	-
	L&T Finance Holdings Limited	-	18.15	-
	L&T Financial Consultants Limited	-	-	0.03
	Larsen & Toubro Electromech LLC	0.01	0.01	0.01
	L&T Hydrocarbon Engineering Limited	0.02	0.02	0.02
	Larsen & Toubro Infotech Limited	0.15	0.27	-
7	**Account receivable**			
	Larsen & Toubro Limited	1.14	9.45	3.44
	L&T Finance Holdings Limited	7.18	-	7.47
	L&T Investment Management Limited	0.01	-	0.03
	L&T Financial Consultants Limited	-	0.13	0.05
8	**Security deposit payable**			
	L&T Investment Management Limited	-	-	0.22
9	**Brand license fees payable**			
	Larsen & Tourbo Limited	44.79	3.61	52.29

Notes:

1 Transactions shown above are excluding GST, if any.

2 Managerial Remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the company as a whole and includes and director sitting fees.

3 The above NCD balance includes purchase and sale from secondary market and are held by related party as on reporting dates.

Note 39 : Disclosure pursuant to Ind AS 19 “Employee benefits”

(i) Defined contribution plans

The Group recognised charges of ₹ 38.92 crore (FY 2020-21: ₹ 34.52 crore and FY 2019-20 is ₹ 32.88 crore) for provident fund contribution, Employee State Insurance Scheme and Superannuation fund in the Consolidated Statement of Profit and Loss.

(ii) Defined benefits gratuity Plan

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(a) The amounts recognised in Balance Sheet:

₹ in crore

	Particulars	Gratuity Plan		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
A)	Present value of defined benefit obligation			
	- Wholly funded	39.30	33.23	25.86
	- Wholly unfunded	0.72	0.73	1.05
		40.02	**33.96**	**26.91**
	Less : Fair value of plan assets	(31.54)	(24.31)	(14.79)
	Add : Amount not recognised as an asset (limit in para 64(b) of IndAS 19)	-	-	-
	Amount to be recognised as liability or (asset)	**8.48**	**9.65**	**12.12**
B)	Amounts reflected in Balance Sheet			
	Liabilities	8.48	9.65	12.12
	Assets	-	-	-
	Net liability/(asset)	**8.48**	**9.65**	**12.12**

(b) The amounts recognised in the Statement of Profit and Loss:

₹ in crore

	Particulars	Gratuity Plan		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Current service cost	9.34	9.25	5.75
2	Interest cost (net of interest income on plan asset)	0.56	0.59	0.24
3	Actuarial losses/(gains) - others	(2.72)	(1.53)	4.19
4	Actuarial (gains)/losses arising from changes in experience adjustments	1.08	-	-
5	Actuarial losses/(gains) - difference between actuarial return on plan assets and interest income	(0.40)	0.19	0.72
Total		**7.86**	**8.50**	**10.90**
i	Amount included in "employee benefits expenses"	9.34	9.25	5.75
ii	Amount included in as part of "finance cost"	0.56	0.59	0.24
iii	Amount included as part of "other comprehensive income"	(2.04)	(1.34)	4.91
Total		**7.86**	**8.50**	**10.90**

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance:

₹ in crore

Particulars	Gratuity Plan		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening balance of the present value of defined benefit obligation	33.96	26.91	16.86
Add : Current service cost	9.34	9.25	5.75
Add : Interest cost	1.52	1.43	1.10
Add : Acturial losses/(gains)			
i) Acturial (gains)/losses arising from changes in financial assumptions	(2.69)	1.51	1.79
ii) Acturial (gains)/losses arising from changes in demographic assumptions	-	(1.02)	-
iii) Acturial (gains)/losses arising from changes in experience adjustments	1.05	(2.01)	2.41
Less : Benefits paid	(3.83)	(1.89)	(1.82)
Add : Liability assumed/(settled)*	0.67	(0.22)	0.82
Closing balance of the present value of defined benefit obligation	**40.02**	**33.96**	**26.91**

*On account of business combination or intra group transfer

Note 39 : Disclosure pursuant to Ind AS 19 “Employee benefits”

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances:

₹ in crore

Particulars	Gratuity Plan As at March 31, 2022	Gratuity Plan As at March 31, 2021	Gratuity Plan As at March 31, 2020
Opening balance of the fair value of the plan assets	24.31	14.79	11.70
Add : interest income of plan assets	0.96	0.84	0.84
Add/(less) : Acturial gains/(losses)	0.40	(0.19)	(0.71)
Add : Contribution by the employer	9.69	10.76	4.78
Less : Benefits paid	(3.83)	(1.89)	(1.82)
Closing balance of plan assets	**31.53**	**24.31**	**14.79**

(e) The fair value of major categories of plan assets:

₹ in crore

	Particulars	Gratuity Plan As at March 31, 2022	Gratuity Plan As at March 31, 2021	Gratuity Plan As at March 31, 2020
1	Government of India securities	1.38	1.99	1.99
2	Insurer managed funds (unquoted)	23.29	17.74	7.29
3	Others debt instruments	1.55	1.89	2.55
4	Others (unquoted)	5.32	2.69	2.96
Total plan assets		**31.54**	**24.31**	**14.79**

(f) Principal acturial assumptions at the valuation date:

	Particulars	Gratuity Plan As at March 31, 2022	Gratuity Plan As at March 31, 2021	Gratuity Plan As at March 31, 2020
(i)	Discount rate (per annum)	5.80% to 5.90%	4.65% to 5.20%	5.60% to 6.85%
(ii)	Salary escalation rate (per annum)	9.00%	9.00%	9.00%

(A) Discount rate:

Discount rate based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

(B) Salary escalation rate:

The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

(C) Attrition Rate:

The attrition rate varies from 6% to 31% (FY 2020-21: 0% to 33% and FY 2019-20: 0% to 25%) for various age groups.

(D) Mortality:

Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

(g) Sensitivity analysis

One percentage point change in actuarial assumption would have the following effects on the defined benefit obligation:

₹ in crore

	Particulars	Gratuity Plan					
		Effect of 1% increase			Effect of 1% decrease		
		2021-22	2020-21	2019-20	2021-22	2020-21	2019-20
1	Impact of change in discount rate	(1.94)	(1.83)	(1.49)	2.14	2.03	1.66
2	Impact of change in salary escalation rate	2.05	1.93	1.59	(1.91)	(1.78)	(1.46)

Note 39 : Disclosure pursuant to Ind AS 19 “Employee benefits”

(iii) Defined benefits provident fund plan:

In respect of the contribution by the employer and employee to the provident fund trust constituted by the ultimate parent company, in terms of the guidance note issued by the Institute of Acturial of India for the measurement of provident fund liabilities, the actuary engaged by the Group has provided the following information in this regards.

(a) The amounts recognised in Balance Sheet:

₹ in crore

Particulars	Provident Fund Plan		
	As at March 31, 2022	**As at March 31, 2021**	**As at March 31, 2020**
A) Present value of defined benefit obligations			
- Wholly funded	15.15	14.60	14.32
- Wholly unfunded	-	-	-
	15.15	**14.60**	**14.32**
Assets accquired on acquistion	-	-	-
Less: Fair value of plan assets	(16.30)	(15.95)	(15.18)
Amount to be recognised as liability or (assets)	(1.15)	(1.35)	(0.86)
B) Amount reflected in Balance sheet			
Liabilities	-	-	-
Assets	(1.15)	(1.35)	(0.86)
Net liability/(assets)	**(1.15)**	**(1.35)**	**(0.86)**

(b) The amounts recognised in the Statement of Profit and Loss:

₹ in crore

Particulars	Provident Fund Plan		
	As at March 31, 2022	**As at March 31, 2021**	**As at March 31, 2020**
Current service cost	-	-	-
Interest cost	1.20	1.18	1.25
Interest Income on Plan Assets	-	-	-
Expected return on plan assets	(1.20)	(1.18)	(1.25)
Acturial losses/(gain)	(0.58)	(0.47)	(0.76)
Acturial losses/(gain) not recognised in books (limit in para 64(b) of IndAS 19)	0.58	0.47	0.76
Total	**-**	**-**	**-**
Amount included in "Employee benefits expenses"	-	-	-
Amount included in as part of "Finance cost"	-	-	-
Amount included as part of "Other comprehensive income"	-	-	-
Total	-	-	-

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances:

₹ in crore

Particulars	Provident Fund Plan		
	As at March 31, 2022	**As at March 31, 2021**	**As at March 31, 2020**
Opening balance of the present value of defined benefit obligation	14.60	14.32	15.72
Add: Assets accquired on acquistion	-	-	-
Add: Current service cost	-	-	-
Add: Interest cost	1.20	1.18	1.25
Add : Actuarial (gains)/losses			
i) Actuarial (gains)/losses arising from changes in financial assumptions	-	-	-
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	-
iii) Actuarial (gains)/losses arising from changes in experience adjustments	-	-	-
Less: Benefits paid	(1.76)	(0.91)	(2.65)
Add: Contribution by the employer	0.77	(0.02)	-
Add: Liability assumed/(settled)	0.34	0.03	-
Closing balance of the present value of defined benefit obligation	**15.15**	**14.60**	**14.32**

Note 39 : Disclosure pursuant to Ind AS 19 "Employee benefits"

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances:

₹ in crore

Particulars	Provident Fund Plan		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening fair value of the plan assets	15.95	15.18	15.82
Add: Assets accquired on acquistion	-	-	-
Add: Interest income of plan assets	1.20	1.18	1.25
Add/(less): Acturial gains/(losses)	0.58	0.47	0.76
Add: Contribution by the employer	-	-	-
Add/(less): Contribtuion by plan participants	-	-	-
Less: Benefits paid	(1.76)	(0.91)	(2.65)
Add: Assets acquired/(settled)	0.34	0.03	-
Closing fair value of the plan assets	**16.31**	**15.95**	**15.18**

(e) The fair value of major categories of plan assets:

₹ in crore

Particulars	Provident Fund Plan		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Government of india securities	7.38	7.23	7.12
Corporate bonds	4.97	4.69	4.38
Special deposit scheme	0.54	0.59	0.65
Public sector unit bond	1.69	2.01	2.44
Others (unquoted)	1.73	1.43	0.59
Total plan assets	**16.31**	**15.95**	**15.18**

(f) Principal actuarial assumptions at the valuation date:

Particulars	Provident Fund Plan		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Discount rate for the term of the obligation	7.05%	6.44%	5.60%
Average historic yield on the investment portfolio	8.64%	8.85%	8.81%
Discount rate for the remaining term to maturity of the investment portfolio	6.85%	6.60%	6.60%
Future derived return on assets	8.84%	8.69%	7.81%
Guaranteed rate of return	8.10%	8.25%	8.25%

(a) Discount rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the valuation date for the estimated term of the obligations.

(b) Average historic yield on the investment portfolio:

The average rate of return earned on the investment portfolio of provident fund in the previous three years.

(c) Expected investment return:

Expected investment return is determined by adding the yield spread to the discount rate for a term of the obligation, where yield spread is the difference between the average historic yield on the investment portfolio & discount rate for the remaining term to maturity of the investment portfolio.

(d) Guaranteed rate of return:

The Regional Provident Fund Commissioner has not yet declared the interest rate for its own subscribers for the current financial year 2021-2022, 2020-21 & 2019-20. However, in view of the fall in equity values as at 31 March 2022 and fall in the returns on fixed income instruments, we are of the view that going forward the future guaranteed rate is unlikely to be in excess of 8.10% p.a.

(iv) Characteristics of defined benefit plans

(a) Gratuity plan

The Group operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable compared to the obligation under the Payment of Gratuity Act, 1972.

(b) Provident fund plan

One of the subsidiary's provident fund scheme are defined contribution plan for its employees and for a certain categories of employees made to a trust viz. The Larsen & Toubro Officers & Supervisory Staff Provident Fund constituted by the ultimate parent company, which is permitted under The employee's Provident Funds and Miscellaneous Provisions Act, 1952. The Contribution by the employer and employee together with interest accumulated there on are payable to the employee at the time of separation from company or retirement whichever is earlier. The benefit vests immediately on rendering of services by the employee.

Note: 40 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 -Leases

Transition Disclosure :
Reconcilation of operating lease commitments as at March 31, 2019 (under Ind AS 17) to the opening lease liability as at April 1, 2019 (under Ind AS 116)

₹ in crore

Particulars	April 1, 2019		
	Total Impact	External Impact	Within Group
Opening retained earning impact as on April 1, 2019			
Lease liability on transition date (A)	28.09	28.09	-
Right-of-Use assets as on transition date (net off accumulated depreciation)	25.12	25.12	-
Gross impact	**(2.97)**	**(2.97)**	-
Deferred tax	(0.75)	(0.75)	-
Opening retained earning impact (Net)	**(2.22)**	**(2.22)**	-
Profit & loss charge for existing leases			
As per Ind AS 17 (old standard)	9.71	9.71	-
Interest expense - As per Ind AS 116	2.49	2.49	-
Depreciation - As per Ind AS 116	7.80	7.80	-
Profit before tax Impact	**(0.58)**	**(0.58)**	-
Reconciliation of operating lease commitments as at March 31, 2019 with lease liability as on April 1, 2019			
1. Existing Operating lease rental commitment (Present value for outstanding lease term for existing operating lease)	3.71	2.37	1.34
2. Lease commitments pertaining to short term leases	-	-	-
3. Lease commitments pertaining to low value leases	(2.66)	(1.32)	(1.34)
4. Impact of discounting of lease payments under Ind AS 116	(4.63)	(4.63)	-
5. Extension and termination options reasonably certain to be exercised	28.82	28.82	-
6. Commitments relating to leases previously classified as finance leases	-	-	-
Lease liability on transition date (1 + 2 + 3 + 4 + 5 + 6) (B)	25.24	25.24	-

Note : Transition disclosure is only applicable for FY 2019-20 as it was applicable with effect from 1st April 2019

I) Group as Lessee

a) Operating Lease

i) The group has taken various assets on lease such as, plant and machinery, buildings, office premises, vehicles.Generally, leases are renewed only on mutual consent and at a prevalent market price.

ii) Details with respect to right of use assets:-

₹ in crore

Class of Assets	Opening balance	Addition during the year	Derecognize during the year	Depreciation for the year	Closing balance
As at March 2022	29.79	21.28	4.08	14.63	32.36
As at March 2021	32.54	11.04	3.41	10.38	29.79
As at March 2020	25.12	17.23	-	9.81	32.54

iii) Details with respect to lease liabilities

₹ in crore

Particulars	2021-22	2020-21	2019-20
Opening Lease liability	34.05	36.34	28.08
Add: Additions during the year	21.28	11.04	17.23
Add: Interest accrued during the year	5.69	3.05	3.12
Less: Interest paid during the year	(5.69)	(3.05)	(3.12)
Less: Sale off	0.00	(3.72)	-
Less: Principal Repayment during the year	(19.80)	(9.61)	(8.97)
Closing Lease liability	**35.53**	**34.05**	**36.34**

iv) Interest expense on lease liabilities for F.Y 21-22 is ₹ (5.29) crore and for F.Y 20-21 & F.Y. 19-20 is ₹ 3.05 crores & ₹ 3.12 crores respectively.

v) Expense relating to leases for which underlying asset is of low value for F.Y 21-22 is ₹6.16 crore and for F.Y 20-21 & F.Y. 19-20 is ₹ 22.17 crore & 14.01 crores respectively.

vi) Expense related to short-term leases for F.Y 21-22 is ₹ 43.50 crore and For F.Y 20-21 & F.Y. 19-20 is ₹ 34.26 crore & ₹ 29.23 crores respectively.

vii) Expense related to variable lease payments for F.Y 21-22 is Nil and for F.Y 20-21 & F.Y. 19-20 is also Nil

viii) Income from sub-leasing of right of use assets for F.Y 21-22 is ₹ 1.70 crore and for F.Y 20-21 & F.Y. 19-20 is ₹ 3.02 crore & ₹ 6.20 crores repectively

b) Finance Lease : Not Applicable

II) Group as Lessor

a) Finance Lease

i) The Group has given on finance leases certain items of plant and equipment. The leases have a primary period that is fixed and noncancellable and a secondary period. There are no exceptional/restrictive covenants in the lease agreement.There are no significant risks associated with rights that the Group retains in underlying assets.

Note: 40 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 -Leases

ii) Maturity analysis of minimum undiscounted lease receivables and the present value of minimum lease payments receivable is as under:

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Receivable not later than 1 year	4.85	20.70	25.42
Receivable later than 1 year but not later than 2 years	0.01	4.85	20.70
Receivable later than 2 year but not later than 3 years	-	0.01	4.85
Receivable later than 3 year but not later than 4 years	-	-	0.01
Receivable later than 4 year but not later than 5 years	-	-	-
Receivable later than 5 years	-	-	-
Gross investment in lease	**4.86**	**25.56**	**50.98**
Less: Unearned finance income	0.23	2.05	6.26
Present value of minimum lease payment receivable	**4.63**	**23.51**	**44.72**

iii) Finance lease income on net investment in lease recognised in statement of Profit & loss during the financial year 21-22 is ₹ 1.50 crore and for 2020-21 & F.Y. 19-20 is ₹ 3.84 crore & ₹ 6.47 crores respectively

iv) Finance lease income relating to variable lease payments not depending on index/rate - NIL

v) Changes in carrying amount of net investment in finance lease

₹ in crore

Particulars	Current	Non Current	Total
Opening value of Lease Receivables as on April 1, 2019	29.20	50.98	80.18
Add: Finance lease income recognised in P&L	6.47	-	6.47
Less: Lease rental received (cash payment)	(35.67)	-	(35.67)
Add/Less: Change on account of any other factors	25.42	(25.42)	-
Opening value of Lease Receivables as on April 1, 2020	**25.42**	**25.56**	**50.98**
Add: Finance lease income recognised in P&L	3.84	-	3.84
Less: Lease rental received (cash payment)	(29.26)	-	(29.26)
Add/Less: Change on account of any other factors	20.70	(20.70)	-
Opening value of Lease Receivables as on April 1, 2021	**20.70**	**4.86**	**25.56**
Add: Finance lease income recognised in P&L	1.50	-	1.50
Less: Lease rental received (cash payment)	(22.20)	-	(22.20)
Add/Less: Change on account of any other factors	4.85	(4.85)	-
Closing value of Lease Receivables as on March 31, 2022	**4.85**	**0.01**	**4.86**

b) Operating Lease :

i) The Group has given certain assets under operating lease. There are no significant risks associated with rights that the Group retains in underlying assets. Leases are renewed only on mutual consent and at a prevalent market price.

ii) Maturity analysis of undiscontinued lease receivables:

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Receivable not later than 1 year	0.16	0.46	1.42
Receivable later than 1 year but not later than 2 years	-	0.23	0.46
Receivable later than 2 year but not later than 3 years	-	-	0.23
Receivable later than 3 year but not later than 4 years	-	-	-
Receivable later than 4 year but not later than 5 years	-	-	-
Receivable later than 5 years	-	-	-
Total	**0.16**	**0.69**	**2.11**

iii) Lease income recognised in Profit & Loss account (Other than variable lease payment) for F.Y. 21-22 is ₹ 0.23 crore and for F.Y.- 20-21 & F.Y. 19-20 is ₹ 0.68 crore & ₹ 2.57 crores respectively

iv) Lease income relating to variable lease payments not depending on index/rate : Nil

Note 41 : Basic and Diluted Earnings per share [EPS] computed in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings per Share'':

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Basic Earning Per Share				
Profit after tax (₹ in crore)	A	814.48	53.65	867.45
Weighted average number of equity shares outstanding (Nos.)	B	2,684,172,360	2,684,172,360	2,684,172,360
Basic earning per share (₹)	A/B	3.03	0.20	3.23
Diluted Earning Per Share				
Profit after tax (₹ in crore)	A	814.48	53.65	867.45
Weighted average number of equity shares outstanding (Nos.)	B	2,684,172,360	2,684,172,360	2,684,172,360
Diluted Earning Per Share (₹)	A/B	3.03	0.20	3.23
Face value of shares (₹)		10.00	10.00	10.00

L&T Finance Limited
Notes forming part of the reformatted consolidated financial statements

Note 42 : Contingent liabilities and commitments

₹ in crore

S. No	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
	Contingent liabilities			
1	Claims against the Group not acknowledged as debt;*			
	(i) Income tax matter in dispute	13.35	8.66	8.66
	(ii) Service tax/Sales tax/VAT matters in dispute	525.03	516.18	499.27
	(iii) Legal matters in dispute	1.46	2.17	2.28
2	Bank guarantees	125.29	181.54	253.99
3	Other money for which the Group is contingently liable; letter of credit/letter of comfort	403.88	158.62	2,004.22
	Commitments			
1	Estimated amount of contracts remaining to be executed on capital account and not provided for**	16.42	11.22	93.76
2	Other Undrawn/Undisbursed commitments	1,026.95	1,010.35	1,364.53

* In respect of disputes, the Group is hopeful of succeeding in appeals and does not expect any significant liabilities to materialise.

** Figures reported above are excluding GST

Note: 43

A Amalgamation of L&T Infrastructure Finance Company Limited (“LTIFC”) and L&T Housing Finance Limited (“LTHF”) with the Company during previous F.Y. 2020-21

1 L&T Infrastructure Finance Company Limited (“LTIFC”), L&T Housing Finance Limited (“LTHF”) and the Company, wholly owned subsidiaries of L&T Finance Holdings Limited ("LTFH") wherein "LTHF" is HFC registered with NHB and "LTIFC" and the Company are NBFCs registered with RBI within the L&T Financial Services Group ("LTFS/Group). In order to consolidate the business of the lending entities for creation of a single larger unified entity , it was proposed that LTIFC and LTHF to be amalgamated with the Company. Amalgamation will lead to consolidation and help synergise integration of the businesses of transferor companies and the transferee company to enable better operational management, greater focus and simplification of group corporate structure.

The Board of directors of LTIFC, LTHF and the Company had approved the scheme of amalgamation by way of merger by absorption (“Scheme”) of "LTIFC" and "LTHF" (together referred as Transferor Company) with the Company (Transferee Company) on March 20, 2020 effective from April 01, 2020 (Appointed date). Pursuant to receipt of necessary orders from National Company Law Tribunal (NCLT), Mumbai and Kolkata, sanctioning the scheme of amalgamation by way of merger by absorption of LTHF and LTIFC with the Company, under Sections 230 to 232 of the Companies Act, 2013, the Scheme became effective on April 12, 2021. On and from the Appointed Date, i.e., April 1, 2020, the Company has accounted for amalgamation as a common control business combination in accordance with Appendix C of the Indian Accounting Standard (Ind AS) 103 - "Business Combinations”.

The figures for the previous financial year represent the figures of the Amalgamated Company from appointed date April 01, 2020. The financial statement of the amalgamating entities for the respective previous year were audited by the previous statutory auditors and are recasted to represent the financial statement of the amalgamated entity in accordance with Indian Accounting Standard 103.

2 The purchase consideration of ₹1,085.03 crore for acquisition of Transferor Company was settled by Transferee Company through issue of 108,50,34,161 (One hundered eight crores fifty lakhs thirty four thousand one hundred sixty one) equity shares of ₹10 each to the shareholder of LTIFC and LTHF as on the record date as stated in the Scheme as per following share exchange ratio.

a) 201 equity shares of face value of ₹10 each for every 100 equity shares of face value of ₹10 each held in L&T Housing Finance Limited pre merger

b) 50 equity shares of face value of ₹10 each for every 100 equity shares of face value of ₹10 each held in L&T Infrastructure Finance Company Limited pre merger

The amalgamation has been accounted as a common control business combination in accordance with the accounting prescribed under "pooling of interest" method in Appendix C of the Indian Accounting Standard (Ind AS) 103 - "Business Combinations” and as per the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these financial statements and all assets, liabilities and reserves and income and expenditure of the Transferor Company stand transferred to and vested in the Transferee Company.

Consequent to the Scheme becoming effective, Assets net of liabilities and reserves of Transferor Company amounting to ₹1,670.67 crore as on the Appointed Date have been transferred to the Transferee Company at their respective carrying value. The balance amount of ₹585.64 crore has been credited in Capital Reserve on amalgamation.

Break down of the purchase consideration into net value of assets, liabilities and reserve transfer and capital reserve is as under:

₹ in Crore

Particulars	LTIFC	LTHF	Total
I. Consideration paid for acquisition	**752.65**	**332.38**	**1,085.03**
II. Assets,Liabilities and Reserves transferred			
a. Assets acquired on appointed date	31,656.55	15,067.80	46,724.35
b. Liabilities transferred on appointed date	26,446.16	13,546.09	39,992.25
c. Reserves transferred on appointed date	3,705.09	1,356.34	5,061.43
Net Value (a-b-c)	**1,505.30**	**165.37**	**1,670.67**
III. Capital Reserve (II -I)	**752.65**	**(167.01)**	**585.64**

Note 44 : Disclosure pursuant to Ind AS 1 and Ind AS 107 "Maturity analysis of assets and liabilities"

₹ in crore

S. No	Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	ASSETS:									
(1)	**Financial assets**									
(a)	Cash and cash equivalents	4,768.99	-	4,768.99	5,547.83	-	5,547.83	5,595.83	-	5,595.83
(b)	Bank balance other than (a) above	3,024.02	0.21	3,024.23	1,418.93	30.36	1,449.29	2,194.45	7.95	2,202.40
(c)	Derivative financial instruments	145.48	58.56	204.04	(6.02)	38.62	32.60	-	155.06	155.06
(d)	Receivables	-	-							-
	(I) Trade receivables	14.56	-	14.56	23.00	-	23.00	46.92	-	46.92
	(II) Other receivables	54.93	-	54.93	65.64	-	65.64	26.65	-	26.65
(e)	Loans	41,987.29	40,482.15	82,469.44	41,270.01	45,760.24	87,030.25	41,540.70	49,921.80	91,462.50
(f)	Investments	5,311.28	6,216.97	11,528.25	2,694.83	5,621.17	8,316.00	1,595.42	4,292.71	5,888.13
(g)	Other financial assets	82.78	1.17	83.95	58.62	10.48	69.10	52.34	23.97	76.31
(2)	**Non-financial assets**									
(a)	Current tax asset (net)	-	655.04	655.04	-	592.24	592.24	-	783.12	783.12
(b)	Deferred tax assets (net)	-	1,409.53	1,409.53	-	1,584.36	1,584.36	-	1,417.74	1,417.74
(c)	Property, plant and equipment	-	19.41	19.41	-	22.56	22.56	-	36.31	36.31
(d)	Intangible assets under development	0.02	21.79	21.81	-	23.84	23.84	-	62.00	62.00
(e)	Goodwill on consolidation	-	-	-	-	-	-	-	565.70	565.70
(f)	Other intangible assets	-	116.02	116.02	-	110.94	110.94	-	157.58	157.58
(g)	Right of use asset	-	32.36	32.36	-	29.79	29.79	-	32.54	32.54
(h)	Other non-financial assets	54.06	623.65	677.71	112.48	838.91	951.39	91.88	219.38	311.26
	Total Assets	**55,443.41**	**49,636.86**	**105,080.27**	**51,185.32**	**54,663.51**	**105,848.83**	**51,144.19**	**57,675.86**	**108,820.05**
	LIABILITIES*									
(1)	**Financial Liabilities**									
(a)	Trade payables									
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	426.08	-	426.08	369.21	-	369.21	224.21	-	224.21
(b)	Other payables									-
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	6.49	-	6.49	5.07	-	5.07	0.83	-	0.83
(c)	Debt securities	19,699.80	22,494.30	42,194.10	15,456.74	29,917.74	45,374.48	14,502.59	28,027.04	42,529.63
(d)	Borrowings (other than debt securities)	26,701.20	13,655.20	40,356.40	21,339.21	17,318.90	38,658.11	19,574.90	25,760.46	45,335.36
(e)	Subordinated liabilities	668.82	2,914.68	3,583.50	400.99	3,423.28	3,824.27	190.41	3,469.68	3,660.09
(f)	Lease liability	13.18	22.35	35.53	9.90	24.15	34.05	9.93	26.41	36.34
(g)	Other financial liabilities	663.93	0.01	663.94	503.70	56.13	559.83	166.12	68.78	234.90
(2)	**Non-Financial Liabilities**									
(a)	Current tax liability (net)	184.32	-	184.32	266.37	-	266.37	99.26	-	99.26
(b)	Provisions	26.15	0.63	26.78	27.01	0.56	27.57	33.28	-	33.28
(c)	Deferred tax liabilities (net)	-	0.28	0.28	0.20	-	0.20	-	-	-
(d)	Other non-financial liabilities	53.47	-	53.47	40.59	-	40.59	5.70	-	5.70
	Total liabilities	**48,443.44**	**39,087.45**	**87,530.89**	**38,418.99**	**50,740.76**	**89,159.75**	**34,807.23**	**57,352.37**	**92,159.60**

Note 45: Disclosure pursuant to Ind AS 7 “Statement of Cash Flows” - Changes in liabilities arising from financing activities:

₹ in crore

Particulars	April 1, 2021	Cash flows	Others	March 31, 2022
Debt securities	45,374.48	(2,748.20)	(432.18)	42,194.10
Borrowings (other than debt securities)	38,658.11	2,033.12	(334.83)	40,356.40
Subordinated liabilities	3,824.27	(233.10)	(7.67)	3,583.50
Total	**87,856.86**	**(948.18)**	**(774.68)**	**86,134.00**

₹ in crore

Particulars	April 1, 2020	Cash flows	Others	March 31, 2021
Debt securities	42,529.63	3,052.73	(207.88)	45,374.48
Borrowings (other than debt securities)	45,335.36	(6,582.67)	(94.58)	38,658.11
Subordinated liabilities	3,660.09	152.90	11.28	3,824.27
Total	**91,525.08**	**(3,377.04)**	**(291.18)**	**87,856.86**

₹ in crore

Particulars	April 1, 2019	Cash flows	Others	March 31, 2020
Debt securities	50,105.82	(7,800.33)	224.14	42,529.63
Borrowings (other than debt securities)	35,946.27	9,165.74	223.35	45,335.36
Subordinated liabilities	3,421.22	240.81	(1.94)	3,660.09
Total	**89,473.31**	**1,606.22**	**445.55**	**91,525.08**

Footnote: Others include mainly amortisation of Issue issue cost and changes in accrued interest.

Note 46 : Risk Management:

Basis

Great importance is attached to the identification, measurement and control of risks. All employees of the group are responsible for the management of risk, with the ultimate accountability residing with the Board of Directors. The Board of Directors and its Risk Management Committee ensure that Management takes into consideration all the relevant risk factors which could lead to unexpected fluctuations in results or to a loss of capital employed. Recommendations for risk control measures are derived from the evaluation of the risk factors. Certain risks are also recognised as opportunities. The aim in such cases is to achieve an appropriate balance between the possible losses which might result and the potential gains. Risks which primarily represent loss potential are minimised. This helps in aligning the risk appetite to the Group's strategy to deliver sustainable, long term returns to its investors.

The risks are reviewed periodically every quarter.

Types of risk

As a lending non-banking financial Group, the most important risks it is faced with are the following:

- Credit risk
- Market risk
- Capital risk

Credit risk

Credit risk is the risk of suffering financial loss, should any of the Group's customers or counterparties fail to fulfil their contractual obligations to the Group.

Credit risk arises mainly from wholesale and retail loans and advances and loan commitments arising from such lending activities; but could also arise from credit enhancement provided, such as financial guarantees and letters of credit. The Group is also exposed to other credit risks arising from investments in debt securities and exposures arising from its trading activities ("Trading Exposures") as well as settlement balances with market counterparties.

Credit risk is the single largest risk for the Group's business. Management therefore carefully manages its exposure to credit risk. A centralised risk management function oversees the risk management framework, which periodically presents an overview of credit risk of portfolio to the Risk Management Committee.

Credit worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Group is exposed to from time to time. Internal credit rating is used as an important tool to manage exposures of the Wholesale segment. Ratings provides a consistent and common scale for measurement of components of credit risk of a loan asset including the Probability of Default (PD) across products and sectors. Credit rating model takes into account critical success parameters relevant for each industry, competitive forces within the industry as well as regulatory issues while capturing financial parameters, management strengths, project parameters etc. of the borrower. These ratings are reviewed at least once annually.

Loans and advances (including loan commitments and guarantees)

The estimation of risk of credit exposures is complex, as the same varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring and of the associated loss ratios. The Group measures credit risk for each class of loan assets using inputs such as Probability of Default (PD) and Loss Given Default (LGD). This is similar to the approach used for the purposes of measuring Expected Credit Loss (ECL) under Ind AS 109.

Wholesale and retail portfolios are managed separately to reflect the differing nature of the assets; wholesale balances tend to be larger and are managed on an individual basis, while retail balances are greater in number but lesser in value and are, therefore, managed in aggregated segments.

Infrastructure Finance and Housing Real Estate

The Group uses internal credit risk grading (17 levels for loans which are not credit impaired and 1 level for loans considered to be credit impaired) that reflect its assessment of the PD of individual counterparties in respect of its Wholesale segment. The Group use internal rating models tailored to the various categories of counterparties. Borrower and loan specific information collected at the time of application (such as turnover and industry type for wholesale exposures) and judgement based on market intelligence on the sector or the specific borrower is used in assigning the rating. The Group's own internal ratings were benchmarked against the cumulative default rates for 1 year and 3-year periods sourced from CRISIL for Stage 1 and Stage 2 loan assets.

The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between a AAA and A- rating grade is lower than the difference in the PD between a BBB and B- rating grade.

Management also assesses the impact of economic developments in key markets on specific customers, customer segments or portfolios. If changes in credit conditions are foreseen, mitigation action, including the revision of risk appetites or limits and tenors, as appropriate are taken.

Retail (Farm Equipment Finance, Two-Wheeler Loans, Micro Loans and Others) and Housing (Home Loans and Loans Against Property)

The Group has deployed standardised credit decision rules, as approved by the designated officials for the specific product. The rules are regularly monitored to ensure that the changes in the economic environment have been factored into the credit decision rules.

Trading Exposures

For debt securities in the trading portfolio, external rating agency credit grades and internal rating are used for evaluating the credit risk.

Expected Credit Loss ('ECL')

The Group prepares its financial statements in accordance with the IND AS framework.

As per the RBI notification, on acceptance of IND AS for regulatory reporting, the Group computes provision as per IND AS 109 as well as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). Where impairment allowance in aggregate for the Group under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning) for the Group, the difference is appropriated from net profit or loss after tax, to a separate 'Impairment Reserve'. Any withdrawals from this reserve shall be done only with prior permission from the RBI.

ECL allowances recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability weighted basis, based on certain economic scenarios. The recognition and measurement of ECL involves use of significant judgement and estimation. Forward looking economic forecasts are used in developing the ECL estimates. Three scenarios sufficient to calculate unbiased ECL were used - representing the "most likely outcome" (the "Base case" scenario) and two "less likely outcome" scenarios (the "Upside" and "Downside" scenarios). Probability weights are assigned to each scenario. The Base case scenario is based on the Group outlook of GDP growth, inflation, unemployment and interest rates for India and most relevant for the Group's loan portfolio. The Upside and Downside scenarios generated at the reporting dates are designed to cover cyclical changes and are updated during the year only if the economic conditions change significantly. The Upside scenario reflects improvement in rural disposable income on account of good monsoons, downside scenario factorsthe uncertainties arising from the COVID 19 pandemic.

Management oversees the estimation of ECL including:
(i) setting requirements in policy, including key assumptions and the application of key judgements
(ii) the design and execution of models; and
(iii) review of ECL results.

As required by Ind AS 109, a 'three-stage' model for impairment based on changes in credit quality since initial recognition was built as summarised below:

- A loan asset that is not credit-impaired, on initial recognition, is classified in 'Stage 1' and has its credit risk continuously monitored by Management.

- If a significant increase in credit risk ('SICR') since initial recognition is identified, the loan asset is moved to 'Stage 2' but is not yet deemed to be credit impaired. (See note 1.8 for a description of how the Group determines when a significant increase in credit risk has occurred).

- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. (See note 1.8 for a description of how the Group defines credit-impaired and default).

The following are additional considerations for each type of portfolio held by the Group:

Infrastructure Finance and Housing Real Estate

For wholesale business, the PD is estimated based on the internal credit rating assigned to the borrower as explained above. Updated or new information/credit assessments for credit risk evaluation are incorporated on an ongoing basis. In addition, information about the creditworthiness of the borrower is updated every year from sources such as financial statements. This will determine the updated internal credit rating and PD. The internal ratings-based PD has been benchmarked to the Cumulative Default Rates for 1 year and 3-year periods sourced from CRISIL.

The Exposure at Default (EAD) is measured at the amortised cost as at the reporting date.

The Group, in determining its Loss Given Default ("LGD") estimates, for Stage 3 loan assets as of the reporting date, has used cash flow estimates based on inputs provided by assigned business managers and external corroborating information including amounts realised on resolution of cases referred to the National Company Law Tribunal ("NCLT") under the Insolvency and Bankruptcy Code, 2016.

The Group has carried out a historical analysis of loss experience for all closed and live defaulted (Stage 3) borrowers over the previous 5 years for Infrastructure Finance business.

Retail (Farm Equipment Finance, Two-Wheeler Loans, Micro Loans and Others) and Housing (Home Loans and Loans Against Property)

Retail lending credit quality is determined on a collective basis based on a 12-month point in time ("PIT") probability weighted PD.

A centralised impairment model summarises the historical payment behaviour of the borrowers within a retail portfolio which data is used to build the PD estimates. For estimating PD, information on days-past-due and month-on-book (vintage) (for certain products) form key differentiating characteristics. The weighted average is determined (using count of customers as the weight) from quarterly snapshots.

For credit impaired loan assets LGD is computed based on actual history of loss (on settlement/repossession and disposal of security/ enforcement action) from the same historical quarterly snapshots. The loss divided by the principal outstanding at the time of default is the loss ratio for a credit impaired loan asset in a specific snapshot. The weighted average of loss ratios (using the principal outstanding in respect of such credit impaired loan assets in the corresponding snapshot as the weight) was used to determine the LGD ratio for credit impaired loan assets.

The PD and LGD ratio were used along with respective EAD adjustment factor to arrive at the ECL for all stages of loan assets.

Exposure at Default (EAD)

EAD is the amortised cost as at the period end, after considering repayments of principal and interest received in advance.

Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

L&T Finance Limited
Notes forming part of consolidated financial statements

The Group's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

(₹ in crore)

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Financial assets									
Cash and cash equivalent and other bank balances	7,793.22	-	-	6,997.12	-		7,798.23	-	-
Loans and advances at amortised cost	59,715.66	-	Refer foot note below	64,152.58	-	Refer foot note below	66,584.86	-	Refer foot note below
Trade receivables	14.56	-	-	23.00	-		46.92	-	-
Other receivables	54.93	-		65.64	-		26.65	-	
Other financial assets	83.95	-		69.10	-		76.31	-	
Total financial assets at amortised cost	**67,662.32**	-		**71,307.44**	**-**		**74,532.97**	-	
Financial assets at fair value through profit or loss	31,399.07	-		28,946.41	-		29,564.46	-	
Total financial instruments at fair value through profit or loss	**31,399.07**	-		**28,946.41**	-		**29,564.46**	-	
Derivative financial instruments	204.04	-		32.60	-		155.06	-	
Financial instruments at fair value through Other Comprehensive Income	3,087.00	-		2,272.79	-		1,356.37	-	
Total Financial instruments at fair value through Other Comprehensive Income	**3,087.00**	-		**2,279.79**	**-**		**1,356.37**	-	
Total on-balance sheet	**102,148.39**	-		**102,526.64**	-		**105,453.80**	-	

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Off balance sheet									
Contingent liabilities	1,069.01	-		867.17	-		2,768.42	-	
Other commitments	1,043.37	-		1,021.58	-		1,458.29	-	
Total off-balance sheet	**2,112.38**	-		**1,888.75**	-		**4,226.71**	-	
Total	**104,260.77**	-		**104,415.39**	**-**		**109,680.51**	-	

Footnote

a) Retail loans, other than unsecured loans aggregating ₹ 28,722.90 crore as of March 31, 2022, are generally secured by a charge on the asset financed (farm equipment loans, two-wheeler loans, Home loans and loans against property) (as of March 31, 2021: ₹27,140.74 crore and March 2020: ₹ 26,156.79 crore). If the customer fails to pay, the Group would, as applicable, liquidate collateral and/or set off accounts. For most products, the Group obtains direct debit instructions or post-dated cheques from the customer. It is a criminal offence in India to issue a bad cheque.

b) Infrastructure Finance and Housing Real Estate loans are secured with current assets as well as immovable property and property, plant and equipment in some cases. However, collateral securing each individual loan may not be adequate in relation to the value of the loan. If the customer fails to pay, the Group would, as applicable, liquidate collateral and/or set off accounts. For most products, the Group obtains direct debit instructions or post-dated cheques from the customer. It is a criminal offence in India to issue a bad cheque.

Of the unmitigated on balance sheet exposure, a significant portion relates to cash held with banks, settlement balances, and debt securities issued by governments all of which are considered to be lower risk.

Besides growth in the loan assets portfolio, increases in trading portfolio assets and financial assets at fair value through the Statement of Profit and Loss have also contributed to the increase in the Group's net exposure to credit risk. Investments in debt instruments are predominantly investment grade.

Where collateral has been obtained in the event of default, the Group does not, ordinarily, use such assets for its own operations and they are usually sold and off set against the outstanding loan assets.

L&T Finance Limited
Notes forming part of consolidated financial statements

The Group has invoked pledge of equity shares in the following companies, pledged with the Group as collateral by the borrowers and these shares are being held by the Group as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding.

Sr. No.	Name of Company	Quantity held as bailee		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Automobile Corporation of Goa Limited	-	8,784	8,784
2	Bajaj Holdings and Investment Private Limited	-	20,220	20,220
3	Kinetic Engineering Limited	-	17,556	17,556
4	Motherson Sumi Systems Limited	-	91,125	91,125
5	Munjal Showa Limited	-	25,000	25,000
6	NTPC Limited	-	19,000	19,000
7	Reliance Capital Limited	-	4,500	4,500
8	State Bank Of India	-	10,000	10,000
9	Tata Consultancy Services Limited	-	220	220
10	Tata Motors Limited	-	31,814	31,814
11	Tata Steel Limited (formerly known as Bhushan Steel Limited)	479,272	71,89,089	71,89,089
12	Saumya Mining Limited	513,012	513,012	513,012
13	NTPC Limited – NCD	-	16,300	16,300
14	Punj Lloyd Limited	5	5	5
15	GHCL Limited	70,000	70,000	70,000
16	Golden Tobacco Limited	10,000	10,000	10,000
17	Hindusthan National Glass & Industries Limited	34,04,499	34,04,499	34,04,499
18	Sterling International Enterprises Limited	217,309	217,309	217,309
19	Tulip Telecom Limited	14,01,762	14,01,762	14,01,762
20	Hanjer Biotech Energies Private Limited	3,25,096	325,096	325,096
21	VMC Systems Limited	717,736	179,608	179,608
22	KSK Energy Ventures Limited	308,446	308,446	308,446
23	Soma Enterprises Limited	24,47,655	24,46,155	-
24	Future Retail Limited	16,53,117	-	-
25	Gwalior Bypass Project Limited	21,287	-	-
26	KSK Electricity Financing India Private Limited	2,000	-	-
27	Avantha Holdings Limited	4,500	-	-
28	Ace Urban Developers Private Limited	15,250	-	-
29	Valdel Projects Corporation Private Limited	1,532	-	-
30	KSK Mahanandi Power Company Limited	-	-	5,96,052

Concentration of exposure:
Concentrations of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in the same geographical areas or industry sectors so that their collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions. The Group has established a diversified borrower base and as at March 31, 2022. The Group has put in place a framework of Risk Limits, which are monitored on a quarterly basis to ensure that the overall portfolio is steered within the approved limits to minimize concentration risk. The Risk Limits cover risk of concentration to a particular

geography, industry, Company/borrower or revenue counterparty of the borrowers etc. as are relevant to the respective product.

Market Risk Management:

Liquidity Risk:
The risk that the Group is unable to service its contractual or contingent liabilities or that it does not have the adequate amount of funding and liquidity to support its committed disbursements.

Liquidity risk management in the Group is managed as per the guidelines of Board-approved Asset-Liability Management ('ALM') Policy. The ALM Policy provides the governance framework for the identification, measurement, monitoring and reporting of liquidity risk arising out of Group's lending and borrowing activities. The liquidity risk is measured in terms of structural liquidity gaps across various time-buckets and also by setting up limits on relevant liquidity stock ratios. Actual liquidity gaps against the Gap Limits are reported every month to the Asset Liability Management Committee ('ALCO') which provides oversight and strategic direction for the prudent asset liabilities management. As a prudent practice, the Group has been maintaining positive cumulative liquidity gaps for all the time-buckets up-to 1 year in the current market scenario. A Contingency Funding Plan has also been put into practice by the Group for responding to severe disruptions which might affect the ability to fund some or all activities in a timely manner and at a reasonable cost.

The Group also periodically undertakes liquidity stress testing under various liquidity stress scenarios. It maintains liquidity buffer for survival period of 30 days in the forms of High Quality Liquid Assets under 1-in-10 liquidity stress scenario, wherein hair-cut of 40% on undrawn bank lines and collection shortfall of 15% is assumed. To effectively manage the fallout of the COVID-19 pandemic related RBI measures on its funding and liquidity, the Company has been continuously maintaining higher level of liquidity buffer as a safeguard against any likely disruption in the funding and market liquidity.

Additionally, the Group has line of credit from the ultimate parent, Larsen & Toubro Limited.

Institutional set-up for Liquidity Risk Management:

The Board of Directors of the respective companies has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Group is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Group. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Component from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/approval/ratification.

Foreign Exchange Rate Risk:
In the normal course of its business, the Group does not deal in foreign exchange in a significant way. Any significant foreign exchange exposure on account of foreign exchange borrowings is fully hedged to safeguard against exchange rate risk.

Interest Rate Risk:
Interest rate risk is the risk where changes in market interest rates affect the Group's financial position due to change in its Net Interest Income (NII). To mitigate interest rate risk, ALM Policy of the Group stipulates Interest Rate Sensitive Gaps for all the time-buckets. Interest Rate Sensitivity Statement is prepared every month and placed before ALCO. The Statement captures the Rate Sensitive Gaps i.e. the mismatch between the Rate Sensitive Assets and Liabilities, in various time buckets.

Security Prices:
The Group manages investment portfolios comprising of government securities, corporate bonds and debentures. To safeguard against the credit risk and interest rate risk in the investment portfolios, risk limits in the form of portfolio size limits, concentration limits and stop loss limit are stipulated. To provide early warning indicators, alarm limits have also been put in place. reporting periodicity and escalation matrix upon the breach of alarm limits as well as risk limits have been clearly defined. The Group does not invest in Equity stocks and therefore is not exposure to equity price risk on this account.

Note: 46.1 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Expected credit loss - Loans:

₹ in crore

Particulars		As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
		Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision	Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision	Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	53,250.41	1,091.04	52,159.37	58,304.57	908.82	57,395.75	61,601.66	571.74	61,029.92
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	7,916.95	1,101.48	6,815.47	5,562.19	345.61	5,216.58	3,546.07	268.44	3,277.63
	Financial assets for which credit risk has increased significantly and credit-impaired	2,174.83	1,434.01	740.82	5,360.40	3,820.15	1,540.25	6,062.10	3,784.79	2,277.31
Total		**63,342.19**	**3,626.53**	**59,715.66**	**69,227.16**	**5,074.58**	**64,152.58**	**71,209.83**	**4,624.97**	**66,584.86**

Note: 46.2 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(b) Reconciliation of loss allowance provision - Loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on March 31, 2019	**481.36**	**227.90**	**3,914.96**	**4,624.22**
New assets originated or purchased	339.90	34.94	77.01	451.85
Amount written off	-	-	(1,657.06)	(1,657.06)
Transfers to Stage 1	81.11	(73.77)	(7.34)	-
Transfers to Stage 2	(12.70)	15.34	(2.64)	-
Transfers to Stage 3	(40.96)	(118.59)	159.55	-
Impact on year end ECL of Exposure transferred between stages during the year	(68.33)	121.33	1,115.94	1,168.94
Increase/ (Decrease) provision on existing financial assets including recovery	(208.64)	61.29	184.37	37.02
	571.74	**268.44**	**3,784.79**	**4,624.97**
ECL as on March 31, 2020	**571.74**	**268.44**	**3,784.79**	**4,624.97**
New assets originated or purchased	461.25	60.59	35.71	557.55
Amount written off	-	-	(2,230.13)	(2,230.13)
Transfers to Stage 1	43.35	(26.24)	(17.11)	-
Transfers to Stage 2	(30.17)	34.57	(4.40)	-
Transfers to Stage 3	(27.72)	(143.69)	171.41	-
Impact on year end ECL of Exposure transferred between stages during the year	(42.17)	331.11	1,476.54	1,765.48
Increase/ (Decrease) provision on existing financial assets including recovery	(67.46)	(179.17)	603.34	356.71
ECL as on March 31, 2021	**908.82**	**345.61**	**3,820.15**	**5,074.58**
New assets originated or purchased	856.54	25.76	44.39	926.69
Amount written off	-	-	(1,797.23)	(1,797.23)
Transfers to Stage 1	22.80	(7.99)	(14.81)	-
Transfers to Stage 2	(117.67)	130.61	(12.94)	-
Transfers to Stage 3	(34.35)	(7.28)	41.63	-
Impact on year end ECL of Exposure transferred between stages during the year	(22.29)	225.08	961.18	1,163.97
Increase/ (Decrease) provision on existing financial assets including recovery	(522.81)	389.69	(1,608.36)	(1,741.48)
ECL as on March 31, 2022	**1,091.04**	**1,101.48**	**1,434.01**	**3,626.53**

(c) Reconciliation of Gross carrying amount - Loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on March 31, 2019	**62,452.34**	**2,828.11**	**6,272.00**	**71,552.45**
New assets originated or purchased	27,014.55	513.09	124.20	27,651.84
Amount written off	-	-	(1,728.12)	(1,728.12)
Transfers to Stage 1	734.85	(714.32)	(20.53)	-
Transfers to Stage 2	(2,124.65)	2,131.78	(7.13)	-
Transfers to Stage 3	(1,937.57)	(654.61)	2,592.18	-
Net recovery	(24,537.86)	(557.98)	(1,170.50)	(26,266.34)
	61,601.66	**3,546.07**	**6,062.10**	**71,209.83**
Gross carrying amount as on March 31, 2020	**61,601.66**	**3,546.07**	**6,062.10**	**71,209.83**
New assets originated or purchased*	20,470.08	742.96	146.87	21,359.91
Amount written off	-	-	(2,241.94)	(2,241.94)
Transfers to Stage 1	278.34	(243.04)	(35.30)	-
Transfers to Stage 2	(3,136.01)	3,147.63	(11.62)	-
Transfers to Stage 3	(1,622.99)	(470.63)	2,093.62	-
Net recovery	(19,286.51)	(1,160.80)	(653.33)	(21,100.64)
Gross carrying amount as on March 31, 2021	**58,304.57**	**5,562.19**	**5,360.40**	**69,227.16**
New assets originated or purchased*	26,911.40	320.95	63.60	27,295.95
Amount written off	-	-	(1,846.58)	(1,846.58)
Transfers to Stage 1	224.60	(193.05)	(31.55)	-
Transfers to Stage 2	(3,382.31)	3,414.95	(32.64)	-
Transfers to Stage 3	(1,340.98)	(199.07)	1,540.05	-
Net recovery	(27,466.87)	(989.03)	(2,878.44)	(31,334.34)
Gross carrying amount as on March 31, 2022	**53,250.41**	**7,916.94**	**2,174.84**	**63,342.19**

* excludes assets originated or purchased and derecognised during the year

Note: 46.3 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets: ₹ in crore

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
I	**Measured at fair value through profit or loss (FVTPL):**			
	(i) Investment in equity instruments	694.62	572.43	477.67
	(ii) Investment in preference shares	75.48	76.16	89.21
	(iii) Investment in bonds/debentures	2,166.96	725.30	860.12
	(iv) Investment in mutual funds	790.80	518.62	654.18
	(v) Investment in government securities	-	-	0.53
	(vi) Investment in security receipt	4,886.23	4,114.87	2,498.67
	(vii) Investment in units of fund	31.20	61.36	106.44
	(viii) Loans	22,753.78	22,877.67	24,877.64
	Sub-total (I)	**31,399.07**	**28,946.41**	**29,564.46**
II	**Measured at amortised cost:**			
	(i) Loans	59,715.66	64,152.58	66,584.86
	(ii) Trade receivables	14.56	23.00	46.92
	(iii) Other receivables	54.93	65.64	26.65
	(iv) Other financial assets	83.95	69.10	76.31
	(v) Cash and cash equivalents and bank balances	7,793.22	6,997.12	7,798.23
	(vi) Investment in government securities	-	-	-
	Sub-total (II)	**67,662.32**	**71,307.44**	**74,532.97**
III	**Measured at fair value through other comprehensive income (FVTOCI):**			
	(i) Investment in bonds/Debentures	1,257.84	713.50	1,161.67
	(ii) Investment in government securities	1,624.21	1,525.75	-
	(iii) Investment in equity instruments	-	-	31.61
	(iv) Investment in pass through certificates	-	-	7.09
	(v) Derivative financial instruments	204.04	32.60	155.06
	(vi) Investment in units of fund	0.91	0.94	0.94
	Sub-total (III)	**3,087.00**	**2,272.79**	**1,356.37**
	Total (I+II+III)	**1,02,148.39**	**1,02,526.64**	**1,05,453.80**

(b) Category-wise classification for applicable financial liabilities:

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
I	**Measured at fair value through profit or loss (FVTPL):**			
	(i) Derivative Instruments not designated as cash flow hedges	-	-	-
	Sub-total (I)	-	-	-
II	**Measured at amortised cost:**			
	(i) Debt securities	42,194.10	45,374.48	42,529.63
	(ii) Borrowings (other than debt securities)	40,356.40	38,658.11	45,335.36
	(iii) Subordinated liabilities	3,583.50	3,824.27	3,660.09
	(iv) Trade payables	426.08	369.21	224.20
	(v) Other payables	6.49	5.07	0.83
	(vi) Lease liabilities	35.53	34.05	36.34
	(vii) Other financial liabilities	663.94	559.84	234.91
	Sub-total (II)	**87,266.04**	**88,825.03**	**92,021.36**
III	**Measured at fair value through other comprehensive income (FVTOCI):**	-	-	-
	Sub-total (III)	-	-	-
	Total (I+II+III)	**87,266.04**	**88,825.03**	**92,021.36**

Note: 46.4 : Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(c) Fair value of financial assets and financial liabilities measured at amortised cost:

₹ in crore

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:						
Loans	59,715.66	59,715.66	64,152.58	64,152.58	66,584.86	66,584.86
Investment in government securities	-	-	-	-	-	-
Total	**59,715.66**	**59,715.66**	**64,152.58**	**64,152.58**	**66,584.86**	**66,584.86**
Financial liabilities:						
Debt Securities	42,194.10	43,715.77	45,374.48	47,832.09	42,529.63	43,260.20
Borrowings (other than debt securities)	40,356.40	40,210.22	38,658.11	38,902.44	45,335.36	45,401.51
Subordinated liabilities	3,583.50	3,739.59	3,824.27	4,007.07	3,660.09	3,685.35
Lease liabilities	35.53	35.53	34.05	34.05	36.34	36.34
Total	**86,169.53**	**87,701.11**	**87,890.91**	**90,775.65**	**91,561.42**	**92,383.40**

The carrying amounts of cash & cash equivalents, bank balance, trade receivables, other receivables, other financial assets, trade payables, other payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

(d) Disclosure pursuant to Ind AS 113 "Fair Value Measurement" - Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:

₹ in crore

As at March 31, 2022	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	59,715.66	59,715.66	Discounted cashflow approach
Investment in government securities	-	-	-	-	
Total financial assets	**-**	**-**	**59,715.66**	**59,715.66**	
Financial liabilities:					
Debt Securities	-	-	43,715.77	43,715.77	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	40,210.22	40,210.22	Discounted cashflow approach
Subordinated liabilities	-	-	3,739.59	3,739.59	Discounted cashflow approach
Lease liabilities	-	-	35.53	35.53	Discounted cashflow approach
Total financial liabilities	**-**	**-**	**87,701.11**	**87,701.11**	

₹ in crore

As at March 31, 2021	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	64,152.58	64,152.58	Discounted cashflow approach
Investment in government securities	-	-	-	-	
Total financial assets	**-**	**-**	**64,152.58**	**64,152.58**	
Financial liabilities:					
Debt Securities	-	-	47,832.09	47,832.09	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	38,902.44	38,902.44	Discounted cashflow approach
Subordinated liabilities	-	-	4,007.07	4,007.07	Discounted cashflow approach
Lease liabilities	-	-	34.05	34.05	
Total financial liabilities	**-**	**-**	**90,775.65**	**90,775.65**	

₹ in crore

As at March 31, 2020	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	66,584.86	66,584.86	Discounted cashflow approach
Investment in government securities	-	-	-	-	
Total financial assets	**-**	**-**	**66,584.86**	**66,584.86**	
Financial liabilities:					
Debt Securities	-	-	43,260.20	43,260.20	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	45,401.51	45,401.51	Discounted cashflow approach
Subordinated liabilities	-	-	3,685.35	3,685.35	Discounted cashflow approach
Lease liabilities	-	-	36.34	36.34	Discounted cashflow approach
Total financial liabilities	**-**	**-**	**92,383.40**	**92,383.40**	

L&T Finance Limited

Notes forming part of the consolidated financial statements

Note: 46.5

Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

₹ in crore

Particulars	As at March 31, 2022				As at March 31, 2021				As at March 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets:												
Financial assets at fair value through profit and loss:												
Investments												
- Equity instruments	158.39	-	536.23	694.62	97.91	-	474.52	572.43	2.98	-	474.69	477.67
- Preference shares	-	-	75.48	75.48	-	-	76.16	76.16	-	-	89.21	89.21
- Government securities	-	-	-	-	-	-	-	-	-	0.53	-	0.53
- Bonds and debentures	-	1,576.15	590.81	2,166.96	-	-	725.30	725.30	-	-	860.12	860.12
- Mutual funds	790.80	-	-	790.80	518.62	-	-	518.62	654.18	-	-	654.18
- Security receipts	-	-	4,886.23	4,886.23	-	-	4,114.87	4,114.87	-	-	2,498.67	2,498.67
- Units of fund	-	-	31.20	31.20	-	-	61.36	61.36	-	-	106.44	106.44
Loans	-	-	22,753.78	22,753.78	-	-	22,877.67	22,877.67	-	-	24,877.64	24,877.64
Sub total	**949.19**	**1,576.15**	**28,873.72**	**31,399.06**	**616.53**	**-**	**28,329.88**	**28,946.41**	**657.16**	**0.53**	**28,906.77**	**29,564.46**
Financial assets at fair value through other comprehensive income:												
Investments												
- Bonds and debentures	-	1,257.84	-	1,257.84	-	637.89	141.77	779.66	-	875.71	285.96	1,161.67
- Mutual funds	-	-	-	-	-	-	-	-	-	-	-	-
- Government securities	-	1,624.21	-	1,624.21	-	1,466.66	-	1,466.66	-	-	-	-
- Pass through certificates	-	-	-	-	-	-	-	-	-	-	7.09	7.09
- Equity instruments	-	-	-	-	-	-	-	-	31.61	-	-	31.61
- Investment in Units of Fund	-	0.91	-	0.91	-	0.94	-	0.94	-	0.94	-	0.94
Derivative financial instruments	-	204.04	-	204.04	-	32.60	-	32.60	-	155.06	-	155.06
Sub total	**-**	**3,087.00**	**-**	**3,087.00**	**-**	**2,138.09**	**141.77**	**2,279.86**	**31.61**	**1,031.71**	**293.05**	**1,356.37**
Total Financial assets at fair value	**949.19**	**4,663.15**	**28,873.72**	**34,486.06**	**616.53**	**2,138.09**	**28,471.65**	**31,226.27**	**688.77**	**1,032.24**	**29,199.82**	**30,920.83**
Financial liabilities:												
Financial liabilities at fair value through profit and loss:	-	-	-	-	-	-	-	-	-	-	-	-
Total Financial liabilities at fair value	-	-	-	-	-	-	-	-	-	-	-	-

Note: 46.6 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table presents the changes in level 3 items for the year ended March 31, 2020, March 31, 2021 and March 31, 2022 : ₹ in crore

Particulars	- Equity instruments	- Preference shares	- Bonds and debentures	- Pass Through Certificates	- Security Receipts	- Units of fund	Loans	Total
Balance as at April 1, 2019	**476.82**	**99.80**	**866.21**	**8.41**	**791.06**	**188.79**	**24,396.43**	**26,827.52**
Acquisitions	-	-	-	-	2,099.75	-	6,926.66	**9,026.41**
Transfer from Level 2 to Level 3	-	-	536.55	-	-	-	-	**536.55**
Deletions	-	(6.17)	(2.60)	(1.32)	(252.06)	(46.09)	(6,415.31)	**(6,723.55)**
Gains/(losses) recognised in profit or loss	(2.13)	(4.42)	(3.49)	-	(140.08)	(36.26)	(30.14)	**(216.52)**
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	-	**-**
Impairment recognised in profit or loss	-	-	(250.59)	-	-	-	-	**(250.59)**
	474.69	**89.21**	**1,146.08**	**7.09**	**2,498.67**	**106.44**	**24,877.64**	**29,199.82**
As at March 31, 2020	**474.69**	**89.21**	**1,146.08**	**7.09**	**2,498.67**	**106.44**	**24,877.64**	**29,199.82**
Acquisitions	-	-	-	-	1,909.27	4.00	3,721.30	**5,634.57**
Deletions	-	(13.60)	(51.36)	-	(153.11)	(61.44)	(5,562.50)	**(5,842.01)**
Gains/(losses) recognised in profit or loss	(0.17)	0.55	(83.45)	-	(139.96)	12.36	(158.77)	**(369.44)**
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	-	**-**
Impairment recognised in profit or loss	-	-	(144.19)	(7.09)	-	-	-	**(151.28)**
As at March 31, 2021	**474.52**	**76.16**	**867.08**	**-**	**4,114.87**	**61.36**	**22,877.67**	**28,471.66**
Acquisitions	61.71	1.00	-	-	1,484.10	10.56	7,315.58	**8,872.95**
Deletions	-	(1.20)	(588.85)	-	-	25.35	-	**(564.70)**
Gains/(losses) recognised in profit or loss	-	(0.48)	(112.71)	-	(462.75)	(38.31)	(7,091.37)	**(7,705.62)**
Gains/(losses) recognised in other comprehensive income	-	-	30.52	-	(249.99)	(27.76)	(348.10)	**(595.33)**
Impairment recognised in profit or loss	-	-	394.77	-	-	-	-	**394.77**
As at March 31, 2022	**536.23**	**75.48**	**591.81**	**-**	**4,886.23**	**31.20**	**22,753.78**	**28,873.73**
Unrealised gains/(losses) recognised in profit and loss related to assets and liabilities held at the end of the reporting period								
As at March 31, 2020	**(2.13)**	**(3.87)**	**-**	**-**	**(41.44)**	**(36.26)**	**-**	**(83.70)**
As at March 31, 2021	**(0.17)**	**0.55**	**(227.64)**	**(7.09)**	**(139.96)**	**12.36**	**(158.77)**	**(520.72)**
As at March 31, 2022	**-**	**(0.48)**	**282.06**	**-**	**(462.75)**	**(38.31)**	**(7,091.37)**	**(7,310.85)**
Unrealised gains/(losses) recognised in Other Comprehensive Income related to assets and liabilities held at the end of the reporting period								
As at March 31, 2020	-	-	-	-	-	-	-	**-**
As at March 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
As at March 31, 2022	**-**	**-**	**30.52**	**-**	**(249.99)**	**(27.76)**	**(348.10)**	**(595.33)**

Note: 46.7 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

₹ in crore

Particulars	Fair value as at			Rates for Sensitivity	Impact of Increase in Rates on Total Comprehensive Income statement					
	March 31, 2022	March 31, 2021	March 31, 2020		March 31, 2022		March 31, 2021		March 31, 2020	
					Favourable	Unfavourable	Favourable	Unfavourable	Favourable	Unfavourable
Investments										
- Equity instruments	536.23	474.52	474.69	5.00%	26.81	(26.81)	23.73	(23.73)	23.73	(23.73)
- Preference shares	75.48	76.16	89.21	5.00%	3.77	(3.77)	3.81	(3.81)	4.46	(4.46)
- Bonds and debentures	590.80	725.30	860.12	0.25%	1.48	(1.48)	1.81	(1.81)	2.15	(2.15)
- Pass Through Certificates	-	-	7.09	0.25%	-	-	-	-	0.02	(0.02)
- Security Receipts	4,886.23	4,114.87	2,498.67	5.00%	244.31	(244.31)	205.74	(205.74)	124.93	(124.93)
- Units of fund	31.20	61.36	106.44	5.00%	1.56	(1.56)	3.07	(3.07)	5.32	(5.32)
Loans	22,753.78	22,877.67	24,877.64	0.25%	56.88	(56.88)	57.19	(57.19)	62.19	(62.19)

Note: 46.8 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Liquidity risk management :

(a) Maturity profile of financial liabilities based on undiscounted cashflows

₹ in crore

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Within twelve month	After twelve month	Total	Within twelve month	After twelve month	Total	Within twelve month	After twelve month	Total
A. Non-derivative liabilities:									
Borrowings*	50,310.43	46,867.56	97,177.99	41,485.64	60,858.22	1,02,343.86	39,220.94	68,830.67	1,08,051.61
Trade payables	426.06	-	426.06	369.21	-	369.21	224.20	-	224.20
Other payables	6.49	-	6.49	5.07	-	5.07	0.83	-	0.83
Lease liabilities	13.18	22.35	35.53	9.90	24.15	34.05	9.93	26.41	36.34
Other financial liabilities	663.94	-	663.94	503.71	56.13	559.84	166.13	68.78	234.91
Total	**51,420.10**	**46,889.91**	**98,310.01**	**42,373.53**	**60,938.50**	**1,03,312.03**	**39,622.03**	**68,925.86**	**1,08,547.89**
B. Derivative liabilities:									
Total	-		-	-	-	-	-	-	-

* Borrowings include debt securities,borrowings (other than debt securities)and subordinated liabilities and are net off offsetting respective derivative gain/loss but includes undiscounted future interest.

(b) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in crore

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Undrawn backup lines	3,265.16	7,590.70	5,016.93
Line of credit from Ultimate Holding Company	1,800.00	2,000.00	2,000.00

Note: 46.9 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Market risk management :

(a) Foreign currency risk :

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Liability – External Commercial Borrowings & Terms loans from bank - FCNR	USD 43,50,00,000	USD 44,82,59,082	USD 43,50,00,000
Assets – Currency Swap Contracts	USD 43,50,00,000	USD 44,82,59,082	USD 43,50,00,000

(b) Interest rate risk :

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	22,245.51	28,549.40	37,699.88
Fixed rate borrowings	62,137.40	56,772.52	51,029.33
Total borrowings	**84,382.91**	**85,321.92**	**88,729.21**

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Weighted average interest rate	Balance	% of total borrowing	Weighted average interest rate	Balance	% of total borrowing	Weighted average interest rate	Balance	% of total borrowing
Variable rate borrowings	6.75%	22,245.51	26.36%	8.12%	28,549.40	33.46%	8.87%	37,699.88	42.49%
Net exposure to cash flow interest raterisk	**6.75%**	**22,245.51**	**26.36%**	**8.12%**	**28,549.40**	**33.46%**	**8.87%**	**37,699.88**	**42.49%**

(c) Sensitivity :

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

₹ in crore

Particulars	Impact on profit after tax			Impact on other components of equity		
	FY 2021-22	FY 2020-21	FY 2019-20	FY 2021-22	FY 2020-21	FY 2019-20
Interest rates – increase by 25 basis points *	(33.66)	(41.38)	(41.91)	(33.66)	(41.38)	(41.91)
Interest rates – decrease by 25 basis points*	33.66	41.38	41.91	33.66	41.38	41.91

** Impact on P/L upto 1 year, holding all other variables constant*

Note: 46.10 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Transfer of financial assets

The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Carrying amount of transferred assets measured at amortised cost (Held as collateral)	-	-	-
Carrying amount of associated liabilities	-	-	-
Fair value of assets	-	-	-
Fair value of associated liabilities	-	-	-
Net position at FV	-	-	-

Note 47 : Disclosure pursuant to Ind AS 108 "Operating Segment"

The Board of Directors and the Managing Director of the Company together constitute the Chief Operating Decision Makers ("CODM") which allocate resources to and assess the performance of the segments of the Company.

The Group has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Rural, Housing, Infrastructure, Defocused and Other businesses. Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly attributable to each reportable segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as others. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment, Tax assets and liabilities are disclosed as Unallocated and all other assets and liabilities are disclosed as others. The composition of the reportable segments is as follows:

(i) Rural finance comprises of farm equipment finance, two wheeler finance, micro loans and consumer finance.
(ii) Housing finance comprises of home loans, loan against property and real estate finance.
(iii) Infrastructure finance comprises of infrastructure business.
(iv) Defocused Business comprises of structured corporate loans, debt capital market, commercial vehicle finance, construction equipment finance, SME term loans and leases.
(v) Others comprises of asset management

(a) Information about reportable segment ₹ in crore

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
	Gross segment revenue from continuing operations			
a	Rural Business	5,782.77	5,478.87	5,285.99
b	Housing Business	2,645.86	3,291.43	3,400.52
c	Infrastructure Business	3,143.88	4,075.06	4,277.81
d	Defocused Business	213.99	395.73	685.45
e	Others	0.63	13.66	14.99
	Total	**11,787.13**	**13,254.75**	**13,664.76**
	Segment Result (Profit/(loss) before tax)			
a	Rural Business	1,018.43	681.51	1,225.87
b	Housing Business	72.54	607.64	873.94
c	Infrastructure Business	314.39	425.16	925.55
d	Defocused Business	(302.54)	(569.33)	(554.87)
e	Others[1]	(16.13)	(671.66)	(648.51)
	Profit before tax	**1,086.69**	**473.32**	**1,821.98**
	Segment assets			
a	Rural Business	35,406.73	31,192.76	28,491.28
b	Housing Business	26,480.55	28,712.81	30,413.67
c	Infrastructure Business	38,497.62	40,499.91	41,600.99
d	Defocused Business	2,436.75	3,056.77	5,230.76
e	Others	413.33	454.74	502.16
	Sub-total	**1,03,234.98**	**1,03,916.99**	**1,06,238.86**
	Less: Inter segment assets	(219.28)	(244.76)	(273.13)
	Segment assets	**1,03,015.70**	**1,03,672.23**	**1,05,965.73**
f	Unallocated[2]	2,064.57	2,176.60	2,854.32
	Total segment assets	**1,05,080.27**	**1,05,848.83**	**1,08,820.05**

Note 47 : Disclosure pursuant to Ind AS 108 “Operating Segment”

Sr. No.	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
	Segment liabilities			
a	Rural Business	29,892.93	26,940.03	24,613.00
b	Housing Business	22,357.66	24,651.71	26,631.96
c	Infrastructure Business	33,039.24	34,647.56	36,325.08
d	Defocused Business	2,057.14	2,653.16	4,489.67
e	Others	(0.68)	0.73	0.63
	Sub-total	**87,346.29**	**88,893.19**	**92,060.34**
	Add: Inter segment Liabilities[4]	492.94	509.16	486.50
	Segment liabilities	**87,839.23**	**89,402.35**	**92,546.84**
f	Unallocated[3]	184.60	266.57	99.26
	Total segment liabilities	**88,023.83**	**89,668.92**	**92,646.10**

[1] Others comprises of asset management and amortisation of goodwill generate on merger

[2] Unallocated represents advance/tax deducted (net), deferred tax asset (net) and goodwill and Distribution and customer network right amortization

[3] Unallocated represents tax liabilities and Deferred tax liabilities (Net)

[4] Including non controlling interest

(b) Geographical Information

The Group operates in a single geographical segment i.e. within India.

(c) Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed ten percent of the group’s total revenue.

L&T Finance Limited

Notes forming part of the reformatted consolidated financial statements

Note 48 : Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/(income):

₹ in crore

S. No	Particulars	2021-22	2020-21	2019-20
	Consolidated statement of Profit and Loss:			
(a)	**Profit and Loss section:**			
	(i) Current income tax :			
	(A) Current income tax expense	134.91	482.36	595.31
	(B) Tax expense in respect of earlier years	-	95.93	-
		134.91	**578.29**	**595.31**
	(ii) Deferred Tax:			
	(A) Tax expense on origination and reversal of temporary differences	157.07	(150.37)	(163.48)
	(B) Effect on deferred tax balances due to the change in income tax rate (refer footnote)	-	-	472.87
		157.07	**(150.37)**	**309.39**
	Income tax expense reported in the consolidated statement of profit or loss[(i)+(ii)]	**291.98**	**427.92**	**904.70**
(b)	**Other Comprehensive Income (OCI) Section:**			
	(i) Items not to be reclassified to profit or loss in subsequent periods:			
	(A) Current tax expense/(income):	-	-	-
	(B) Deferred tax expense/(income):			
	(a) On re-measurement of defined benefit plans	0.49	0.27	(1.20)
		0.49	**0.27**	**(1.20)**
	(ii) Items to be reclassified to profit or loss in subsequent periods:			
	(A) Current tax expense/(income):			
	(a) On gain/(loss) on cash flow hedges other than mark to market	(0.21)	-	-
	(B) Deferred tax expense/(income):			
	(a) On Mark-to-Market (MTM) of cash flow hedges	13.22	(0.74)	(33.48)
		13.01	**(0.74)**	**(33.48)**
	Income tax expense reported in the other comprehensive income [(i)+(ii)]	**13.50**	**(0.47)**	**(34.68)**
(c)	**Other directly reported in balance sheet through reserve:**			
	Current tax (assets)/liabilities			
	-Merger related expenses	(3.89)	1.27	1.22
	Deferred tax (assets)/liabilities			
	-Transition impact of Ind-AS 116		-	(0.75)
	-Merger related expenses	3.89	(15.58)	-
	Income tax expense reported in balance sheet	**-**	**(14.31)**	**0.47**

footnote:

The recently promulgated Taxation Laws (Amendment) Ordinance 2019, has inserted section 115BAA in the Income Tax Act, 1961, providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/ incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961, for assessment year (AY) 2020-21 or subsequent AYs. Once exercised, such an option cannot be withdrawn for the same or subsequent AYs.

These financial statement are prepared on the basis that the Company would avail the option to pay income tax at the lower rate. Consequently, the opening deferred tax asset (net) has been measured at the lower rate, with a one-time corresponding charge of ₹203.40 crore to the Statement of Profit and Loss.

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

₹ in crore

S. No	Particulars		2021-22	2020-21	2019-20
(a)	**Profit before tax**		1,086.69	473.94	1,821.98
(b)	Corporate tax rate as per Income tax Act, 1961		25.17%	25.17%	25.17%
(c)	Tax on accounting profit	(c)=(a)*(b)	273.50	119.28	458.56
(d)	(i) Tax on Income exempt from tax :				
	(A) Deduction of special reserve u/s 36(1)(viii) of the Income Tax Act, 1961		(7.66)	(27.16)	(19.65)
	(B) Deduction under Section 80JJAA		(8.26)	(16.76)	(10.24)
	(C) Exempt income		-	(40.06)	(53.61)
	(ii) Tax on Income which are taxed at different rates		-	-	(9.01)
	(iii) Tax on expense not tax deductible :				
	(A) Corporate social responsibility (CSR) expenses		2.22	2.96	2.87
	(B) Provision for dimunition of investments		(96.86)	63.34	70.62
	(C) Dividend / Interest on Prefrence Shares and share issue expense		6.00	-	0.25
	(iv) Set off brought forward losses (no DTA recognised) used against current year income		-	-	(5.58)
	(v) Tax effect on various other Items		(0.00)	12.15	(2.36)
	(vi) Effect of tax for prior years		-	95.93	-
	(vii) Impact of consolidation adjustments		-	(7.01)	(0.02)
	(iii) Tax effect of losses/timing differences of current year on which no deferred tax benefit is recognised		117.76	-	-
	Total effect of tax adjustments [(i) to (vii)]		**13.20**	**83.39**	**(26.73)**
(e)	Tax expense ((before tax impact due to amendment in tax regulations)	(e)=(c)+(d)	286.70	202.67	431.82
(f)	Effective tax rate (before tax impact due to amendment in tax regulations)	(f)=(e)/(a)	26.38%	42.76%	23.70%
(g)	Effect on deferred tax due to change in Income tax rate (Refer footnote)		-	-	472.87
(h)	Tax impact due to amendment in tax regulations		-	225.25	-
(i)	**Tax expense recognised during the year (i)=(e)+(g)+(h)**		**286.70**	**427.92**	**904.69**
(j)	**Effective tax Rate (j)=(i)/(a)**		**26.38%**	**90.29%**	**49.65%**

(c) (i) Unused tax losses and unused tax credits for which no deferred tax asset is recognised in Balance sheet:

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	₹ in crore	Expiry year	₹ in crore	Expiry year	₹ in crore	Expiry year
Tax losses (business loss and unabsorbed depreciation)						
- Amount of losses having expiry						
AY 2014-2015	-	-	0.01	AY2022-23	0.02	AY2022-23
AY 2018-2019	-	-	0.01	AY2026-27	0.01	AY2026-27
AY 2022-2023	467.89	AY 2030-31	-	-	-	-
Total	**467.89**		**0.02**		**0.03**	

Note 48 : Disclosure pursuant to Ind AS 12 "Income Taxes"

(ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Towards provision for diminution in value of investments	374.77	795.98	544.33
Arising out of upward revaluation of tax base of assets (on account of indexation benefit)		-	-
Other items		-	-
Total	**374.77**	**795.98**	**544.33**

(d) Major components of deferred tax assets and deferred tax liabilities:

₹ in crore

Particulars	Deferred tax liabilities / (assets) as at April 1, 2019	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities / (assets) as at March 31, 2020
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	120.10	(68.27)	-	-	51.83
-Unamortised borrowing cost	6.17	(2.97)	-	-	3.20
-Deduction under Secion 36(1)(viia)	32.99	(4.84)	-	-	28.15
-Other items giving rise to temporary differences	0.19	(0.30)	-	-	(0.11)
Deferred tax liabilities	**159.45**	**(76.38)**	**-**	**-**	**83.07**
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss	(1,643.89)	431.20	-	-	(1,212.69)
-Provision on trade receivables	-	(2.21)	-	-	(2.21)
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(19.22)	10.31	-	-	(8.91)
-Fair value of investments	(78.48)	(9.54)	-	-	(88.02)
-Defined benefit obligation (Gratuity and Leave encashment)	(8.74)	2.02	(1.20)	-	(7.92)
-Amortisation of expenditure incurred for amalgamation	(3.96)	2.53	-	-	(1.43)
-Fair valuation of derivative financial instrument	-	-	(33.48)	-	(33.48)
-Impact on account of Ind AS 116 – Leases	-	(0.21)	-	(0.75)	(0.96)
-Liability for expenses	(12.93)	1.35	-	-	(11.58)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(82.25)	(50.92)	-	-	(133.17)
-Unutilised MAT Credit	(0.50)	0.00	-	0.50	-
-Carried forward tax losses	(1.67)	1.23	-	-	(0.44)
Deferred tax (assets)	**(1,851.64)**	**385.76**	**(34.68)**	**(0.25)**	**(1,500.81)**
Net deferred tax liability/(assets)	**(1,692.19)**	**309.38**	**(34.68)**	**(0.25)**	**(1,417.74)**

₹ in crore

Particulars	Deferred tax liabilities / (assets) as at April 1, 2020	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities / (assets) as at March 31, 2021
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	51.83	(8.07)	-	-	43.76
-Unamortised borrowing cost	3.20	(0.85)	-	-	2.35
-Deduction under Secion 36(1)(viia)	28.15	(0.43)	-	-	27.72
Deferred tax liabilities	**83.18**	**(9.35)**	**-**	**-**	**73.83**
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss	(1,212.69)	(146.29)	-	-	(1,358.98)
-Provision on trade receivables	(2.21)	1.34	-	-	(0.87)
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(8.91)	3.37	-	-	(5.54)
-Fair value of investments	(88.02)	(35.14)	-	-	(123.16)
-Defined benefit obligation (Gratuity and Leave encashment)	(7.92)	0.52	0.27	-	(7.13)
-Amortisation of expenditure incurred for amalgamation	(1.43)	2.78	-	(15.58)	(14.23)
-Fair valuation of derivative financial instrument	(33.48)	-	(0.74)	-	(34.22)
-Impact on account of Ind AS 116 – Leases	(0.96)	(0.15)	-	-	(1.11)
-Liability for expenses	(11.58)	(12.78)	-	-	(24.36)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(133.17)	46.26	-	-	(86.91)
-Carried forward tax losses	(0.44)	0.44	-	-	-
-Other items giving rise to temporary differences	(0.12)	(1.38)	-	-	(1.50)
Deferred tax (assets)	**(1,500.93)**	**(141.03)**	**(0.47)**	**(15.58)**	**(1,658.01)**
Net deferred tax liability/(assets)	**(1,417.75)**	**(150.38)**	**(0.47)**	**(15.58)**	**(1,584.18)**

₹ in crore

Particulars	Deferred tax liabilities / (assets) as at April 1, 2021	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities / (assets) as at March 31, 2022
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	43.76	(21.65)	-	-	22.11
-Unamortised borrowing cost	2.35	(1.29)	-	-	1.06
-Deduction under Secion 36(1)(viia)	27.72	(27.72)	-	-	-
-Difference between book base and Tax base of PPE, investment property and intangible assets	-	0.01	-	-	0.01
-Fair value of investments (routed through FVTPL and FVTOCI)	-	-	-	0.21	0.21
Deferred tax liabilities	**73.83**	**(50.65)**	**-**	**0.21**	**23.39**
Deferred tax assets:					
-Provision on loan assets based on expected credit loss	(1,358.98)	276.83	-	-	(1,082.15)
-Provision on trade receivables	(0.87)	1.60	-	-	0.73
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(5.54)	1.88	-	-	(3.66)
-Fair value of investments	(123.16)	(63.20)	-	-	(186.36)
-Defined benefit obligation (Gratuity and Leave encashment)	(7.13)	(0.11)	0.51	-	(6.73)
-Amortisation of expenditure incurred for amalgamation	(14.23)	(2.98)	-	3.90	(13.31)
-Fair valuation of derivative financial instrument	(34.22)	-	13.22	-	(21.00)
-Impact on account of Ind AS 116 – Leases	(1.11)	(2.65)	-	-	(3.76)
-Liability for expenses	(24.36)	(6.19)	-	-	(30.55)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(86.91)	2.61	-	-	(84.30)
-Carried forward tax losses	-	-	-	-	-
-Other items giving rise to temporary differences	(1.50)	(0.06)	-	-	(1.56)
Deferred tax (assets):	**(1,658.01)**	**207.73**	**13.73**	**3.90**	**(1,432.65)**
Net deferred tax liability/(assets)	**(1,584.18)**	**157.08**	**13.73**	**4.11**	**(1,409.26)**

Note : 49 The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of amendments dated March 24, 2021 in Schedule III to the Companies Act 2013 with effect from 1st day of April, 2021:-

(a) There is no proceeding initiated or pending against the Group during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(b) The Group is not declared wilful defaulter by any bank or financial Institution or any other lenders.

(c) Being a systemically important non-banking financial company registered with the Reserve Bank of India as per Reserve Bank of India Act, 1934 (2 of 1934), the provisions prescribed under clause (87) of section 2 of the companies Act 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the company.

(d) There is a scheme of arrangements has been approved during the year by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 (refer to note 43).

(e) There is no transaction that has not been recorded in the books of accounts and surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(f) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(g) The Group has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(h) The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(i) The Group has not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall :
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(j) There are no creation or satisfaction of charges as at 31st March, 2022 pending with ROC beyond the statutory period.

Note 50 : Moratorium in accordance with the Reserve Bank of India (RBI) guidelines (FY 2019-20):

The outbreak of Covid-19 pandemic across the globe & India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, the Group has proposed to offer a moratorium of three months on the payment of instalments falling due between March 1, 2020 and May 31, 2020 to eligible borrowers. For all such accounts classified as standard and overdue as on February 29, 2020, where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the policy).

Note 51 : Reversal of interest accrued during the period of Moratorium (FY 2020-21):

As required by the Reserve Bank of India (RBI) vide its circular number RBI/2021-22/17 dated April 7, 2021, the Board of Directors of the Company has approved a policy to refund / adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020 in conformity with the Judgement of the Hon. Supreme Court of India in the case of 'Small Scale Industrial Manufacturers Associationvs Union of India & Others'. Based on the methodology for calculation of the amount to be refunded /adjusted, as advised by the Indian Banks Association (IBA), the Company has reversed such interest-on-interest income charged to the customer, that it had accrued during the aforesaid period.

Note 52 : Estimation uncertainty relating to COVID-19 global health pandemic:

In assessing the recoverability of loans, receivables, intangible assets and investments, the Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. However, the going concern assumption will not get impacted by the COVID-19 pandemic.

Note 53 : Previous year figures have been regrouped/reclassified whenever necessary, to make them comparable with the current year figures.

Note 54 : As authorised by the Board vide Board Resolution dated March 28, 2022, the Committee of Directors has approved the above reformatted Consolidated Financial statements on September 16, 2022.

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Srividya Vaidison
Partner
Membership No: 207132

Place: Mumbai
Date: September 16, 2022

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place: Mumbai
Date: September 16, 2022

For and on behalf of the Board of Directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Keshav Loyalka
Head Accounts
Chief Financial Officer

Apurva Rathod
Company Secretary

Place: Mumbai
Date: September 16, 2022

M S K A & Associates
Chartered Accountants

602, Floor 6, Raheja Titanium,
Western Express Highway,
Geetanjali Railway Colony,
Ram Nagar, Goregaon (E),
Mumbai – 400 063

Kalyaniwalla & Mistry LLP
Chartered Accountants

2nd Floor, 29, Esplanade House
Hazarimal Somani Marg, Fort
Mumbai - 400 001

INDEPENDENT AUDITOR'S **EXAMINATION REPORT** ON THE REFORMATTED STANDALONE FINANCIAL INFORMATION

The Board of Directors
L&T Finance Limited
15th Floor, PS SRIJAN Tech Park,
Plot No 52 Block DN, Sector-V,
Salt Lake City,
Kolkata Parganas,
West Bengal - 700 091.

1. We have examined the attached Reformatted Standalone Financial Information of L&T Finance Limited (the "Issuer" or "Company") as at and for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, comprising the Reformatted Standalone Balance Sheet as at March 31, 2022, March 31, 2021 and March 31, 2020, the Reformatted Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Reformatted Standalone Statement of Cash Flows for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, the Reformatted Statement of Changes in Equity and notes to the reformatted standalone financial information, including a summary of significant accounting policies and other explanatory information (the "Reformatted Standalone Financial Information"). The Reformatted Standalone Financial Information have been prepared by the Management of the Company on the basis of Note 1.2 to the Reformatted Standalone Financial Information and approved by the Board of Directors of the Company (the "Board of Directors") on September 16, 2022, for the purpose of inclusion in the Draft Shelf Prospectus ("DSP") and Shelf Prospectus ("SP") in connection with its proposed public issue of secured redeemable Non-Convertible Debentures of face value Rs. 1,000 each for an amount aggregating to Rs. 5,000 crore (the "Issue"), in accordance with the requirements of:

    a. the Sub-section (1) of Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

    b. the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended (the "SEBI NCS Regulations") in pursuance of the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"); and

    c. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "ICAI"), as amended from time to time (the "Guidance Note").

2. The Board of Directors of the Company is responsible for the preparation of the Reformatted Standalone Financial Information for the purpose of inclusion in the DSP to be filed with Securities and Exchange Board of India ("SEBI"), BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") in connection with the proposed Issue and the SP to be filed with SEBI and Registrar of Companies ("RoC"), West Bengal at Kolkata, BSE and NSE in connection with the proposed Issue. The Reformatted Standalone Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 1.2 to the Reformatted Standalone Financial Information.

The Board of Directors of the Company is also responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Reformatted Standalone Financial Information. The Board of Directors of the Company is also responsible for identifying and ensuring that the Company complies with the Act, the SEBI NCS Regulations and the Guidance Note.

3. We have examined the Reformatted Standalone Financial Information taking into consideration:

   a. the terms of reference and terms of our engagement agreed with you vide our engagement letter dated September 02, 2022, in connection with the issue;

   b. the Guidance Note, which also requires that we comply with the ethical requirements as stated in the Code of Ethics issued by the ICAI;

   c. the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Reformatted Standalone Financial Information; and

   d. the requirements of Section 26 of the Act and the SEBI NCS Regulations.

   Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI NCS Regulations and the Guidance Note in connection with the Issue.

4. The Reformatted Standalone Financial Information have been compiled by the Management from the audited standalone financial statements of the Company as at and for the years ended March 31, 2022, March 31, 2021 (along with audited comparative financial information as at and for the year ended March 31, 2020) prepared in accordance with Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on April 29, 2022 and April 28, 2021, respectively.

5. For the purpose of our examination, we have relied on:

   a. The Auditor’s report issued by us dated April 29, 2022 on the standalone financial statements of the Company as at and for the year ended March 31, 2022 as referred in paragraph 4 above, on which we expressed an unmodified opinion;

   b. The Auditor’s report issued by Deloitte Haskins & Sells LLP (“Previous Auditor”) dated April 28, 2021, on the standalone financial statements of the Company as at and for the year ended March 31, 2021 (along with audited comparative financial information as at and for the year ended March 31, 2020), as referred in paragraph 4 above.

c. The audit reports on the standalone financial statements issued by the Previous Auditor included the following explanatory paragraphs, which have been reproduced below:

i. Emphasis of matter paragraph:

A. As at and for the year ended March 31, 2021:

"We draw attention to Note 52 of the Standalone Financial Statements, in which the Company describes the continuing uncertainties arising from the COVID 19 pandemic. Our opinion is not modified in respect of this matter."

B. As at and for the year ended March 31, 2020:

"As more fully described in note 50 to the standalone financial statements, to assess the recoverability of certain assets, the Company has considered internal and external information upto the date of the standalone financial statements in respect of the current and estimated future global economic indicators consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets. Our opinion is not modified in respect of this matter."

ii. Other matter paragraph:

As at and for the year ended March 31, 2021:

"We draw attention to Note 44 to the Standalone Financial Statements regarding the scheme of amalgamation of L&T Infrastructure Finance Company Limited and L&T Housing Finance Limited (the 'merged entities') with the Company, which is accounted as a common control business combination in accordance with Appendix C of the Indian Accounting Standard (Ind AS) 103 - "Business Combinations". Accordingly, the figures reported represents the financial position and results of the Amalgamated Company from appointed date April 1, 2020.

Further, the financial statements of the merged entities for the previous year were audited by the respective previous statutory auditors and are recasted to represent the financial position and results of the Amalgamated Company in accordance with Indian Accounting Standard 103.

Our opinion is not modified in respect of this matter."

6. Examination Report submitted by Previous Auditor dated September 16, 2022 on the Reformatted Standalone Financial Information of the Company as at and for the years ended March 31, 2021 and March 31, 2020 in connection with the proposed Issue. Accordingly, reliance has been placed on the Reformatted Standalone Balance Sheet, the Reformatted Standalone Statement of Profit and Loss and Reformatted Standalone Statement of Cash Flows, the Reformatted Statement of Changes in Equity, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "2021 and 2020 Reformatted Standalone Financial Information") examined by Previous Auditor for the said years. Our examination report included for the said years is based solely on the report submitted by the Previous Auditor. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report of the Previous Auditor for the respective

years, we report that the Reformatted Standalone Financial Information have been prepared by the Company, in all material aspects, on the basis described in Note 1.2 to the Reformatted Standalone Financial Information taking into consideration the requirements of the Act and SEBI NCS Regulations.

7. The Reformatted Standalone Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.

8. This examination report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by the Previous Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our examination report for events and circumstances occurring after the date of this report.

10. Our examination report is intended solely for use of the Board of Directors for inclusion in the DSP and SP to be filed with the SEBI, BSE, NSE and the RoC in connection with the proposed Issue. Our report should not be used, referred to or distributed for any other purpose without prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Srividya Vaidison
Partner
Membership No: 207132
UDIN: 22207132ASROQQ1634

Mumbai
September 16, 2022

For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

Roshni R. Marfatia
Partner
Membership No: 106548
UDIN: 22106548ASRPFL5204

Mumbai
September 16, 2022

L&T Finance Limited
Reformatted Standalone Balance Sheet

₹ in crore

	Particulars	Note No.	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
A.	**ASSETS:**				
1.	**Financial assets**				
	(a) Cash and cash equivalents	2	4,233.83	4,312.83	5,258.30
	(b) Bank balance other than (a) above	3	1,909.36	1,449.29	2,176.55
	(c) Derivative financial instruments	4	204.04	32.60	155.06
	(d) Receivables	5			
	(i) Trade receivables		5.24	23.00	46.67
	(ii) Other receivables		56.43	65.63	26.41
	(e) Loans	6	77,529.06	78,593.64	82,701.82
	(f) Investments	7	9,303.95	8,427.01	5,503.91
	(g) Other financial assets	8	82.78	68.06	75.69
			93,324.69	**92,972.06**	**95,944.41**
2.	**Non-financial assets**				
	(a) Current tax assets (net)		580.18	516.65	674.81
	(b) Deferred tax assets (net)		1,401.20	1,584.36	1,417.42
	(c) Property, plant and equipment	9	19.41	22.56	36.31
	(d) Intangible assets under development	10	21.79	23.84	61.99
	(e) Goodwill	10	-	-	565.70
	(f) Other Intangible assets	10	115.76	110.89	157.52
	(g) Right of use assets		32.36	29.79	32.54
	(h) Other non-financial assets	11	676.44	948.60	308.77
			2,847.14	**3,236.69**	**3,255.06**
	Total Assets		**96,171.83**	**96,208.75**	**99,199.47**
B.	**LIABILITIES AND EQUITY:**				
1.	**Liabilities**				
a.	**Financial liabilities**				
	(a) Payables	12			
	(i) Trade payables				
	(i) total outstanding dues of micro enterprises and small enterprises		0.19	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		423.48	364.91	208.62
	(ii) Other payables				
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		6.49	5.07	0.83
	(b) Debt securities	13	34,665.61	37,230.48	34,310.91
	(c) Borrowings (other than debt securities)	14	40,356.40	38,658.11	45,335.36
	(d) Subordinated liabilities	15	3,297.59	3,501.59	3,303.92
	(e) Lease liabilities		35.53	34.05	36.34
	(f) Other financial liabilities	16	662.54	556.60	232.98
			79,447.83	**80,350.81**	**83,428.96**
b.	**Non-financial liabilities**				
	(a) Current tax liabilities (net)		155.55	170.44	99.26
	(b) Provisions	17	25.86	26.57	31.89
	(c) Other non-financial liabilities	18	51.36	39.70	4.77
			232.77	**236.71**	**135.92**
2.	**Equity**				
	(a) Equity share capital	19	2,684.17	2,684.17	2,684.17
	(b) Other equity	20	13,807.06	12,937.06	12,950.42
			16,491.23	**15,621.23**	**15,634.59**
	Total Liabilities and Equity		**96,171.83**	**96,208.75**	**99,199.47**
	Significant accounting policies	1			
	See accompanying notes forming part of the reformatted standalone financial statements	2 to 57			

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

For and on behalf of the Board of Directors of
L&T Finance Limited

Srividya Vaidison
Partner
Membership No: 207132

Roshni R. Marfatia
Partner
Membership No: 106548

Dinanath Dubhashi
Chairperson
DIN : 03545900

Keshav Loyalka
Head Accounts
Chief Financial Officer

Apurva Rathod
Company Secretary

Place : Mumbai
Date : September 16, 2022

Place : Mumbai
Date : September 16, 2022

Place : Mumbai
Date : September 16, 2022

L&T Finance Limited

Reformatted Standalone Statement of Profit and Loss

₹ in crore

	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
	Revenue from operations				
(i)	Interest income	21	10,969.31	12,206.78	12,374.41
(ii)	Dividend income	22	0.14	-	0.04
(iii)	Rental income	23	1.73	4.52	9.04
(iv)	Fees and commission income	24	86.40	138.01	364.49
I	**Total revenue from operations**		**11,057.58**	**12,349.31**	**12,747.98**
II	**Other income**	25	387.58	343.76	294.29
III	**Total income (I + II)**		**11,445.16**	**12,693.07**	**13,042.27**
	Expenses				
(i)	Finance costs	26	5,065.27	6,357.30	6,728.91
(ii)	Net loss on fair value changes	27	1,075.90	393.20	44.49
(iii)	Net loss on derecognition of financial instruments under amortised cost category	28	285.01	237.25	273.01
(iv)	Impairment on financial instruments	29	1,676.79	2,975.14	1,991.99
(v)	Employee benefits expenses	30	1,061.46	906.63	898.72
(vi)	Depreciation, amortisation and impairment	31	95.73	726.48	710.65
(vii)	Other expenses	32	1,093.13	764.83	790.42
IV	**Total expenses**		**10,353.29**	**12,360.83**	**11,438.19**
V	**Profit before tax (III - IV)**		**1,091.87**	**332.24**	**1,604.08**
VI	**Tax expense**				
	(1) Current tax	50	118.35	481.77	595.27
	(2) Deferred tax	50	165.54	(150.89)	(164.66)
	Total tax expense		**283.89**	**330.88**	**430.61**
VII	**Profit before impact of change in the rate on opening deferred tax (V-VI)**		**807.98**	**1.36**	**1,173.47**
VIII	**Impact of change in the rate on opening deferred tax (Refer note 50)**		-	-	472.71
IX	**Profit for the year (VII - VIII)**		**807.98**	**1.36**	**700.76**
X	**Other comprehensive income**				
A.	(i) Items that will not be reclassified to profit or loss				
	a) Remeasurement of the defined benefit plans		1.99	1.06	(4.75)
	b) Change in fair value of equity instruments measured at fair value through other comprehensive income		-	55.05	(56.16)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.50)	(0.27)	1.20
	Subtotal (A)		**1.49**	**55.84**	**(59.71)**
B.	(i) Items that will be reclassified to profit or loss				
	a) Change in fair value of debt instruments measured at fair value through other comprehensive income		21.22	(10.47)	0.16
	b) The effective portion of gains and losses on hedging instruments in a cash flow hedge		52.53	(2.94)	(133.02)
	(ii) Income tax relating to items that will be reclassified to profit or loss		(13.22)	0.74	33.48
	Subtotal (B)		**60.53**	**(12.67)**	**(99.38)**
	Total other comprehensive income (A+B)		**62.02**	**43.17**	**(159.09)**
XI	**Total comprehensive income for the year (IX+X)**		**870.00**	**44.53**	**541.67**
XII	**Earnings per equity share:**	38			
	Basic earnings per equity share (₹)		3.01	0.01	2.61
	Diluted earnings per equity share (₹)		3.01	0.01	2.61
	Significant accounting policies	1			
	See accompanying notes forming part of the reformatted standalone financial statements	2 to 57			

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

For and on behalf of the Board of Directors of
L&T Finance Limited

Srividya Vaidison
Partner
Membership No: 207132

Roshni R. Marfatia
Partner
Membership No: 106548

Dinanath Dubhashi
Chairperson
DIN : 03545900

Keshav Loyalka
Head Accounts
Chief Financial Officer

Apurva Rathod
Company Secretary

Place : Mumbai
Date : September 16, 2022

Place : Mumbai
Date : September 16, 2022

Place : Mumbai
Date : September 16, 2022

L&T Finance Limited
Reformatted Standalone Cash Flow Statement

₹ in crore

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	Year ended March 31, 2020
A. Cash flows from operating activities:			
Profit before tax	1,091.87	332.24	1,604.08
Adjustments for:			
Net loss on sale of property, plant and equipment (refer note : 32)	0.03	0.53	2.66
Net loss on fair value changes (refer note : 27)	1,075.90	393.20	44.49
Net loss on derecognition of financial instruments under amortised cost category (refer note : 28)	285.01	237.25	273.01
Impairment on financial instruments (refer note : 29)	1,676.79	2,975.14	1,991.99
Depreciation, amortisation and impairment (refer note : 31)	95.73	726.48	710.65
Operating profit before working capital changes	**4,225.33**	**4,664.84**	**4,626.88**
Changes in working capital			
Adjustments for increase/(decrease) in operating liabilities			
Other financial liabilities	(803.38)	(118.18)	(49.95)
Lease liabilities	(19.80)	(9.92)	(4.00)
Provisions	1.28	(4.26)	1.58
Trade and other payables	60.18	318.33	80.80
Other non-financial liabilities	11.66	34.93	(15.43)
Adjustments for (increase)/decrease in operating assets			
Other non-financial assets	256.05	(51.99)	(49.52)
Other financial assets	13.44	6.00	74.51
Trade and other receivables	26.96	0.86	(4.35)
Cash generated from operations	**3,771.72**	**4,840.61**	**4,660.52**
Direct taxes paid (net)	(192.88)	(252.43)	(708.43)
Loans disbursed (net of repayments)	(1,650.29)	172.83	(1,708.38)
Net cash generated from operating activities (A)	**1,928.55**	**4,761.01**	**2,243.71**
B. Cash flows from investing activities:			
Change in other bank balance not available for immediate use	(460.08)	727.26	(2,131.56)
Purchase of property, plant and equipment[2]	(7.93)	(2.85)	(23.71)
Proceeds from sale of property, plant and equipment	0.81	3.20	3.56
Purchase of intangible assets[2]	(67.86)	(45.73)	(54.22)
Purchase of investments[3]	(3,609.10)	(3,763.25)	(2,220.88)
Proceeds on sale of investments	2,417.61	610.17	4,803.05
Net cash (used in)/generated from investing activities (B)[4]	**(1,726.55)**	**(2,471.20)**	**376.24**
C. Cash flows from financing activities:			
Proceeds from issue of equity shares (including securities premium)	-	-	1,000.00
Payment for share issue costs	-	-	(1.00)
Proceeds from borrowings[5]	18,667.63	17,607.02	31,744.40
Repayment of borrowings[5]	(18,948.63)	(20,842.30)	(31,158.11)
Dividend paid	-	-	(474.20)
Additional tax on dividend	-	-	(97.47)
Net cash (used in)/ generated from financing activities (C)	**(281.00)**	**(3,235.28)**	**1,013.62**
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(79.00)**	**(945.47)**	**3,633.57**
Cash and cash equivalents at beginning of the year	4,312.83	5,258.30	1,624.73
Cash and cash equivalents at the end of the year	**4,233.83**	4,312.83	5,258.30
Net (decrease)/ increase in cash and cash equivalents	**(79.00)**	**(945.47)**	**3,633.57**

L&T Finance Limited
Reformatted Standalone Cash Flow Statement

₹ in crore

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	Year ended March 31, 2020

Notes:

1. Statement of standalone cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2. Purchase of Property, Plant and Equipment (PPE), represents additions to PPE and intangible assets adjusted for movement of (a) capital-work-in-progress for PPE and (b) intangible assets under development during the year.

3. Purchase of investments is after adjustments of proceeds from sale / redemption of mutual fund.

4. Net cash used in investing activity excludes investments aggregating to ₹ 10.97 crore for FY 2021-22 and ₹ 100.64 crore for FY 2020-21 and Nil for FY 2019-20 acquired against claims.

5. Includes proceeds and repayment of debt securities, borrowings (other than debt securities) and subordinate liabilities .

6. Net cash generated from operating activity is determined after adjusting the following:

₹ in crore

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest received	11,284.89	10,530.35	11,908.14
Dividend received	0.14	-	0.04
Interest paid	5,781.49	6,492.81	6,342.13

Significant accounting policies	1
See accompanying notes forming part of the reformatted standalone financial	2 to 57

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Srividya Vaidison
Partner
Membership No: 207132

Place : Mumbai
Date : September 16, 2022

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place : Mumbai
Date : September 16, 2022

For and on behalf of the Board of Directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Keshav Loyalka
Head Accounts
Chief Financial Officer

Apurva Rathod
Company Secretary

Place : Mumbai
Date : September 16, 2022

L&T Finance Limited
Reformatted Standalone Statement of Changes in Equity

A. Equity share capital

Particulars	As at March 31, 2022 Number of Shares	As at March 31, 2022 Equity share capital (₹ in crore)	As at March 31, 2021 Number of Shares	As at March 31, 2021 Equity share capital (₹ in crore)	As at March 31, 2020 Number of Shares	As at March 31, 2020 Equity share capital (₹ in crore)
Issued, subscribed and fully paid up equity shares at the beginning of the year	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17	1,59,91,38,199	1,599.14
Changes in equity share capital due to prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year	-	-	-	-	-	-
Issue of equity shares on account of merger (Refer note 45)	-	-	-	-	1,08,50,34,161	1,085.03
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	**2,68,41,72,360**	**2,684.17**	**2,68,41,72,360**	**2,684.17**	**2,68,41,72,360**	**2,684.17**

B. Other equity

₹ in crore

Particulars	Reserves and Surplus: Capital redemption reserve	Debenture redemption reserve	Securities premium	Capital reserve	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act , 1934	Reserve u/s 29C of National Housing Bank Act, 1987	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Retained earnings	Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total
Balance as at April 1, 2019	3.20	428.24	10,109.78	-	97.98	1,184.87	27.42	722.68	(538.06)	(692.59)	(0.63)	-	-	**11,342.89**
Profit for the year	-	-	-	-	-	-	-	-	-	700.76	-	-	-	**700.76**
Actuarial gain on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	-	-	(3.55)	-	-	-	**(3.55)**
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	-	-	0.16	(56.16)	(99.54)	**(155.54)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**697.21**	**0.16**	**(56.16)**	**(99.54)**	**541.67**
Transition impact on IndAs 116	-	-	-	-	-	-	-	-	-	(2.22)	-	-	-	**(2.22)**
Capital Reserve on Merger	-	-	-	585.64	-	-	-	-	-	-	-	-	-	**585.64**
Payment of Interim Dividend	-	-	-	-	-	-	-	-	-	(221.11)	-	-	-	**(221.11)**
Tax on interim dividend	-	-	-	-	-	-	-	-	-	(45.45)	-	-	-	**(45.45)**
Issue of equity shares	-	-	750.00	-	-	-	-	-	-	-	-	-	-	**750.00**
Share issues expenses	-	-	(1.00)	-	-	-	-	-	-	-	-	-	-	**(1.00)**
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	-	129.11	-	-	-	(129.11)	-	-	-	**-**
Transfer to general reserve	-	(34.27)	-	-	34.27	-	-	-	-	-	-	-	-	**-**
Transfer to amalgamation Adjustment reseve	-	(74.76)	-			-	-		74.76	-	-	-	-	**-**
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	-	-	80.75	-	(80.75)	-	-	-	**-**
Balance as at March 31, 2020	**3.20**	**319.21**	**10,858.78**	**585.64**	**132.25**	**1,313.98**	**27.42**	**803.43**	**(463.30)**	**(474.02)**	**(0.47)**	**(56.16)**	**(99.54)**	**12,950.42**

B. Other equity

₹ in crore

Particulars	Reserves and Surplus: Capital redemption reserve	Debenture redemption reserve	Securities premium	Capital reserve	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act , 1934	Reserve u/s 29C of National Housing Bank Act, 1987	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Retained earnings	Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total
Balance as at April 1, 2020	3.20	319.21	10,858.78	585.64	132.25	1,313.98	27.42	803.43	(463.30)	(474.02)	(0.47)	(56.16)	(99.54)	**12,950.42**
Profit for the year	-	-	-	-	-	-	-	-	-	1.36	-	-	-	**1.36**
Actuarial gain on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	-	-	0.79	-	-	-	**0.79**
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	-	-	(10.47)	55.05	(2.20)	**42.38**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2.15**	**(10.47)**	**55.05**	**(2.20)**	**44.53**
Merger Related expenses	-	-	(57.89)	-	-	-	-	-	-	-	-	-	-	**(57.89)**
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	-	0.27	-	-	-	(0.27)	-	-	-	**-**
Transfer to general reserve	-	(106.10)	-	-	106.10	-	-	-	-	-	-	-	-	**-**
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	(107.92)	-	-	107.92	-	-	-	-	-	**-**
Transfer to Retained earnings	-	-	-	-	-	-	-	-	-	(1.11)	-	1.11	-	**-**
Balance as at March 31, 2021	**3.20**	**213.11**	**10,800.89**	**585.64**	**130.43**	**1,314.25**	**27.42**	**911.35**	**(463.30)**	**(473.25)**	**(10.94)**	**-**	**(101.74)**	**12,937.06**

L&T Finance Limited
Reformatted Standalone Statement of Changes in Equity

₹ in crore

Particulars	Reserves and Surplus: Capital redemption reserve	Reserves and Surplus: Debenture redemption reserve	Reserves and Surplus: Securities premium	Reserves and Surplus: Capital reserve	Reserves and Surplus: General reserve	Reserves and Surplus: Reserve u/s 45-IC of Reserve Bank of India Act , 1934	Reserves and Surplus: Reserve u/s 29C of National Housing Bank Act, 1987	Reserves and Surplus: Reserve u/s 36(1)(viii) of Income tax Act, 1961	Reserves and Surplus: Amalgamation adjustment account	Reserves and Surplus: Retained earnings	Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total
Balance as at April 1, 2021	**3.20**	**213.11**	**10,800.89**	**585.64**	**130.43**	**1,314.25**	**27.42**	**911.35**	**(463.30)**	**(473.25)**	**(10.94)**	**-**	**(101.74)**	**12,937.06**
Profit for the year	-	-	-	-	-	-	-	-	-	807.98	-	-	-	**807.98**
Actuarial gain on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	-	-	1.49	-	-	-	**1.49**
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	-	-	21.22	-	39.31	**60.53**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**		**-**	**-**	**809.47**	**21.22**	**-**	**39.31**	**870.00**
Merger Related expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	-	161.60	-	-	-	(161.60)	-	-	-	**-**
Transfer to general reserve	-	(207.96)	-	-	207.96	-	-	-	-	-	-	-	-	**-**
Transfer to amalgamation adjustment account	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	-	-	40.00	-	(40.00)	-	-	-	**-**
Balance as at March 31, 2022	**3.20**	**5.15**	**10,800.89**	**585.64**	**338.39**	**1,475.85**	**27.42**	**951.35**	**(463.30)**	**134.62**	**10.28**	**-**	**(62.43)**	**13,807.06**

Note:
1. There is no share application money pending allotment & no monies received against share warrant.
2. There is no increase in carrying value of asset on account of revaluation as per Ind AS 16 and Ind AS 38, hence revaluation reserve is not required.
3. There is no compound financial instrument having equity component.
4. There is no foreign operation of the company, hence no exchange difference on translating the financial statement of foreign operations is required as per Ind AS 21.

Significant accounting policies	1
See accompanying notes forming part of the reformatted standalone financial statements	2 to 57

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Srividya Vaidison
Partner
Membership No: 207132

Place : Mumbai
Date : September 16, 2022

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place : Mumbai
Date : September 16, 2022

For and on behalf of the Board of Directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Keshav Loyalka
Head Accounts
Chief Financial Officer

Apurva Rathod
Company Secretary

Place : Mumbai
Date : September 16, 2022

Brief Profile:

L&T Finance Limited (the "Company" or "LTF") has been incorporated under the companies Act 1956, on November 24, 1993. LTF is a subsidiary of L&T Finance Holdings Limited and is registered with the Reserve Bank of India ("RBI") as a Non-Deposit taking Systemically Important Non-Banking Financial Company, (NBFC-ND-SI). As an NBFC-ND-SI, the Company is primarily in business of lending and carries out only such activities as are permitted under the guidelines issued by RBI for NBFC-ND-SI.

1. Significant Accounting Policies:

1.1. Statement of compliance:

(FY 2019-20, FY 2020-21, FY 2021-22)

The reformatted standalone financial information have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 of the Companies Act, 2013. In addition, applicable regulations of Reserve Bank of India (RBI) and the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations.

1.2. Basis of preparation:

(FY 2019-20, FY 2020-21, FY 2021-22)

The Reformatted Standalone Financial Information of the Company comprise of the Reformatted Standalone Balance Sheet as at March 31, 2022, March 31, 2021 and March 31, 2020, the related Reformatted Standalone Statement of Profit and Loss (including Other Comprehensive Income), Reformatted Standalone Statement of Changes in Equity and the Reformatted Standalone Statement of Cash Flows for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, and the Summary of Significant Accounting Policies and explanatory notes (collectively, the "Reformatted Standalone Financial Information").

These Reformatted Standalone Financial Information have been prepared for the purpose providing information for the years ended March 31, 2022, 2021 and 2020 in connection with its proposed public issue of secured redeemable non-convertible debentures ("NCDs").

The Reformatted Standalone Financial Information have been prepared in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended (the "SEBI Regulations") issued by the Securities and Exchange Board of India and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "ICAI"), as amended (the "Guidance Note").

These Reformatted Standalone Financial Information have been compiled by the Management from the audited standalone financial statements of the Company as at and for the year ended March 31, 2022, March 31, 2021 (along with audited comparative financial information as at and for the year ended March 31, 2020, read with note 45 to the reformatted standalone financial information) prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Systemically Important Non-Deposit accepting NBFC ('NBFC-ND-SI'), and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on April 29, 2022 and April 28, 2021 respectively.

The Reformatted Standalone Financial Information have been prepared after incorporating adjustments for regrouping / reclassifications retrospectively in the financial years ended March 31, 2021 and March 31, 2020 to reflect the same accounting treatment as per the grouping / classifications followed in the audited standalone financial statements as at and for the year ended March 31, 2022, except in respect of disclosures arising from RBI guidelines which are presented as per applicable guidelines for the respective years.

The statutory auditors of the Company for the years ended March 31, 2022, March 31, 2021 and March 31, 2020 have issued an unmodified opinion vide their respective reports dated April 29, 2022, April 28, 2021 and May 29, 2020 respectively, on these audited standalone financial statements. The statutory auditor's reports for the year ended March 31, 2021 and March 31, 2020 included "Emphasis of Matter" paragraph.

The reformatted standalone financial information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at reporting date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

1.3. Presentation of financial statements:

(FY 2019-20, FY 2020-21, FY 2021-22)

The Balance Sheet, Statement of Changes in Equity for the year and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Financial Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Division III to Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees in Crore rounded off to two decimal places as permitted by Division III to Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

1.4. Non-current assets held for sale:

(FY 2019-20, FY 2020-21, FY 2021-22)

Non-current assets and disposable group are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal Company) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal Company) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification except in some circumstances this period can be extended if it is beyond the control of management and there are sufficient evidence that the entity remains committed to its plan to sell the asset.

Non-current assets and disposal group classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

1.5. Business Combination:

(FY 2020-21, FY 2021-22)

A Common control business combination, involving entities or business in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 "Business Combination".

Business combinations involving entities or business under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior period are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserve with disclosure of its nature and purpose in the notes.

1.6. Financial instruments:

(FY 2019-20, FY 2020-21, FY 2021-22)

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

(i) Financial assets

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

The Company has more than one business model for managing its financial instruments which reflect how the Company manages its financial assets in order to generate cash flows. The Company's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Company considers all relevant information available when making the business model assessment. However, this assessment is performed on the basis of scenarios that the Company expects to occur and not to occur, such as so-called 'worst case' or 'stress case' scenarios. The Company takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Company's financial assets.

The Company considers sale of financial assets measured at amortised cost portfolio as consistent with a business model whose objective is to hold financial assets in order to collect contractual cash flows if these sales are

- due to an increase in the assets' credit risk or
- due to other reasons such as sales made to manage credit concentration risk (without an increase in the assets' credit risk) and are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent).

In addition, the Company also considers sale of such financial assets as consistent with the objective of holding financial assets in order to collect contractual cash flows if the sale is made close to the maturity of the financial assets and the proceeds from sale approximate the collection of the remaining contractual cash flows.

(a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

(c) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition of financial asset on an asset-by-asset basis to present subsequent changes in fair value in other comprehensive income.

(d) Debt instruments at amortised cost or at FVTOCI

For an asset to be classified and measured at FVTOCI, the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

(e) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and
- either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(ii) Financial liabilities

(a) Financial liabilities, including derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher.

All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

(b) A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

1.7. Write off:

(FY 2019-20, FY 2020-21, FY 2021-22)

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities is recorded in statement of profit and loss.

1.8. Impairment:

(FY 2019-20, FY 2020-21, FY 2021-22)

The Company recognises loss allowances for Expected Credit Losses (ECLs) on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Debt investment securities;
- Trade and other receivable;
- Lease receivables;
- Irrevocable loan commitments issued; and
- Financial guarantee contracts issued.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost or FVTOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default (see below) includes unlikeliness to pay indicators and a back-stop if amounts are overdue for more than 90 days. The 90-day criterion is applicable unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Company considers the following as constituting an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Company; or
- the borrower is unlikely to pay its credit obligations to the Company in full.

The forbearance granted to borrowers in accordance with COVID 19 Regulatory Package notified by the Reserve Bank of India (RBI) is excluded in determining the period of default (Days Past Due) in the assessment of default

When assessing if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Company Law Tribunal, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

The Company uses a variety of sources of information to assess default which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial asset.

With the exception of POCI financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition (and consequently to credit impaired financial assets). For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

- for financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Company expects to receive from the holder, the debtor or any other party.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics.

Significant increase in credit risk

The Company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

Hitherto, in respect of the Company's corporate loan assets, the threshold for shifting to Stage 2 was being rebutted using historical evidence from the Company's own portfolio to 60 days past due.

For the purpose of counting of day past due for the assessment of significant increase in credit risk, the special dispensations to any class of assets in accordance with COVID19 Regulatory Package notified by the Reserve Bank of India (RBI) has been applied by the company.

Purchased or originated credit-impaired (POCI) financial assets

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Company recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in profit or loss. A favourable change for such assets creates an impairment gain.

1.9. Modification and derecognition of financial assets:

(FY 2019-20, FY 2020-21, FY 2021-22)

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Company assesses whether this modification results in derecognition. In accordance with the Company's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI,
- Change in currency or change of counterparty,
- The extent of change in interest rates, maturity, covenants.

If these do not clearly indicate a substantial modification, then;

(a) In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

(b) When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
- the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain/loss allocated to it that had been recognised in OCI is recognised in profit or loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

1.10. Presentation of allowance for ECL in the Balance Sheet:

(FY 2019-20, FY 2020-21, FY 2021-22)

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: loss allowance is recognised separately in Balance Sheet and the carrying amount is at fair value.

1.11. Asset acquired under settlement of claims:

(FY 2019-20, FY 2020-21, FY 2021-22)

Asset acquired under settlement of claims are initially recognised on acquisition of the assets based on the fair value of the property, including cost of acquisition. Asset acquired under settlement of claims are subsequently measured at the prevailing market price/fair valuation or acquisition cost, whichever is lower, on periodic basis.

Any profit or loss arising on the sale of complete unit is recognised in Statement of Profit and Loss.

1.12. Derivative financial instruments:

(FY 2019-20, FY 2020-21, FY 2021-22)

The company enters into swap contracts and other derivative financial instruments to hedge its exposure to foreign exchange and interest rates. The Company does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

Cash flow hedges: In case of transaction related hedges, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'Cash flow hedging reserve'. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

1.13. Revenue recognition:

(FY 2019-20, FY 2020-21, FY 2021-22)

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

(i) Interest and dividend income

Interest income is recognised in the statement of Profit and Loss using effective interest rate (EIR) on all financial assets subsequently measured under amortised cost or fair value through other comprehensive income (FVOCI) except for those classified as held for trading.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Dividend income is recognised when the Company’s right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

(ii) Fee and commission income:

Fee and commission income and expense include fees other than those that are an integral part of EIR. The fees included in the statement of profit and loss include among other things fees charged for servicing a loan, non-utilisation fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement and loan advisory fees.

Fee and commission expenses with regards to services are accounted for as the services are received.

(iii) Net gain or fair value change:

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in “Net gains or fair value changes” under revenue from operations and if there is a net loss the same is disclosed “Expenses”, in the statement of profit and loss.

(iv) Income from financial instruments at FVTPL:

Income from financial instruments at FVTPL includes all gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL except those that are held for trading.

(v) Other operational revenue:

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract. Guarantee fees is recognised on pro rata basis over the period of the guarantee.

1.14. Borrowing costs:

(FY 2019-20, FY 2020-21, FY 2021-22)

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.15. Property, plant and equipment (PPE):

(FY 2019-20, FY 2020-21, FY 2021-22)

PPE including subsequent expenditure, if any, is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes all direct cost related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

Land and buildings held for use are stated in the balance sheet at cost less accumulated impairment losses and accumulated depreciation, respectively. Freehold land is not depreciated.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets held under finance leases are depreciated over the shorter of lease term and their useful life on the same basis as owned assets. However, when there is no reasonable certainty that the Company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the Company for similar assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

1.16. Intangible assets:

(FY 2019-20, FY 2020-21, FY 2021-22)

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Direct expenses and administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognised in profit or loss when the asset is derecognised.

1.17. Impairment of tangible and intangible assets other than goodwill:

(FY 2019-20, FY 2020-21, FY 2021-22)

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, and intangible assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (the smallest identifiable Company of assets that generates independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit), except for allocated goodwill, is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

1.18. Employee benefits:

(FY 2019-20, FY 2020-21, FY 2021-22)

(i) Short term employee benefits:

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(ii) Post-employment benefits:

(a) Defined contribution plans: The Company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(b) Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the Company, the post-retirement medical care plan and the Parent Company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(iii) Long term employee benefits:

The obligation recognised in respect of long term benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii) (b) above.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

1.19. Leases:

(FY 2019-20, FY 2020-21, FY 2021-22)

a. The Company as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments, less any lease incentives received made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation /impairment losses.

The right-of-use assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- Low value leases; and
- Leases which are short-term.

b. The Company as a lessor, classifies leases as either operating lease or finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease. Accordingly, the Company recognises lease payments as income on a straight-line basis in case of assets given on operating leases. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

c. Transition Disclosure:

The Company has applied Ind AS 116 "Leases" ("Standard") effective April 1, 2019 (Initial application date). Ind AS 116 supersedes Ind AS 17 "Leases". The Standard sets out the principles for recognition, measurement, presentation and disclosure of leases. The Standard has brought major changes with respect to lease accounting for the lessee. It requires a lessee to account for right-of-use asset and lease liability for all the leases without lease classification into operating and finance lease.

Under modified retrospective method of transition, the Company has applied the Standard retrospectively and recognised the cumulative effect of initially applying the Standard as an adjustment to the opening balance of retained earnings at the date of initial application (refer note 35). Accordingly, the figures of the previous year have not been restated.

The Company has availed of following practical expedients as on the transition date
as provided by the Standard:

- Leases for which the lease term ends within 12 months of the date of initial application are accounted in the same way as short-term leases.
- The Company has not reassessed whether a contract is or contains a lease at the date of initial application and instead applied the Standard to those contracts that were previously identified as leases under Ind AS 17.
- The Company has excluded initial direct costs from the measurement of the right of use asset at

the date of initial application.

1.20. Cash and bank balances:

(FY 2019-20, FY 2020-21, FY 2021-22)

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

1.21. Securities premium account:

(FY 2019-20, FY 2020-21, FY 2021-22)

(i) Securities premium includes:
- The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.
- The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

1.22. Share-based payment arrangements:

(FY 2019-20, FY 2020-21, FY 2021-22)

The stock options granted to employees by the holding company's (i.e. L&T Finance Holdings Limited) Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. The cost incurred by the holding company, in respect of options granted to employees of the Company, is being recovered by holding company and it is charged to the Statement of Profit and Loss of the Company over the period of vesting.

1.23. Accounting and reporting of information for Operating Segments:

(FY 2019-20, FY 2020-21, FY 2021-22)

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. Segment accounting policies are in line with the accounting policies of the Company.

1.24. Foreign currencies:

(FY 2019-20, FY 2020-21, FY 2021-22)

(i) The functional currency and presentation currency of the Company is Indian Rupee. Functional currency of the Company and foreign operations has been determined based on the primary economic environment in which the Company and its foreign operations operate considering the currency in which funds are generated, spent and retained.

(ii) Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the prevailing closing spot rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

(iii) Financial statements of foreign operations whose functional currency is different than Indian Rupees are translated into Indian Rupees as follows:

A. assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;

B. income and expenses for each income statement are translated at average exchange rates; and

C. all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations.

1.25. Taxation:

(FY 2019-20, FY 2020-21, FY 2021-22)

Current Tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unutilised tax credits are recognised to the extent it is probable of such unutilised tax credits will get realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

1.26. Provisions, contingent liabilities and contingent assets:

(FY 2019-20, FY 2020-21, FY 2021-22)

Provisions are recognised only when:

(i) an Company entity has a present obligation (legal or constructive) as a result of a past event; and

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

a. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b. a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

1.27. Commitment:

(FY 2019-20, FY 2020-21, FY 2021-22)

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

(a) estimated amount of contracts remaining to be executed on capital account and not provided for;

(b) uncalled liability on shares and other investments partly paid;

(c) funding related commitment to associate companies; and

(d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.28. Statement of cash flows:

(FY 2019-20, FY 2020-21, FY 2021-22)

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the profit before tax for the effects of:

(i) changes during the period in operating receivables and payables transactions of a non-cash nature;

(ii) non-cash items such as depreciation, provisions, deferred taxes, unrealised gains and losses; and

(iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

1.29. Earnings per share:

(FY 2019-20, FY 2020-21, FY 2021-22)

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

1.30. Operating cycle for current and non-current classification :

(FY 2019-20)

Based on the nature of products / activities of the Company entities and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.31. Key source of estimation:

(FY 2019-20, FY 2020-21, FY 2021-22)

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, expected credit loss on loan books, future obligations in respect of retirement benefit plans, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

L&T Finance Limited
Reformatted standalone notes forming part of the financial statements

Note 2 : Cash and cash equivalents **₹ in crore**

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Cash on hand	7.23	6.90	0.20
Balances with banks in current accounts#	845.80	548.91	734.54
Cheques, drafts on hand	-	4.09	-
Bank deposits with original maturity less than three months	3,380.80	3,752.93	4,523.56
Total cash and cash equivalents	**4,233.83**	**4,312.83**	**5,258.30**

includes balance of ₹ 0.13 crore for March 22 , ₹ 0.14 crore for March 21 and ₹ 4.44 crore for March 20 towards unutilised funds raised through public issue.

Note 3 : Bank balance other than note 2 above **₹ in crore**

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Earmarked balances with banks	367.46	244.66	17.99
Balances with banks to the extent held as margin money or security against borrowing, guarantees, other commitments	1,540.89	944.59	683.17
Banks deposits with maturity greater than three months and less than twelve months	1.01	260.04	1,475.39
Total bank balance other than note 2 above	**1,909.36**	**1,449.29**	**2,176.55**

Note 4 : Derivative financial instruments

₹ in crore

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Part I			
(i) Currency derivatives:			
Notional amounts			
-Currency swaps	3,014.34	3,114.34	3,014.34
Fair value assets			
-Currency swaps[1]	204.04	32.60	155.06
Total derivative financial instruments	**204.04**	**32.60**	**155.06**
Part II			
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:			
(i) Cash flow hedging:			
Notional amounts			
- Currency derivatives	3,014.34	3,114.34	3,014.34
Fair value assets			
- Currency derivatives	204.04	32.60	155.06
Total derivative financial instruments	**204.04**	**32.60**	**155.06**

Note:

1. Net off fair value on interest rate swap ₹ 83.42 crores for FY 2021-22, ₹ 141.97 crore for FY 2020 -21 and ₹ 133.02 crore for FY 2019-20 respectively.
2. The company has a board approved policy for entering in to derivative transactions. Derivative comprises of currency and interest rate swap. Refer the accounting policy for derivative financial instruments.

Note 5 : Receivables ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(i) Trade receivables			
(a) Receivables considered good - secured	-	-	-
(b) Receivables considered good - unsecured	5.24	23.00	40.00
(c) Receivables which have significant increase in credit risk	-	-	-
(d) Receivables - credit impaired			
Receivables	2.98	2.98	26.06
Less : Impairment loss allowance	(2.98)	(2.98)	(19.39)
Total trade receivables (i)	**5.24**	**23.00**	**46.67**
(ii) Other receivables			
(a) Receivables considered good - Secured	-	-	-
(b) Receivables considered good - unsecured	46.60	56.03	15.64
(c) Receivables which have significant increase in Credit Risk	-	-	-
(d) Receivables from related parties* (refer note : 33)	9.83	9.60	10.77
(e) Receivables - credit impaired	-	-	-
Total other receivables (ii)	**56.43**	**65.63**	**26.41**
Total receivables (i+ii)	**61.67**	**88.63**	**73.08**

*There are no dues by Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

(iii) Ageing Schedule for Trade Receivables#

₹ in crore

Particulars		Outstanding as on 31st March 2022					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	5.24	-	-	-	-	5.24
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iv)	Undisputed Trade Receivables – credit impaired	2.98	-	-	-	-	2.98
(v)	Less : Impairment loss allowance	(2.98)	-	-	-	-	(2.98)
(vi)	Disputed Trade Receivables–considered good	-	-	-	-	-	-
(vii)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(viii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total		**5.24**	**-**	**-**	**-**	**-**	**5.24**

₹ in crore

Particulars		Outstanding as on 31st March 2021					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	22.85	0.15	-	-	-	23.00
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iv)	Undisputed Trade Receivables – credit impaired	2.98	-	-	-	-	2.98
(v)	Less : Impairment loss allowance	(2.98)	-	-	-	-	(2.98)
(vi)	Disputed Trade Receivables–considered good	-	-	-	-	-	-
(vii)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(viii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total		**22.85**	**0.15**	**-**	**-**	**-**	**23.00**

₹ in crore

Particulars		Outstanding as on 31st March 2020					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	40.00	-	-	-	-	40.00
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Receivables which have significant increase in credit risk	-	-	-	-	-	-
(iv)	Undisputed Trade Receivables – credit impaired	26.06	-	-	-	-	26.06
(v)	Less : Impairment loss allowance	(19.39)	-	-	-	-	(19.39)
(vi)	Disputed Trade Receivables–considered good	-	-	-	-	-	-
(vii)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(viii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total		**46.67**	**-**	**-**	**-**	**-**	**46.67**

 # The above ageing is prepared on the basis of date of transaction. There are no "Unbilled" and "Not Due" invoices, hence not disclosed separately.

Note 6 : Loans ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(A)			
(i) At amortised cost			
- Bills purchased and bills discounted	-	-	-
- Loans repayable on demand	718.28	657.44	476.29
- Term loans	57,420.18	59,250.00	59,925.11
- Leasing	5.17	23.92	45.48
- Factoring	-	-	-
- Debentures (refer note 6(i))	192.70	825.54	1,967.24
Total gross loans at amortised cost	**58,336.33**	**60,756.90**	**62,414.12**
Less: Impairment loss allowance	(3,561.05)	(5,040.93)	(4,589.94)
Total net loans at amortised cost (i)	**54,775.28**	**55,715.97**	**57,824.18**
(ii) At fair value through profit or Loss			
- Loans repayable on demand	-	-	103.73
- Term loans	23,119.45	22,842.43	24,332.68
- Debentures (refer note 6(i))	343.00	395.81	662.06
Total gross loans at fair value through profit or loss	**23,462.45**	**23,238.24**	**25,098.47**
Less: Impact of fair value changes	(708.67)	(360.57)	(220.83)
Total net loans at fair value through profit or loss (ii)	**22,753.78**	**22,877.67**	**24,877.64**
Total net loans (A) = (i)+(ii)	**77,529.06**	**78,593.64**	**82,701.82**
(B)			
(i) At amortised cost			
-Secured by tangible assets	41,312.49	45,257.78	47,625.21
-Unsecured	17,023.84	15,499.12	14,788.91
Total gross loans at amortised cost	**58,336.33**	**60,756.90**	**62,414.12**
Less: Impairment loss allowance	(3,561.05)	(5,040.93)	(4,589.94)
Total net loans at amortised cost (i)	**54,775.28**	**55,715.97**	**57,824.18**
(ii) At fair value through profit or loss:			
-Secured by tangible assets	23,462.45	23,238.24	25,098.47
-Unsecured	-	-	-
Total gross loans at fair value through profit or loss	**23,462.45**	**23,238.24**	**25,098.47**
Less: Impact of fair value changes	(708.67)	(360.57)	(220.83)
Total net loans at fair value through profit or loss (ii)	**22,753.78**	**22,877.67**	**24,877.64**
Total net loans (B) = (i)+(ii)	**77,529.06**	**78,593.64**	**82,701.82**

L&T Finance Limited
Reformatted standalone notes forming part of the financial statements

Note 6 : Loans ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(C)			
(I) Loans in India			
(i) At amortised cost			
- Public sector	43.75	81.25	118.75
- Others	58,292.58	60,675.65	62,295.37
Total gross loans at amortised cost	**58,336.33**	**60,756.90**	**62,414.12**
Less: Impairment loss allowance	(3,561.05)	(5,040.93)	(4,589.94)
Total net loans in India at amortised cost (i)	**54,775.28**	**55,715.97**	**57,824.18**
(ii) At fair value through profit or loss:			
- Public sector	-	-	-
- Others	23,462.45	23,238.24	25,098.47
Total gross loans at fair value through profit or loss	**23,462.45**	**23,238.24**	**25,098.47**
Less: Impact on fair value changes	(708.67)	(360.57)	(220.83)
Total net loans at fair value through profit or loss (ii)	**22,753.78**	**22,877.67**	**24,877.64**
Total net loans in India (C)(I) = (i)+(ii)	**77,529.06**	**78,593.64**	**82,701.82**
(II) Loans outside India			
(i) At amortised cost			-
- Public sector	-	-	-
- Others	-	-	-
Total gross loans at amortised cost	**-**	**-**	**-**
Less: Impairment loss allowance	-	-	-
Total net loans outside India at amortised cost (i)	**-**	**-**	**-**
(ii) At fair value through profit or loss:			-
- Public sector	-	-	-
- Others	-	-	-
Total gross loans at fair value through profit or loss	**-**	**-**	**-**
Less: Impact on fair value changes	-	-	-
Total net loans at fair value through profit or loss (ii)	**-**	**-**	**-**
Total net loans outside India (C)(I) = (i)+(ii)	**-**	**-**	**-**
Total net loans (C) = (I)+(II)	**77,529.06**	**78,593.64**	**82,701.82**

Note:

There are no loans or advances, in the natures of loans, are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013), either severally or jointly with any other person for FY 2021-22, FY 2020-21 and FY 2019-20 except the Inter company deposit given in FY 2019-20 to related party as disclosed in note no 33 for which outstanding balance is Nil.

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
A. Investments in fully paid equity shares									
(a) Subsidiaries (at cost)									
(i) Unquoted									
L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited)	10.00	37,56,89,110	478.26	10.00	37,56,89,110	478.26	10.00	37,56,89,110	478.26
L&T Infra Investment Partners Advisory Private Limited	10.00	50,00,000	5.00	10.00	50,00,000	5.00	10.00	50,00,000	5.00
L&T Infra Investment Partners Trustee Private Limited	10.00	1,00,000	0.10	10.00	1,00,000	0.10	10.00	1,00,000	0.10
Total investment in equity shares of Subsidiaries			**483.36**			**483.36**			**483.36**
(b) Other equity shares									
(i) Quoted									
(a) Investments carried at fair value through profit or loss									
Unity Infraprojects Limited	2.00	6,94,370	-	2.00	6,94,370	0.06	2.00	6,94,370	0.01
JSW Ispat Special Product Limited (Erstwhile Monnet Ispat Special Product Limited)	10.00	5,93,420	1.91	10.00	5,93,420	1.55	10.00	5,94,412	0.55
KSK Energy Ventures Limited	10.00	1,06,88,253	-	10.00	1,06,88,253	0.59	10.00	1,06,88,253	0.37
Integrated Digital Info Services Limited	10.00	3,83,334	-	10.00	3,83,334	-	10.00	3,83,334	-
Elque Polyesters Limited	10.00	1,94,300	-	10.00	1,94,300	-	10.00	1,94,300	-
Monind Limited (Erstwhile Monnet Industries Limited)	10.00	4,638	-	10.00	4,638	-	10.00	5,640	-
Monnet Project Developers Limited	10.00	11,279	-	10.00	11,279	-	10.00	11,280	-
Bhushan Steel Limited	-	-	-	-	-	-	2.00	3,67,119	0.60
Jaihind Projects Limited	-	-	-	-	-	-	10.00	24,797	-
Diamond Power Infrastructure Limited	10.00	13,56,057	-	10.00	28,89,921	-	10.00	28,89,921	-
3I Infotech Limited	10.00	2,42,638	1.24	10.00	24,26,383	1.81	10.00	24,26,383	0.32
Gol Offshore Limited	10.00	1,13,44,315	-	10.00	1,13,44,315	-	10.00	1,13,44,315	-
SVOGL Oil Gas and Exploration Services Limited	10.00	34,37,172	-	10.00	34,37,172	-	10.00	34,37,172	-
Glodyne Technoserve Limited	6.00	3,19,262	-	6.00	3,19,262	-	6.00	3,19,262	-
MIC Electronics Limited	2.00	13,46,154	2.25	2.00	53,84,616	-	2.00	53,84,616	-
Usher Agro Limited	10.00	3,35,344	-	10.00	3,35,344	-	10.00	3,35,344	-
Hindusthan National Glass & Industries Limited	-	-	-	2.00	3,76,928	1.22	2.00	4,09,674	1.13
Ballarpur Industries Limited	-	-	-	10.00	12,60,52,000	13.24	-	-	-
Dish TV India Limited	10.00	3,59,27,667	58.74	10.00	3,59,27,667	33.23	-	-	-
Zee Learn Limited	10.00	2,21,62,667	27.48	10.00	2,21,62,667	22.94	-	-	-
Zee Media Corporation Limited	10.00	2,53,98,667	42.16	10.00	2,53,98,667	16.25	-	-	-
Siti Networks Limited	10.00	5,73,83,732	16.35	10.00	5,73,83,732	4.88	-	-	-
Future Retail Limited	10.00	26,47,883	8.26	10.00	5,01,000	2.14	-	-	-
Castex Technologies Limited	2.00	7,65,241	-	-	-	-	-	-	-
Total investment in Other quoted equity shares			**158.39**			**97.91**			**2.98**
(b) Investment carried at fair value through other comprehensive income									
CG Power and Industrial Solutions Limited	-	-	-	-	-	-	10.00	6,26,00,000	31.61
(ii) Unquoted									
(a) Investments carried at fair value through profit or loss									
The Kalyan Janatha Sahakari Bank Limited	10.00	20,000	0.05	10.00	20,000	0.05	10.00	20,000	0.05
The Malad Sahakari Bank Limited	10.00	100	-	10.00	100	-	10.00	100	-
Coastal Projects Limited	10.00	78,96,884	-	10.00	78,96,884	-	10.00	78,96,884	-
ICOMM Tele Limited	10.00	41,667	-	10.00	41,667	-	10.00	41,667	-
Hanjer Biotech Energies Private Limited	10.00	2,08,716	-	10.00	2,08,716	-	10.00	2,08,716	-
Soma Enterprises Limited	10.00	5,00,000	-	10.00	5,00,000	-	10.00	5,00,000	-
Mediciti Healthcare Services Private Limited	10.00	16,35,003	-	10.00	16,35,003	-	10.00	16,35,003	-
Tikona Infinet Limited	10.00	4,25,912	-	10.00	4,25,912	-	10.00	4,25,912	0.17
Bhoruka Power Corporation Limited	10.00	11,71,098	61.71	10.00	100	-	10.00	100	-
Bhoruka Power India Investments Private Limited	10.00	10	-	10.00	10	-	10.00	10	-
Soma Tollways Private Limited	10.00	1,92,65,780	329.10	10.00	1,92,65,780	329.10	10.00	1,92,65,780	329.10
Indian Highways Management Company Limited	10.00	15,00,000	1.73	10.00	15,00,000	1.73	10.00	15,00,000	1.73
KSK Mahanadi Power Company Limited	10.00	2,63,85,108	-	10.00	2,63,85,109	-	10.00	2,63,85,109	-
NSL Sugars Limited	10.00	29,25,656	-	10.00	29,25,656	-	10.00	29,25,656	-
Athena Chattisgarh Power Limited	10.00	6,93,00,000	-	10.00	6,93,00,000	-	10.00	6,93,00,000	-
Supreme Best Value Kolhapur(Shiroli) Sangli Tollways Private Limited	10.00	5,026	-	10.00	5,026	-	10.00	5,026	-
Grameen Capital India Private Limited	10.00	21,26,000	-	10.00	21,26,000	-	10.00	21,26,000	-
Alpha Micro Finance Consultants Private Limited	10.00	2,00,000	-	10.00	2,00,000	-	10.00	2,00,000	-
Metropoli Overseas Limited	10.00	99,400	-	10.00	99,400	-	10.00	99,400	-
Anil Chemicals and Industries Limited	10.00	40,000	-	10.00	40,000	-	10.00	40,000	-
VMC Systems Limited	10.00	9,07,264	-	10.00	9,07,264	-	10.00	9,07,264	-
Saumya Mining Limited	10.00	10,77,986	-	10.00	10,77,986	-	10.00	10,77,986	-
Total investment in Other unquoted equity shares			**392.59**			**330.88**			**331.05**
Total investment in equity shares (A)			**1,034.34**			**912.15**			**849.00**

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2022 Face value (₹)	Quantity (No.)	Net carrying value	As at March 31, 2021 Face value (₹)	Quantity (No.)	Net carrying value	As at March 31, 2020 Face value (₹)	Quantity (No.)	Net carrying value
B. Investments in debt securities									
(a) Investment carried at fair value through profit or loss (FVTPL)									
Bhoruka Power Corporation Limited	1,00,000.00	25,771	392.50	1,00,000.00	25,771	392.50	1,00,000.00	25,771	392.50
Soma Enterprises Limited	10.00	8,07,12,081	18.38	10.00	8,07,12,081	18.52	10.00	8,07,12,081	38.56
Tikona Infinet Limited	2,840.00	5,79,772	2.58	2,840.00	5,79,772	85.58	2,840.00	5,79,772	149.58
NSL Sugars Limited	-	-	-	100.00	21,32,310	12.71	100.00	21,32,310	14.74
NSL Renewable Power Private Limited	-	-	-	-	-	-	20,000.00	4,811	6.67
Total investment in debt securities carried at FVTPL			**413.46**			**509.31**			**602.05**
(b) Investment carried at fair value through other comprehensive income (FVOCI)									
TATA AIG General Insurance Company Limited	-	-	-	-	-	-	10,00,000.00	310	32.25
U. P. Power Corporation Limited	-	-	-	-	-	-	10,00,000.00	522	56.04
Cholamandlam MS General Insurance Company Limited	-	-	-	-	-	-	10,00,000.00	418	44.84
Dewan Housing Finance Corporation Limited	-	-	-	10,00,000.00	2,496	241.45	10,00,000.00	2,496	241.45
Dewan Housing Finance Corporation Limited	-	-	-	1,000.00	27,50,000	295.10	1,000.00	27,50,000	295.10
The South Indian Bank Limited	1,00,000.00	38,759	407.83	1,00,000.00	38,759	416.87	1,00,000.00	38,759	416.20
ECL Finance Limited	1,000.00	15,00,000	161.89	1,000.00	15,00,000	161.93	1,000.00	30,00,000	326.38
U. P. Power Corporation Limited	5,00,000.00	2,070	159.58	-	-	-	-	-	-
Total investment in debt securities carried at FVOCI			**729.31**			**1,115.35**			**1,412.26**
Total investment in debt securities (B)			**1,142.77**			**1,624.66**			**2,014.31**
C. Investments in mutual funds									
(a) Investment carried at fair value through profit or loss									
Canara Robeco Liquid fund - Direct Growth		-	-		-	-		21,004	5.02
L&T Low Duration Fund Direct Plan - Growth		8,74,15,476	208.58		8,74,15,476	200.06		-	-
L&T Money Market Fund Direct Plan - Growth		9,32,07,621	207.30		9,32,07,621	200.01		-	-
L&T Ultra Short Term Fund Direct Plan - Growth		6,87,16,207	250.06		-	-		-	-
Total investment in mutual funds (C)			**665.94**			**400.07**			**5.02**
D. Investments in fully paid preference shares (Unquoted)									
(a) Investment carried at fair value through profit or loss									
Grameen Capital India Private Limited	10.00	38,74,000	-	10.00	38,74,000	-	10.00	38,74,000.00	-
SKS Ispat Power Limited	-	-	-	-	-	-	10.00	97,73,621	3.05
3I Infotech Limited	5.00	38,96,954	-	5.00	38,96,954	0.68	5.00	38,96,954	0.68
10% SEW Vizag Coal Terminal Private Limited	10.00	47,95,256	-	10.00	47,95,256	-	10.00	47,95,256.27	-
Total investment in preference shares (D)			**-**			**0.68**			**3.73**
E. Investments in government securities									
(a) Investment carried at amortised cost									
12% National Saving Certificate	-	-	-	-	-	-	-	-	0.00*
(b) carried at fair value through P & L									
7.50% Government of India Stock 2034	-	-	-	-	-	-	100.00	14,000	0.14
6.13% Government of India Stock 2028	-	-	-	-	-	-	100.00	40,000	0.39
(c) Investment carried at fair value through other comprehensive income									
8.15% Govt Stock -11-06-2022	100.00	5,00,00,000	516.74	100.00	5,00,00,000	535.20	-	-	-
364 Day T-Bills 16-09-2021	-	-	-	100.00	7,50,00,000	738.57	-	-	-
364 Day T-Bill 24-03-2022	-	-	-	100.00	2,00,00,000	192.89	-	-	-
6.84% Govt Stock 19-12-2022	100.00	3,00,00,000	311.00	-	-	-	-	-	-
7.37% Govt Stock 2023	100.00	95,00,000	100.85	-	-	-	-	-	-
8.08% GOI STOCK 2022	100.00	75,00,000	77.04	-	-	-	-	-	-
5.87% GOI STOCK 2022	100.00	1,60,00,000	162.17	-	-	-	-	-	-
7.16% GOI STOCK 2023	100.00	95,00,000	100.04	-	-	-	-	-	-
6.30% GOI STOCK 2023	100.00	20,00,000	20.95	-	-	-	-	-	-
182 DTB 18-08-22	100.00	35,00,000	34.49	-	-	-	-	-	-
Total investment in government securities (E)			**1,323.28**			**1,466.66**			**0.53**
F. Investment in other securities									
(a) Subsidiaries: Investment carried at fair value through profit or loss (FVTPL)									
L&T Infra Investments Partner Fund									
Class B	100.00	2,11,33,404	213.59	100.00	2,07,10,522	234.32	100.00	2,08,29,026	263.76
Class C	100.00	5,00,000	5.68	100.00	5,00,000	6.07	100.00	5,00,000	5.00
Class D	10.00	10,000	0.01	10.00	10,000	0.01	10.00	10,000	0.01
Total investment in other securities of subsidiaries carried at FVTPL			**219.28**			**240.40**			**268.77**
(b) Investment carried at fair value through profit or loss (FVTPL)									
KKR India debt Opportunities Fund II	1,000.00	3,66,954	14.27	1,000.00	7,42,182	53.06	1,000.00	13,56,565	101.32
KKR India debt Opportunities Fund III	1,000.00	21,226	-	1,000.00	21,226	0.17	1,000.00	21,226	0.20
LICHFL Urban Development Fund	10,000.00	10,000	1.21	10,000.00	10,000	2.97	10,000.00	10,000	3.76
LICHFL Housing And Infrastructure Trust	100.00	15,72,360	15.72	100.00	5,16,000	5.16	100.00	1,16,000	1.16
Total investment in other securities carried at FVTPL			**31.20**			**61.36**			**106.44**
(c) Investment carried at fair value through other comprehensive income (FVOCI)									
Indinfravit Trust	100.00	1,00,000	0.91	100.00	1,00,000	0.94	100.00	1,00,000	0.94
Total investment in other securities carried at FVOCI			**0.91**			**0.94**			**0.94**
Total investment in other securities (F)			**251.39**			**302.70**			**376.15**

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
G. Investment in pass through certificates									
(a) Investment carried at fair value through other comprehensive income									
Goldstein IFMR Capital	43.00	8,57,170	2.45	43.00	8,57,170	2.45	43.00	8,57,170	2.45
Smith IFMR Capital	4.00	1,20,96,782	3.29	4.00	1,20,96,782	3.29	4.00	1,20,96,782	3.30
Syme IFMR Capital	1.00	1,42,10,515	1.11	1.00	1,42,10,515	1.11	1.00	1,42,10,515	1.12
Moses IFMR Capital	1.00	22,50,000	0.22	1.00	22,50,000	0.22	1.00	22,50,000	0.22
Total investment in pass through certificate (G)			**7.07**			**7.07**			**7.09**
H. Investment in security receipts									
(a) Investment carried at fair value through profit or loss									
Phoenix ARF Scheme 6	-	-	-	1,000.00	9,843	-	1,000.00	9,843	-
Phoenix ARF Scheme 9	1.00	6,612	-	1.00	6,612	*0.00	1.00	6,612	*0.00
Phoenix ARF Scheme 11	1.00	44,208	-	1.00	44,208	*0.00	1.00	44,208	*0.00
Phoenix ARF Scheme 13	5.00	27,404	-	5.00	27,404	0.01	5.00	27,404	0.01
Phoenix ARF Scheme 14	1,000.00	34,882	-	1,000.00	34,882	0.87	1,000.00	34,882	2.62
Phoenix Trust FY 19-6	505.00	12,49,500	63.10	649.00	12,49,500	81.09	899.00	12,49,500	112.33
JM Financial Asset Reconstruction Company Private Limited (Series I - JMFARC-IRIS December 2016 - Trust)	1,000.00	6,885	-	1,000.00	6,885	-	1,000.00	6,885	-
EARC Trust SC - 258 - Series I	547.16	32,30,000	-	547.16	32,30,000	1.76	551.40	32,30,000	8.90
JMFARC LTF June 2017 Trust	628.20	2,97,500	4.64	710.67	2,97,500	8.55	710.67	2,97,500	9.71
JMFARC LTF June 2017 Trust	628.20	4,80,849	14.36	710.67	4,80,849	17.95	710.67	4,80,849	17.95
Suraksha ARC - 024 Trust	1,000.00	10,87,176	108.72	1,000.00	10,87,175	108.72	1,000.00	10,87,175	108.72
Suraksha ARC - 020 Trust	768.17	8,67,000	50.60	768.17	8,67,000	50.60	768.17	8,67,000	66.60
Suraksha ARC - 020 Trust (Series - II)	888.89	1,26,310	7.75	888.89	1,26,310	7.75	888.89	1,26,310	7.75
Phoenix Trust FY 20-4	257.00	30,26,000	38.88	257.00	30,26,000	77.77	522.00	30,26,000	157.96
Omkara PS10/2019-20 Trust	1,000.00	1,32,605	3.17	1,000.00	2,16,750	10.63	1,000.00	3,48,500	23.91
EARC TRUST SC 367	904.00	1,17,30,000	1,056.66	985.51	1,17,30,000	1,151.76	999.91	1,17,30,000	1,168.68
ARCIL-CPS-062-I-Trust	1,000.00	51,85,000	388.05	1,000.00	51,85,000	518.51	1,000.00	51,85,000	518.51
Suraksha ARC - 037 Trust	1,000.00	11,07,125	109.47	1,000.00	11,07,125	109.47	1,000.00	11,07,125	109.47
Phoenix Trust FY 14-9	931.00	11,08,935	-	1,000.00	11,08,935	16.63	1,000.00	11,08,935	27.72
EARC Trust - SC 105	812.00	11,90,000	14.50	976.26	11,90,000	29.04	976.26	11,90,000	63.90
EARC Trust - SC 132	903.20	8,500	0.77	903.20	8,500	0.77	903.20	8,500	0.77
JM Financials (JMFARC) Series	680.90	26,21,651	66.44	680.90	26,21,651	89.25	710.67	26,21,651	93.16
ARCIL-AST-065-I-Trust	1.00	19,55,000	-	1,000.00	19,55,000	184.00	-	-	-
ARCIL-CPS-I-Trust	977.00	44,20,000	431.23	1,000.00	44,20,000	442.00	-	-	-
Arcil-AST- IX Trust	986.00	76,58,500	755.20	1,000.00	76,58,500	765.85	-	-	-
CFMARC Trust 67	1,000.00	6,58,291	36.38	1,000.00	7,22,500	42.80	-	-	-
CFMARC Trust 73	1,000.00	22,76,266	215.65	1,000.00	23,08,090	218.83	-	-	-
CFMARC Trust 74	1,000.00	10,98,795	101.98	1,000.00	11,07,210	102.82	-	-	-
CFMARC Trust 76	1,000.00	5,85,429	55.46	1,000.00	5,92,705	56.19	-	-	-
Pegasus Group Thirty Eight Trust 1	929.00	3,28,729	18.92	1,000.00	3,28,729	21.25	-	-	-
ARCIL-CPS-I-Trust	977.00	13,85,500	135.96	-	-	-	-	-	-
ACRE 109 TRUST	969.88	7,82,000	75.84	-	-	-	-	-	-
Phoenic Trust FY 22-7	807.00	31,53,500	213.86	-	-	-	-	-	-
Phoenix Trust-FY 22-16	1,000.00	95,20,000	918.64	-	-	-	-	-	-
Total investment in security receipts (H)			**4,886.23**			**4,114.87**			**2,498.67**
Total investments (I)			**9,311.02**			**8,828.86**			**5,754.50**
(i) Investments outside India			-			-			-
(ii) Investments in India			9,311.02			8,828.86			5,754.50
Total Investments (II)			**9,311.02**			**8,828.86**			**5,754.50**
Less: Allowance for Impairment loss (III)									
Investment carried at fair value through other comprehensive income			7.07			401.85			250.59
Net total investment (IV)= (I)-(III)			**9,303.95**			**8,427.01**			**5,503.91**

***Amount less than ₹ 1 lakh**

L&T Finance Limited
Reformatted standalone notes forming part of the financial statements

Note 8 : Other financial assets **₹ in crore**

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
Security deposit	64.55	66.25	70.89
Other advances	10.43	0.47	3.96
Margin money deposits	7.80	1.34	0.84
Total other financial assets	**82.78**	**68.06**	**75.69**

L&T Finance Limited

Reformatted standalone notes forming part of the financial statements

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	For the year	Disposals	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Buildings : Owned*	0.38	-	-	0.38	0.04	0.01	-	0.05	**0.33**	**0.34**
Lease hold renovation : Owned	11.78	0.57	2.98	9.37	9.48	0.87	2.76	7.59	**1.78**	**2.30**
Plant and equipments : Lease out	2.80	-	-	2.80	2.16	-	-	2.16	**0.64**	**0.64**
Computers : Owned	40.36	-	0.07	40.29	30.51	4.72	0.03	35.20	**5.09**	**9.85**
Furniture and fixtures										
Owned	10.71	0.83	0.61	10.93	7.11	0.73	0.34	7.50	3.43	3.60
Leased out	4.74	-	-	4.74	3.94	0.12	-	4.06	0.68	0.80
Sub total - Furniture and fittings	**15.45**	**0.83**	**0.61**	**15.67**	**11.05**	**0.85**	**0.34**	**11.56**	**4.11**	**4.40**
Office equipment										
Owned	9.82	3.89	0.18	13.53	6.39	2.90	0.21	9.08	4.45	3.43
Leased out	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub total - Office equipment	**9.83**	**3.89**	**0.18**	**13.54**	**6.39**	**2.90**	**0.21**	**9.08**	**4.46**	**3.44**
Vehicles										
Owned	2.44	2.64	1.20	3.88	1.60	0.72	1.14	1.18	2.70	0.84
Leased out	1.72	-	0.79	0.93	0.97	0.17	0.51	0.63	0.30	0.75
Sub total - Vehicles	**4.16**	**2.64**	**1.99**	**4.81**	**2.57**	**0.89**	**1.65**	**1.81**	**3.00**	**1.59**
Total	**84.76**	**7.93**	**5.83**	**86.86**	**62.20**	**10.24**	**4.99**	**67.45**	**19.41**	**22.56**

Note:

*The title deed of the immovable property acquired under the scheme of amalgamation, is held in the name of erstwhile L&T Finance Limited which was merged with the Company with effect from 01 April, 2016, also the title deed holder is not a promoter, director or related party of the company.

L&T Finance Limited

Reformatted standalone notes forming part of the financial statements

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	For the year	Disposals	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Buildings : Owned*	0.38	-	-	0.38	0.03	0.01	-	0.04	**0.34**	**0.35**
Lease hold renovation : Owned	11.78	-	-	11.78	8.23	1.25	-	9.48	**2.30**	**3.55**
Plant and equipments : Lease out	6.70	-	3.90	2.80	3.73	0.22	1.79	2.16	**0.64**	**2.97**
Computers : Owned	40.11	0.25	-	40.36	22.78	7.73	-	30.51	**9.85**	**17.33**
Furniture and fixtures										
Owned	10.39	0.68	0.36	10.71	6.48	0.84	0.21	7.11	3.60	3.91
Leased out	4.74	-	-	4.74	3.56	0.38	-	3.94	0.80	1.18
Sub total - Furniture and fittings	**15.13**	**0.68**	**0.36**	**15.45**	**10.04**	**1.22**	**0.21**	**11.05**	**4.40**	**5.09**
Office equipment										
Owned	8.56	1.36	0.10	9.82	5.02	1.46	0.09	6.39	3.43	3.54
Leased out	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub total - Office equipment	**8.57**	**1.36**	**0.10**	**9.83**	**5.02**	**1.46**	**0.09**	**6.39**	**3.44**	**3.55**
Vehicles										
Owned	2.28	0.56	0.40	2.44	1.14	0.56	0.10	1.60	0.84	1.14
Leased out	4.37	-	2.65	1.72	2.04	0.42	1.49	0.97	0.75	2.33
Sub total - Vehicles	**6.65**	**0.56**	**3.05**	**4.16**	**3.18**	**0.98**	**1.59**	**2.57**	**1.59**	**3.47**
Total	**89.32**	**2.85**	**7.41**	**84.76**	**53.01**	**12.87**	**3.68**	**62.20**	**22.56**	**36.31**

Note:

*The title deed of the immovable property acquired under the scheme of amalgamation, is held in the name of erstwhile L&T Finance Limited which was merged with the Company with effect from 01 April, 2016, also the title deed holder is not a promoter, director or related party of the company.

L&T Finance Limited

Reformatted standalone notes forming part of the financial statements

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	For the year	Disposals	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Buildings : Owned	0.38	-	-	0.38	0.02	0.01	-	0.03	**0.35**	**0.36**
Lease hold renovation : Owned	14.82	0.61	3.65	11.78	8.87	2.74	3.38	8.23	**3.55**	**5.95**
Plant and equipments : Lease out	11.84	-	5.14	6.70	4.92	1.58	2.77	3.73	**2.97**	**6.92**
Computers : Owned	33.79	6.32	-	40.11	13.16	9.62	-	22.78	**17.33**	**20.63**
Furniture and fixtures										
Owned	8.67	1.73	0.01	10.39	4.66	1.83	0.01	6.48	3.91	4.01
Leased out	4.74	-	-	4.74	3.00	0.56	-	3.56	1.18	1.74
Sub total - Furniture and fittings	**13.41**	**1.73**	**0.01**	**15.13**	**7.66**	**2.39**	**0.01**	**10.04**	**5.09**	**5.75**
Office equipment										
Owned	6.26	2.51	0.21	8.56	3.30	1.86	0.14	5.02	3.54	2.96
Leased out	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub total - Office equipment	**6.27**	**2.51**	**0.21**	**8.57**	**3.30**	**1.86**	**0.14**	**5.02**	**3.55**	**2.97**
Vehicles										
Owned	2.01	0.67	0.40	2.28	0.83	0.52	0.21	1.14	1.14	1.18
Leased out	11.06	-	6.69	4.37	3.88	1.34	3.18	2.04	2.33	7.18
Sub total - Vehicles	**13.07**	**0.67**	**7.09**	**6.65**	**4.71**	**1.86**	**3.39**	**3.18**	**3.47**	**8.36**
Total	**93.58**	**11.84**	**16.10**	**89.32**	**42.64**	**20.06**	**9.69**	**53.01**	**36.31**	**50.94**

Note:

*The title deed of the immovable property acquired under the scheme of amalgamation, is held in the name of erstwhile L&T Finance Limited which was merged with the Company with effect from 01 April, 2016, also the title deed holder is not a promoter, director or related party of the company.

Note 10 : Other intangible assets, Goodwill and Intangible assets under development

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2021	Additions	Disposals	As at March 31, 2022	As at April 1, 2021	For the year	Disposals	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Other intangible assets										
Specialised software	242.72	71.65	-	314.37	131.83	66.78	-	198.61	115.76	110.89
Distribution and customer network rights	438.80	-	-	438.80	438.80	-	-	438.80	-	-
(a) Total other intangible assets	**681.52**	**71.65**	**-**	**753.17**	**570.63**	**66.78**	**-**	**637.41**	**115.76**	**110.89**
(b) Goodwill	**2,828.51**	**-**	**-**	**2,828.51**	**2,828.51**	**-**	**-**	**2,828.51**	**-**	**-**
(c) Intangible assets under development									**21.79**	**23.84**

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2020	Additions	Disposals	As at March 31, 2021	As at April 1, 2020	For the year	Disposals	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Other intangible assets										
Specialised software	151.82	90.90	-	242.72	82.06	49.77	-	131.83	110.89	69.76
Distribution and customer network rights	438.80	-	-	438.80	351.04	87.76	-	438.80	-	87.76
(a) Total other intangible assets	**590.62**	**90.90**	**-**	**681.52**	**433.10**	**137.53**	**-**	**570.63**	**110.89**	**157.52**
(b) Goodwill	**2,828.51**	**-**	**-**	**2,828.51**	**2,262.81**	**565.70**	**-**	**2,828.51**	**-**	**565.70**
(c) Intangible assets under development									**23.84**	**61.99**

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	For the year	Disposals	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Other intangible assets										
Specialised software	107.14	44.68	-	151.82	54.75	27.31	-	82.06	69.76	52.39
Distribution and customer network rights	438.80	-	-	438.80	263.28	87.76	-	351.04	87.76	175.52
(a) Total other intangible assets	**545.94**	**44.68**	**-**	**590.62**	**318.03**	**115.07**	**-**	**433.10**	**157.52**	**227.91**
(b) Goodwill	**2,828.51**	**-**	**-**	**2,828.51**	**1,697.10**	**565.71**	**-**	**2,262.81**	**565.70**	**1,131.41**
(c) Intangible assets under development									**61.99**	**38.65**

(c) Intangible assets under development

(i) Schedule of ageing of Intangible assets under development as at March 31, 2022*

₹ in crore

Particulars	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	21.79	-	-	-	21.79
Projects temporarily suspended	-	-	-	-	-
Total	**21.79**	**-**	**-**	**-**	**21.79**

(ii) Schedule of ageing of Intangible assets under development as at March 31, 2021*

₹ in crore

Intangible assets under development	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.89	18.95	-	-	23.84
Projects temporarily suspended	-	-	-	-	-
Total	**4.89**	**18.95**	**-**	**-**	**23.84**

(ii) Schedule of ageing of Intangible assets under development as at March 31, 2020*

₹ in crore

Intangible assets under development	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	41.11	20.88	-	-	61.99
Projects temporarily suspended	-	-	-	-	-
Total	**41.11**	**20.88**	**-**	**-**	**61.99**

* Above Intangible asset under development is not overdue or has not exceeded its cost compared to its original plan.

L&T Finance Limited
Reformatted standalone notes forming part of the financial statements

Note 11 : Other non-financial assets **₹ in crore**

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	25.68	71.04	59.95
Advances to others	27.44	30.68	12.73
Amount paid under protest	52.72	53.19	42.78
Capital advances	0.92	2.66	9.68
Assets acquired in settlement of claims	569.68	791.03	183.63
Total other non-financial assets	**676.44**	**948.60**	**308.77**

Note 12 : Payables **₹ in crore**

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(i) Trade payables			
Micro enterprises and small enterprises (refer note: 43)	0.19	-	-
Due to others	378.73	347.09	168.22
Due to related parties (refer note: 33)	44.75	17.82	40.40
Total trade payables (i)	**423.67**	**364.91**	**208.62**
(ii) Other payables			
Micro enterprises and small enterprises (refer note: 43)	-	-	-
Due to others	6.49	5.07	0.80
Due to related parties (refer note: 33)	-	-	0.03
Total other payables (ii)	**6.49**	**5.07**	**0.83**
Total payables (i+ii)	**430.16**	**369.98**	**209.45**

Note 12(iii) -Trade Payables ageing schedule

₹ in crore

Particulars	Outstanding as on 31st March 2022 *					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	0.19	-	-	-	**0.19**
(ii) Others	-	62.36	-	-	-	**62.36**
(iii) Disputed Dues - MSME	-		-	-	-	**-**
(iv) Disputed Dues - Others	-		-	-	-	**-**
(v) Bill Raised But not paid	-	16.15	-	-	-	**16.15**
(vi) Undue Bills	344.97		-	-	-	**344.97**
Total	**344.97**	**78.70**	**-**	**-**	**-**	**423.67**

₹ in crore

Particulars	Outstanding as on 31st March 2021 *					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	**-**
(ii) Others	-	27.77	-	-	-	**27.77**
(iii) Disputed Dues - MSME	-	-	-	-	-	**-**
(iv) Disputed Dues - Others	-	-	-	-	-	**-**
(v) Bill Raised But not paid	-	22.82	-	-	-	**22.82**
(vi) Undue Bills	314.32	-	-	-	-	**314.32**
Total	**314.32**	**50.59**	**-**	**-**	**-**	**364.91**

₹ in crore

Particulars	Outstanding as on 31st March 2020 *					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	**-**
(ii) Others	-	50.82	-	-	-	**50.82**
(iii) Disputed Dues - MSME	-	-	-	-	-	**-**
(iv) Disputed Dues - Others	-	-	-	-	-	**-**
(v) Bill Raised But not paid	-	18.69	-	-	-	**18.69**
(vi) Undue Bills	139.11	-	-	-	-	**139.11**
Total	**139.11**	**69.51**	**-**	**-**	**-**	**208.62**

*** The above ageing is preapared on the basis of date of transaction**

Note 13 : Debt securities

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(A)			
(i) At amortised cost			
- Redeemable non convertible debentures (refer note 13 (a))	28,327.60	31,380.80	30,522.81
- Commercial papers (net) (refer note 13 (b))	6,338.01	5,849.68	3,788.10
Total debt securities (A)	**34,665.61**	**37,230.48**	**34,310.91**
(B)			
(I) Debt securities in India			
(i) At amortised cost	34,665.61	37,230.48	34,310.91
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total debt securities in India (I = i+ii+iii)	**34,665.61**	**37,230.48**	**34,310.91**
(II) Debt securities outside India			
(i) At amortised cost	-	-	-
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total debt securities in outside India (II = i+ii+iii)	**-**	**-**	**-**
Total debt securities (B) = (I)+(II)	**34,665.61**	**37,230.48**	**34,310.91**

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2022

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2022	Interest rate % p.a.	Date of redemption	Redeemable terms
Series I option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	177.75	9.00%	13-04-2022	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	691.59	9.10%	13-04-2022	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	6.60	9.00%	13-04-2022	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	104.94	9.10%	13-04-2022	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	120.16	8.70%	15-04-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	204.27	8.90%	15-04-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series A FY 2015-16 opt 5	₹ 25 Lakh each	16-04-2015	43.43	8.95%	15-04-2022	Redeemable at par at the end of 2556 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	4.46	8.71%	15-04-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	20.75	8.91%	15-04-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series A FY 2019-20 - MLD	₹ 10 Lakh each	24-04-2019	100.02	8.36%	22-04-2022	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2018-19	₹ 10 Lakh each	06-06-2018	75.53	8.65%	28-04-2022	Redeemable at par at the end of 1422 days from the date of allotment
Reissuance- Series A1 FY 2018-19 (Original issuance series A FY 2018-19)	₹ 10 Lakh each	14-11-2018	41.18	8.65%	28-04-2022	Redeemable at par at the end of 1261 days from the date of allotment
Series A FY 2018-19	₹ 10 Lakh each	06-06-2018	61.69	8.60%	28-04-2022	Redeemable at par at the end of 1422 days from the date of allotment
Series K FY 2015-16 opt 2	₹ 25 Lakh each	22-05-2015	11.83	8.81%	20-05-2022	Redeemable at par at the end of 2555 days from the date of allotment
Series M FY 2015-16 opt 1	₹ 25 Lakh each	26-05-2015	16.12	8.81%	26-05-2022	Redeemable at par at the end of 2557 days from the date of allotment
Series N FY 2015-16 opt 2	₹ 25 Lakh each	29-05-2015	11.81	8.81%	27-05-2022	Redeemable at par at the end of 2555 days from the date of allotment
Series C FY 2018-19 opt 1	₹ 10 Lakh each	06-07-2018	48.25	8.95%	10-06-2022	Redeemable at par at the end of 1435 days from the date of allotment
Series B FY 2018-19 opt 1	₹ 10 Lakh each	06-07-2018	92.36	8.95%	10-06-2022	Redeemable at par at the end of 1435 days from the date of allotment
Series C FY 2020-21 - MLD	₹ 10 Lakh each	01-07-2020	46.15	7.00%	01-07-2022	Redeemable at par at the end of 730 days from the date of allotment
Series G FY 2020-21	₹ 10 Lakh each	04-08-2020	22.52	7.00%	01-07-2022	Redeemable at par at the end of 696 days from the date of allotment
Series H FY 2020-21 - MLD	₹ 10 Lakh each	07-08-2020	59.67	7.00%	01-07-2022	Redeemable at par at the end of 693 days from the date of allotment
Series I FY 2020-21	₹ 10 Lakh each	14-08-2020	30.96	7.00%	01-07-2022	Redeemable at par at the end of 686 days from the date of allotment
Series L FY 2020-21 - MLD	₹ 10 Lakh each	18-09-2020	33.21	7.00%	01-07-2022	Redeemable at par at the end of 651 days from the date of allotment
Series G FY 2017-18 opt 2	₹ 25 Lakh each	19-06-2017	79.53	7.72%	19-07-2022	Redeemable at par at the end of 1856 days from the date of allotment
Series H FY 2017-18 opt 2	₹ 25 Lakh each	21-06-2017	26.52	7.81%	21-07-2022	Redeemable at par at the end of 1856 days from the date of allotment
Series K FY 2015-16 opt 3	₹ 25 Lakh each	28-07-2015	3.18	8.90%	28-07-2022	Redeemable at par at the end of 2557 days from the date of allotment
Series W FY 2015-16 opt 6	₹ 25 Lakh each	07-08-2015	10.57	8.82%	05-08-2022	Redeemable at par at the end of 2555 days from the date of allotment
Series M FY 2017-18	₹ 25 Lakh each	08-08-2017	488.16	7.71%	08-08-2022	Redeemable at par at the end of 1826 days from the date of allotment
Series L FY 2018-19 option 2	₹ 10 Lakh each	24-01-2019	50.82	8.93%	08-08-2022	Redeemable at par at the end of 1292 days from the date of allotment
Series D FY 2017-18 opt 2	₹ 25 Lakh each	25-07-2017	215.95	7.80%	16-08-2022	Redeemable at par at the end of 1848 days from the date of allotment
Series E FY 2020-21 - MLD	₹ 10 Lakh each	17-08-2020	55.00	6.05%	17-08-2022	Redeemable at par at the end of 730 days from the date of allotment
Series E FY 2017-18	₹ 25 Lakh each	30-08-2017	52.24	7.65%	30-08-2022	Redeemable at par at the end of 1826 days from the date of allotment
Series K FY 2017-18	₹ 25 Lakh each	29-09-2017	207.71	7.65%	29-09-2022	Redeemable at par at the end of 1826 days from the date of allotment
Series N FY 2017-18	₹ 25 Lakh each	06-10-2017	321.58	7.70%	06-10-2022	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance- Series H FY 2018-19 opt 2 (Original issuance series N FY 2017-18)	₹ 25 Lakh each	20-11-2018	66.93	7.70%	06-10-2022	Redeemable at par at the end of 1416 days from the date of allotment
Series O FY 2015-16 opt 3	₹ 25 Lakh each	20-10-2015	33.74	8.65%	20-10-2022	Redeemable at par at the end of 2557 days from the date of allotment
Series AG FY 2015-16	₹ 25 Lakh each	13-11-2015	18.58	8.60%	11-11-2022	Redeemable at par at the end of 2555 days from the date of allotment
Series A FY 2019-20 opt 2	₹ 10 Lakh each	29-11-2019	641.20	8.55%	29-11-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series A FY 2019-20 opt 2	₹ 10 Lakh each	29-11-2019	384.63	8.48%	29-11-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series T FY 2017-18	₹ 25 Lakh each	12-12-2017	87.02	7.95%	12-12-2022	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance-Series G FY 2018-19 opt 3 (Original issuance series T FY 2017-18)	₹ 25 Lakh each	31-10-2018	16.75	7.95%	12-12-2022	Redeemable at par at the end of 1503 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	30.36	8.25%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	425.54	8.45%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	0.85	7.96%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	43.32	8.15%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	7.48	8.26%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	74.82	8.46%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2012-13	₹ 10 Lakh each	11-01-2013	458.86	9.00%	11-01-2023	Redeemable at par at the end of 3652 days from the date of allotment
Series C FY 2019-20 opt 1	₹ 10 Lakh each	17-02-2020	806.43	8.50%	17-01-2023	Redeemable at par at the end of 1065 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2022	Interest rate % p.a.	Date of redemption	Redeemable terms
Series E FY 2019-20	₹ 10 Lakh each	24-01-2020	410.80	8.25%	24-01-2023	Redeemable at par at the end of 1096 days from the date of allotment
Series C FY 2019-20 opt 2	₹ 10 Lakh each	17-02-2020	806.35	8.50%	17-02-2023	Redeemable at par at the end of 1096 days from the date of allotment
Series B FY 2019-20	₹ 10 Lakh each	28-02-2020	251.37	7.75%	28-02-2023	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2019-20	₹ 10 Lakh each	04-03-2020	75.43	7.68%	03-03-2023	Redeemable at par at the end of 1094 days from the date of allotment
Reissuance - Series I FY 2020-21 opt 2 (Original issuance series F FY 2019-20)	₹ 10 Lakh each	17-03-2021	25.50	7.68%	03-03-2023	Redeemable at par at the end of 716 days from the date of allotment
Series D FY 2021-22	₹ 10 Lakh each	30-07-2021	513.86	7.68%	03-03-2023	Redeemable at par at the end of 581 days from the date of allotment
Series E FY 2021-22	₹ 10 Lakh each	10-08-2021	257.02	7.68%	03-03-2023	Redeemable at par at the end of 570 days from the date of allotment
Series F FY 2021-22 option 1	₹ 10 Lakh each	31-08-2021	514.36	7.68%	03-03-2023	Redeemable at par at the end of 549 days from the date of allotment
Series C FY 2019-20	₹ 10 Lakh each	04-03-2020	20.12	7.75%	15-03-2023	Redeemable at par at the end of 1106 days from the date of allotment
Series H FY 2021-22 - MLD	₹ 10 Lakh each	15-09-2021	51.53	5.62%	15-03-2023	Redeemable at par at the end of 546 days from the date of allotment
Series AK FY 2015-16	₹ 25 Lakh each	16-03-2016	10.04	8.80%	16-03-2023	Redeemable at par at the end of 2556 days from the date of allotment
Series C FY 2019-20 opt 3	₹ 10 Lakh each	17-02-2020	907.45	8.50%	17-03-2023	Redeemable at par at the end of 1124 days from the date of allotment
Series A FY 2020-21	₹ 10 Lakh each	28-04-2020	1,150.64	7.80%	28-04-2023	Redeemable at par at the end of 1095 days from the date of allotment
Series I FY 2020-21 opt 1	₹ 10 Lakh each	17-03-2021	300.74	6.15%	17-05-2023	Redeemable at par at the end of 791 days from the date of allotment
Series C FY 2018-19	₹ 10 Lakh each	29-08-2018	499.05	8.44%	18-05-2023	Redeemable at par at the end of 1723 days from the date of allotment
Series C FY 2013-14	₹ 10 Lakh each	29-05-2013	117.75	8.35%	29-05-2023	Redeemable at par at the end of 3652 days from the date of allotment
Series C FY 2020-21	₹ 10 Lakh each	12-06-2020	317.73	7.70%	12-06-2023	Redeemable at par at the end of 1095 days from the date of allotment
Series I FY 2021-22	₹ 10 Lakh each	30-09-2021	59.98	7.70%	12-06-2023	Redeemable at par at the end of 620 days from the date of allotment
Series G FY 2016-17 opt 1	₹ 25 Lakh each	01-07-2016	10.66	8.75%	30-06-2023	Redeemable at par at the end of 2555 days from the date of allotment
Series A FY 2020-21 - MLD	₹ 10 Lakh each	03-07-2020	140.32	7.00%	03-07-2023	Redeemable at par at the end of 1095 days from the date of allotment
Series C FY 2020-21 - MLD	₹ 10 Lakh each	20-07-2020	84.49	7.00%	03-07-2023	Redeemable at par at the end of 1078 days from the date of allotment
Series H FY 2016-17 opt 2	₹ 25 Lakh each	22-07-2016	16.96	8.70%	21-07-2023	Redeemable at par at the end of 2555 days from the date of allotment
Series E FY 2018-19	₹ 10 Lakh each	02-08-2018	37.05	8.86%	02-08-2023	Redeemable at par at the end of 1826 days from the date of allotment
Series J FY 2020-21 opt 1	₹ 10 Lakh each	09-09-2020	518.70	7.30%	08-09-2023	Redeemable at par at the end of 1094 days from the date of allotment
Series G FY 2021-22 - MLD	₹ 10 Lakh each	08-09-2021	30.83	5.12%	08-09-2023	Redeemable at par at the end of 730 days from the date of allotment
Series F FY 2020-21	₹ 10 Lakh each	02-12-2020	609.54	5.85%	01-12-2023	Redeemable at par at the end of 1094 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2022	Interest rate % p.a.	Date of redemption	Redeemable terms
Series J FY 2018-19	₹ 10 Lakh each	04-01-2019	817.16	9.00%	04-01-2024	Redeemable at par at the end of 1826 days from the date of allotment
Series G FY 2018-19	₹ 10 Lakh each	11-01-2019	27.52	8.90%	11-01-2024	Redeemable at par at the end of 1826 days from the date of allotment
Series K FY 2018-19 option 2	₹ 10 Lakh each	11-01-2019	25.47	9.00%	09-02-2024	Redeemable at par at the end of 1855 days from the date of allotment
Series K FY 2021-22 option 2	₹ 10 Lakh each	03-12-2021	53.87	9.00%	09-02-2024	Redeemable at par at the end of 798 days from the date of allotment
Series G FY 2020-21	₹ 10 Lakh each	03-03-2021	451.45	6.40%	01-03-2024	Redeemable at par at the end of 1094 days from the date of allotment
Series N FY 2018-19 option 2	₹ 10 Lakh each	01-02-2019	25.36	9.02%	11-03-2024	Redeemable at par at the end of 1865 days from the date of allotment
Series III option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	30.31	9.10%	13-03-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	235.63	9.25%	13-03-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	1.76	8.75%	13-03-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	60.06	8.89%	13-03-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	78.64	8.80%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	201.10	9.00%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	1.55	8.48%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	21.88	8.66%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	0.30	8.81%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	23.58	9.01%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series H FY 2020-21	₹ 10 Lakh each	10-03-2021	50.18	6.45%	10-05-2024	Redeemable at par at the end of 1157 days from the date of allotment
Reissuance - Series A FY 2021-22	₹ 10 Lakh each	30-04-2021	301.96	6.45%	10-05-2024	Redeemable at par at the end of 1106 days from the date of allotment
Reissuance - Series C FY 2021-22	₹ 10 Lakh each	27-05-2021	202.38	6.45%	10-05-2024	Redeemable at par at the end of 1079 days from the date of allotment
Series E FY 2020-21 opt 2	₹ 10 Lakh each	13-07-2020	258.22	7.90%	12-07-2024	Redeemable at par at the end of 1460 days from the date of allotment
Series F FY 2021-22 option 2	₹ 10 Lakh each	31-08-2021	517.08	5.90%	30-08-2024	Redeemable at par at the end of 1095 days from the date of allotment
Series K FY 2020-21 opt 2	₹ 10 Lakh each	16-09-2020	181.13	7.15%	16-09-2024	Redeemable at par at the end of 1461 days from the date of allotment
Series M FY 2020-21	₹ 10 Lakh each	03-11-2020	204.68	6.75%	01-11-2024	Redeemable at par at the end of 1459 days from the date of allotment
Series D FY 2020-21	₹ 10 Lakh each	03-11-2020	306.77	6.55%	01-11-2024	Redeemable at par at the end of 1459 days from the date of allotment
Series J FY 2021-22	₹ 10 Lakh each	16-11-2021	219.95	6.25%	15-11-2024	Redeemable at par at the end of 1095 days from the date of allotment
Series A FY 2017-18	₹ 10 Lakh each	29-06-2017	683.67	7.59%	18-11-2024	Redeemable at par at the end of 2699 days from the date of allotment
Series K FY 2021-22	₹ 10 Lakh each	03-12-2021	153.01	6.25%	03-12-2024	Redeemable at par at the end of 1096 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	23.61	8.45%	23-12-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	330.94	8.60%	23-12-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	0.79	8.15%	23-12-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	74.96	8.29%	23-12-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series L FY 2021-22	₹ 10 Lakh each	23-12-2021	305.00	6.15%	23-01-2025	Redeemable at par at the end of 1127 days from the date of allotment
Reissuance - Series B1 FY 2019-20 opt 1 (Original issuance series B FY 2019-20 opt 1)	₹ 10 Lakh each	05-02-2020	101.36	8.45%	17-02-2025	Redeemable at par at the end of 1839 days from the date of allotment
Series J FY 2015-16 opt 3	₹ 25 Lakh each	19-05-2015	47.90	8.84%	19-05-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series M FY 2015-16 opt 2	₹ 25 Lakh each	26-05-2015	21.50	8.85%	26-05-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2015-16 opt 5	₹ 25 Lakh each	26-05-2015	32.27	8.90%	26-05-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series R FY 2015-16	₹ 25 Lakh each	05-06-2015	53.59	8.84%	05-06-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series D FY 2015-16 opt 5	₹ 25 Lakh each	05-06-2015	26.82	8.90%	05-06-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series B FY 2020-21	₹ 10 Lakh each	09-07-2020	294.15	7.85%	09-07-2025	Redeemable at par at the end of 1826 days from the date of allotment
Series D FY 2020-21	₹ 10 Lakh each	10-07-2020	363.81	7.75%	10-07-2025	Redeemable at par at the end of 1826 days from the date of allotment
Series I FY 2015-16 opt 4	₹ 25 Lakh each	17-07-2015	10.63	8.95%	17-07-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2020-21 opt 1	₹ 10 Lakh each	13-07-2020	527.20	7.95%	28-07-2025	Redeemable at par at the end of 1841 days from the date of allotment
Series M FY 2021-22	₹ 10 Lakh each	01-02-2022	570.89	6.45%	26-09-2025	Redeemable at par at the end of 1333 days from the date of allotment
Series AJ FY 2015-16 opt 2	₹ 25 Lakh each	08-02-2016	52.62	8.75%	06-02-2026	Redeemable at par at the end of 3651 days from the date of allotment
Series B FY 2016-17 opt 3	₹ 25 Lakh each	20-04-2016	5.41	8.65%	20-04-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series B FY 2018-19 opt 2	₹ 10 Lakh each	28-05-2019	913.12	8.80%	28-05-2026	Redeemable at par at the end of 2557 days from the date of allotment
Series C FY 2019-20	₹ 10 Lakh each	31-07-2019	15.85	8.55%	31-07-2026	Redeemable at par at the end of 2557 days from the date of allotment
Series S FY 2016-17	₹ 25 Lakh each	25-10-2016	10.33	7.90%	23-10-2026	Redeemable at par at the end of 3650 days from the date of allotment
Series T FY 2016-17	₹ 25 Lakh each	16-11-2016	48.36	7.95%	16-11-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	25.39	8.50%	23-12-2026	Redeemable at par at the end of 2557 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	404.22	8.65%	23-12-2026	Redeemable at par at the end of 2557 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	11.33	8.85%	15-04-2027	Redeemable at par at the end of 2922 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	379.80	9.05%	15-04-2027	Redeemable at par at the end of 2922 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2022	Interest rate % p.a.	Date of redemption	Redeemable terms
Series IV option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	0.45	8.52%	15-04-2027	Redeemable at par at the end of 2922 days from the date of allotment
Series VII option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	17.41	8.70%	15-04-2027	Redeemable at par at the end of 2922 days from the date of allotment
Series A FY 2011-12	₹ 10 Lakh each	18-10-2011	509.70	9.70%	18-10-2028	Redeemable at par at the end of 6210 days from the date of allotment
Series V option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	7.98	9.20%	13-03-2029	Redeemable at par at the end of 3653 days from the date of allotment
Series V option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	110.52	9.35%	13-03-2029	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	0.70	8.84%	13-03-2029	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	101.36	8.98%	13-03-2029	Redeemable at par at the end of 3653 days from the date of allotment
Reissuance - Series B2 FY 2019-20 opt 2 (Original issuance series B FY 2019-20 opt 2)	₹ 10 Lakh each	28-01-2020	278.78	8.55%	28-01-2030	Redeemable at par at the end of 3653 days from the date of allotment
Reissuance - Series B FY 2020-21 opt 3 (Original issuance series B FY 2020-21)	₹ 10 Lakh each	13-07-2020	393.61	8.10%	28-06-2030	Redeemable at par at the end of 3637 days from the date of allotment
Series J FY 2020-21 opt 2	₹ 10 Lakh each	09-09-2020	103.94	7.66%	09-09-2030	Redeemable at par at the end of 3652 days from the date of allotment
Reissuance - Series K FY 2020-21 opt 1 (Original issuance series J FY 2020-21 opt 2)	₹ 10 Lakh each	16-09-2020	52.23	7.66%	09-09-2030	Redeemable at par at the end of 3645 days from the date of allotment
Series E FY 2017-18	₹ 10 Lakh each	30-12-2020	1,528.81	7.62%	30-12-2030	Redeemable at par at the end of 3652 days from the date of allotment
Series B FY 2021-22	₹ 10 Lakh each	19-05-2021	1,064.27	7.40%	19-05-2031	Redeemable at par at the end of 3652 days from the date of allotment
			28,327.60			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

Secured redeemable non convertible debentures public issue :

The Company has utilised fund raised through public issue for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/prepayment of principal of borrowings) and general corporate purpose. . Total unutilised balance amount of ₹ 0.13 crore is in current account (includes ₹ 0.14 crore unutilised from amount raised in previous year).

Note 13 (b)

Commercial papers (net) as on March 31, 2022

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2022 (₹ crore)
Bullet	Up to 1 years	upto 7.00%	6,338.01
Total			**6,338.01**

L&T Finance Limited
Reformatted standalone Notes forming part of the financial statements

Note 13 (a)
Secured redeemable non convertible debentures as on March 31, 2021

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2021 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series L FY 2017-18	₹ 25 lakh each	27-03-2018	114.47	8.30%	06-04-2021	Redeemable at par at the end of 1106 days from the date of allotment
Series V FY 2017-18	₹ 25 lakh each	27-03-2018	104.77	8.25%	08-04-2021	Redeemable at par at the end of 1108 days from the date of allotment
Series A FY 2016-17 opt 2	₹ 25 lakh each	13-04-2016	130.15	8.75%	13-04-2021	Redeemable at par at the end of 1826 days from the date of allotment
Series A FY 2016-17	₹ 25 lakh each	18-04-2016	21.66	8.75%	16-04-2021	Redeemable at par at the end of 1824 days from the date of allotment
Series B FY 2016-17 opt 3	₹ 25 lakh each	21-04-2016	48.97	8.70%	21-04-2021	Redeemable at par at the end of 1826 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	05-05-2016	10.79	8.70%	05-05-2021	Redeemable at par at the end of 1826 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	13-06-2016	10.70	8.80%	11-06-2021	Redeemable at par at the end of 1824 days from the date of allotment
Series F FY 2016-17 opt 3	₹ 25 lakh each	14-06-2016	26.74	8.75%	14-06-2021	Redeemable at par at the end of 1826 days from the date of allotment
Series W FY 2017-18	₹ 25 lakh each	28-03-2018	95.08	8.25%	21-06-2021	Redeemable at par at the end of 1181 days from the date of allotment
Reissuance - Series “W”1-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 25 lakh each	27-07-2018	80.21	8.25%	21-06-2021	Redeemable at par at the end of 1060 days from the date of allotment
Reissuance - Series “W”2-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 25 lakh each	09-08-2018	54.99	8.25%	21-06-2021	Redeemable at par at the end of 1047 days from the date of allotment
Series B FY 2018-19 opt 2	₹ 10 lakh each	06-07-2018	15.65	8.80%	23-06-2021	Redeemable at par at the end of 1083 days from the date of allotment
Series H FY 2016-17 opt 3	₹ 25 lakh each	22-07-2016	5.30	8.70%	22-07-2021	Redeemable at par at the end of 1826 days from the date of allotment
Series I FY 2016-17	₹ 25 lakh each	26-07-2016	63.55	8.71%	26-07-2021	Redeemable at par at the end of 1826 days from the date of allotment
Series J FY 2016-17	₹ 25 lakh each	28-07-2016	264.70	8.70%	28-07-2021	Redeemable at par at the end of 1826 days from the date of allotment
Series D FY 2018-19 opt 1	₹ 10 lakh each	20-07-2018	31.51	8.92%	30-07-2021	Redeemable at par at the end of 1106 days from the date of allotment
Reissuance - Series D1 FY 2018-19 opt 1 (Original issuance series D FY 2018-19 opt 1)	₹ 10 lakh each	20-08-2018	13.62	8.92%	30-07-2021	Redeemable at par at the end of 1075 days from the date of allotment
Series K FY 2016-17	₹ 25 lakh each	02-08-2016	177.64	8.70%	02-08-2021	Redeemable at par at the end of 1826 days from the date of allotment
Series E FY 2018-19	₹ 10 lakh each	12-09-2018	110.21	8.71%	03-08-2021	Redeemable at par at the end of 1056 days from the date of allotment
Reissuance - Series E1 FY 2018-19 opt 1 (Original issuance series E FY 2018-19)	₹ 10 lakh each	24-10-2018	43.27	8.71%	03-08-2021	Redeemable at par at the end of 1014 days from the date of allotment
Series B FY 2020-21	₹ 10 lakh each	11-05-2020	848.64	7.50%	11-08-2021	Redeemable at par at the end of 457 days from the date of allotment
Series D FY 2018-19 opt 2	₹ 10 lakh each	20-07-2018	454.02	8.95%	16-08-2021	Redeemable at par at the end of 1123 days from the date of allotment
Reissuance - Series D1 FY 2018-19 opt 2 (Original issuance series D FY 2018-19 opt 2)	₹ 10 lakh each	20-08-2018	64.34	8.95%	16-08-2021	Redeemable at par at the end of 1092 days from the date of allotment
Series F FY 2018-19	₹ 10 lakh each	12-09-2018	73.25	8.82%	03-09-2021	Redeemable at par at the end of 1087 days from the date of allotment
Reissuance - Series G FY 2018-19 opt 1 (Original issuance series F FY 2018-19)	₹ 10 lakh each	31-10-2018	6.19	8.82%	03-09-2021	Redeemable at par at the end of 1038 days from the date of allotment
Series M FY 2016-17	₹ 25 lakh each	09-09-2016	130.83	8.34%	09-09-2021	Redeemable at par at the end of 1826 days from the date of allotment
Series H FY 2014-15	₹ 25 lakh each	19-09-2014	52.58	9.80%	17-09-2021	Redeemable at par at the end of 2555 days from the date of allotment
Series D FY 2018-19	₹ 10 lakh each	05-09-2018	143.80	8.71%	20-09-2021	Redeemable at par at the end of 1111 days from the date of allotment
Reissuance - Series D1 FY 2018-19 (Original issuance series D FY 2018-19)	₹ 10 lakh each	21-09-2018	52.45	8.71%	20-09-2021	Redeemable at par at the end of 1095 days from the date of allotment
Series N FY 2016-17 opt 2	₹ 25 lakh each	22-09-2016	20.86	8.25%	22-09-2021	Redeemable at par at the end of 1826 days from the date of allotment
Series C FY 2018-19 opt 2	₹ 10 lakh each	06-07-2018	132.49	8.92%	06-10-2021	Redeemable at par at the end of 1188 days from the date of allotment
Reissuance - Series D3 FY 2018-19 opt 3 (Original issuance series C FY 2018-19)	₹ 10 lakh each	31-08-2018	52.18	8.92%	06-10-2021	Redeemable at par at the end of 1132 days from the date of allotment
Series E1 FY 2018-19 opt 2	₹ 10 lakh each	24-10-2018	50.46	9.40%	11-10-2021	Redeemable at par at the end of 1083 days from the date of allotment
Series S FY 2016-17	₹ 25 lakh each	24-10-2016	25.84	7.80%	22-10-2021	Redeemable at par at the end of 1824 days from the date of allotment
Series J FY 2014-15 opt 3	₹ 25 lakh each	07-11-2014	10.37	9.45%	06-11-2021	Redeemable at par at the end of 2556 days from the date of allotment
Series A FY 2019-20 opt 1	₹ 10 lakh each	29-11-2019	383.86	8.30%	29-11-2021	Redeemable at par at the end of 731 days from the date of allotment
Series A FY 2019-20 opt 1	₹ 10 lakh each	29-11-2019	639.99	8.40%	29-11-2021	Redeemable at par at the end of 731 days from the date of allotment
Series L FY 2014-15 opt 2	₹ 25 lakh each	15-12-2014	20.54	9.15%	15-12-2021	Redeemable at par at the end of 2557 days from the date of allotment
Series 2011B – Scheme 1 (Public issue)	₹ 1000 each	10-01-2012	126.52	9.00%	10-01-2022	Redeemable at par at the end of 3653 days from the date of allotment
Series 2011B – Scheme 2 (Public issue)	₹ 1000 each	10-01-2012	679.37	9.00%	10-01-2022	Redeemable at par at the end of 3653 days from the date of allotment
Series N FY 2014-15 opt 3	₹ 25 lakh each	16-01-2015	56.01	9.20%	14-01-2022	Redeemable at par at the end of 2555 days from the date of allotment
Series C FY 2019-20 opt 4	₹ 10 lakh each	17-02-2020	501.96	8.10%	17-02-2022	Redeemable at par at the end of 731 days from the date of allotment
Series U FY 2016-17 opt 2	₹ 25 lakh each	22-02-2017	10.08	8.05%	22-02-2022	Redeemable at par at the end of 1826 days from the date of allotment
Series P FY 2014-15 opt 2	₹ 25 lakh each	24-02-2015	10.09	9.10%	24-02-2022	Redeemable at par at the end of 2557 days from the date of allotment
Series W FY 2016-17	₹ 25 lakh each	03-03-2017	20.12	7.95%	03-03-2022	Redeemable at par at the end of 1826 days from the date of allotment
Series E1 FY 2018-19 opt 3	₹ 10 lakh each	24-10-2018	86.78	9.38%	11-03-2022	Redeemable at par at the end of 1234 days from the date of allotment
Reissuance - Series F FY 2018-19 (Original issuance series E1 FY 2018-19 opt 3)	₹ 10 lakh each	06-11-2018	84.17	9.38%	11-03-2022	Redeemable at par at the end of 1221 days from the date of allotment
Series G FY 2018-19 opt 2	₹ 10 lakh each	31-10-2018	94.43	9.48%	14-03-2022	Redeemable at par at the end of 1230 days from the date of allotment
Series D FY 2020-21	₹ 10 lakh each	07-07-2020	1,023.16	7.67%	18-03-2022	Redeemable at par at the end of 619 days from the date of allotment
Series 2012A – Scheme 1 (Public issue)	₹ 1000 each	24-03-2012	101.12	8.70%	24-03-2022	Redeemable at par at the end of 3652 days from the date of allotment
Series 2012A – Scheme 2 (Public issue)	₹ 1000 each	24-03-2012	605.71	8.70%	24-03-2022	Redeemable at par at the end of 3652 days from the date of allotment
Series I option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	177.05	9.00%	13-04-2022	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	688.87	9.10%	13-04-2022	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	6.04	9.00%	13-04-2022	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	95.87	9.10%	13-04-2022	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	119.69	8.70%	15-04-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	203.47	8.90%	15-04-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	4.09	8.71%	15-04-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	18.98	8.91%	15-04-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series A FY 2015-16 opt 5	₹ 25 lakh each	16-04-2015	43.43	8.95%	15-04-2022	Redeemable at par at the end of 2556 days from the date of allotment
Series A FY 2019-20 - MLD	₹ 10 lakh each	24-04-2019	92.26	8.36%	22-04-2022	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2018-19	₹ 10 lakh each	06-06-2018	69.52	8.65%	28-04-2022	Redeemable at par at the end of 1422 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2021 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Reissuance- Series A1 FY 2018-19 (Original issuance series A FY 2018-19)	₹ 10 lakh each	14-11-2018	37.65	8.65%	28-04-2022	Redeemable at par at the end of 1261 days from the date of allotment
Series A FY 2018-19	₹ 10 lakh each	06-06-2018	56.80	8.60%	28-04-2022	Redeemable at par at the end of 1422 days from the date of allotment
Series K FY 2015-16 opt 2	₹ 25 lakh each	22-05-2015	11.83	8.81%	20-05-2022	Redeemable at par at the end of 2555 days from the date of allotment
Series M FY 2015-16 opt 1	₹ 25 lakh each	26-05-2015	16.12	8.81%	26-05-2022	Redeemable at par at the end of 2557 days from the date of allotment
Series N FY 2015-16 opt 2	₹ 25 lakh each	29-05-2015	11.81	8.81%	27-05-2022	Redeemable at par at the end of 2555 days from the date of allotment
Series C FY 2018-19 opt 1	₹ 10 lakh each	06-07-2018	44.28	8.95%	10-06-2022	Redeemable at par at the end of 1435 days from the date of allotment
Series B FY 2018-19 opt 1	₹ 10 lakh each	06-07-2018	84.77	8.95%	10-06-2022	Redeemable at par at the end of 1435 days from the date of allotment
Series C FY 2020-21 - MLD	₹ 10 lakh each	01-07-2020	43.02	7.00%	01-07-2022	Redeemable at par at the end of 730 days from the date of allotment
Series G FY 2020-21	₹ 10 lakh each	04-08-2020	21.02	7.00%	01-07-2022	Redeemable at par at the end of 696 days from the date of allotment
Series H FY 2020-21 - MLD	₹ 10 lakh each	07-08-2020	55.71	7.00%	01-07-2022	Redeemable at par at the end of 693 days from the date of allotment
Series I FY 2020-21	₹ 10 lakh each	14-08-2020	28.91	7.00%	01-07-2022	Redeemable at par at the end of 686 days from the date of allotment
Series L FY 2020-21 - MLD	₹ 10 lakh each	18-09-2020	31.00	7.00%	01-07-2022	Redeemable at par at the end of 651 days from the date of allotment
Series G FY 2017-18 opt 2	₹ 25 lakh each	19-06-2017	79.53	7.72%	19-07-2022	Redeemable at par at the end of 1856 days from the date of allotment
Series H FY 2017-18 opt 2	₹ 25 lakh each	21-06-2017	26.52	7.81%	21-07-2022	Redeemable at par at the end of 1856 days from the date of allotment
Series K FY 2015-16 opt 3	₹ 25 lakh each	28-07-2015	3.18	8.90%	28-07-2022	Redeemable at par at the end of 2557 days from the date of allotment
Series W FY 2015-16 opt 6	₹ 25 lakh each	07-08-2015	10.57	8.82%	05-08-2022	Redeemable at par at the end of 2555 days from the date of allotment
Series M FY 2017-18	₹ 25 lakh each	08-08-2017	488.12	7.71%	08-08-2022	Redeemable at par at the end of 1826 days from the date of allotment
Series L FY 2018-19 option 2	₹ 10 lakh each	24-01-2019	50.81	8.93%	08-08-2022	Redeemable at par at the end of 1292 days from the date of allotment
Series D FY 2017-18 opt 2	₹ 25 lakh each	25-07-2017	215.93	7.80%	16-08-2022	Redeemable at par at the end of 1848 days from the date of allotment
Series E FY 2020-21 - MLD	₹ 10 lakh each	17-08-2020	51.81	6.05%	17-08-2022	Redeemable at par at the end of 730 days from the date of allotment
Series E FY 2017-18	₹ 25 lakh each	30-08-2017	52.24	7.65%	30-08-2022	Redeemable at par at the end of 1826 days from the date of allotment
Series K FY 2017-18	₹ 25 lakh each	29-09-2017	207.71	7.65%	29-09-2022	Redeemable at par at the end of 1826 days from the date of allotment
Series N FY 2017-18	₹ 25 lakh each	06-10-2017	321.57	7.70%	06-10-2022	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance- Series H FY 2018-19 opt 2 (Original issuance series N FY 2017-18)	₹ 25 lakh each	20-11-2018	65.97	7.70%	06-10-2022	Redeemable at par at the end of 1416 days from the date of allotment
Series O FY 2015-16 opt 3	₹ 25 lakh each	20-10-2015	33.75	8.65%	20-10-2022	Redeemable at par at the end of 2557 days from the date of allotment
Series AG FY 2015-16	₹ 25 lakh each	13-11-2015	18.59	8.60%	11-11-2022	Redeemable at par at the end of 2555 days from the date of allotment
Series A FY 2019-20 opt 2	₹ 10 lakh each	29-11-2019	383.00	8.48%	29-11-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series A FY 2019-20 opt 2	₹ 10 lakh each	29-11-2019	638.48	8.55%	29-11-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series T FY 2017-18	₹ 25 lakh each	12-12-2017	86.99	7.95%	12-12-2022	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance-Series G FY 2018-19 opt 3 (Original issuance series T FY 2017-18)	₹ 25 lakh each	31-10-2018	16.54	7.95%	12-12-2022	Redeemable at par at the end of 1503 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	30.24	8.25%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	423.83	8.45%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	6.88	8.26%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	68.71	8.46%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	0.85	7.96%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	43.14	8.15%	23-12-2022	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2012-13	₹ 10 lakh each	11-01-2013	458.84	9.00%	11-01-2023	Redeemable at par at the end of 3652 days from the date of allotment
Series C FY 2019-20 opt 1	₹ 10 lakh each	17-02-2020	804.46	8.50%	17-01-2023	Redeemable at par at the end of 1065 days from the date of allotment
Series E FY 2019-20	₹ 10 lakh each	24-01-2020	410.39	8.25%	24-01-2023	Redeemable at par at the end of 1096 days from the date of allotment
Series C FY 2019-20 opt 2	₹ 10 lakh each	17-02-2020	804.46	8.50%	17-02-2023	Redeemable at par at the end of 1096 days from the date of allotment
Series B FY 2019-20	₹ 10 lakh each	28-02-2020	251.00	7.75%	28-02-2023	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2019-20	₹ 10 lakh each	04-03-2020	75.41	7.68%	03-03-2023	Redeemable at par at the end of 1094 days from the date of allotment
Reissuance - Series I FY 2020-21 opt 2 (Original issuance series F FY 2019-20)	₹ 10 lakh each	17-03-2021	25.89	7.68%	03-03-2023	Redeemable at par at the end of 716 days from the date of allotment
Series C FY 2019-20	₹ 10 lakh each	04-03-2020	20.11	7.75%	15-03-2023	Redeemable at par at the end of 1106 days from the date of allotment
Series AK FY 2015-16	₹ 25 lakh each	16-03-2016	10.04	8.80%	16-03-2023	Redeemable at par at the end of 2556 days from the date of allotment
Series C FY 2019-20 opt 3	₹ 10 lakh each	17-02-2020	905.82	8.50%	17-03-2023	Redeemable at par at the end of 1124 days from the date of allotment
Series A FY 2020-21	₹ 10 lakh each	28-04-2020	1,148.77	7.80%	28-04-2023	Redeemable at par at the end of 1095 days from the date of allotment
Series I FY 2020-21 opt 1	₹ 10 lakh each	17-03-2021	300.72	6.15%	17-05-2023	Redeemable at par at the end of 791 days from the date of allotment
Series C FY 2018-19	₹ 10 lakh each	29-08-2018	498.14	8.44%	18-05-2023	Redeemable at par at the end of 1723 days from the date of allotment
Series C FY 2013-14	₹ 10 lakh each	29-05-2013	117.73	8.35%	29-05-2023	Redeemable at par at the end of 3652 days from the date of allotment
Series C FY 2020-21	₹ 10 lakh each	12-06-2020	317.04	7.70%	12-06-2023	Redeemable at par at the end of 1095 days from the date of allotment
Series G FY 2016-17 opt 1	₹ 25 lakh each	01-07-2016	10.66	8.75%	30-06-2023	Redeemable at par at the end of 2555 days from the date of allotment
Series A FY 2020-21 - MLD	₹ 10 lakh each	03-07-2020	130.57	7.00%	03-07-2023	Redeemable at par at the end of 1095 days from the date of allotment
Series C FY 2020-21 - MLD	₹ 10 lakh each	20-07-2020	79.22	7.00%	03-07-2023	Redeemable at par at the end of 1078 days from the date of allotment
Series H FY 2016-17 opt 2	₹ 25 lakh each	22-07-2016	16.96	8.70%	21-07-2023	Redeemable at par at the end of 2555 days from the date of allotment
Series E FY 2018-19	₹ 10 lakh each	02-08-2018	37.05	8.86%	02-08-2023	Redeemable at par at the end of 1826 days from the date of allotment
Series J FY 2020-21 opt 1	₹ 10 lakh each	09-09-2020	517.52	7.30%	08-09-2023	Redeemable at par at the end of 1094 days from the date of allotment
Series F FY 2020-21	₹ 10 lakh each	02-12-2020	608.34	5.85%	01-12-2023	Redeemable at par at the end of 1094 days from the date of allotment
Series J FY 2018-19	₹ 10 lakh each	04-01-2019	817.16	9.00%	04-01-2024	Redeemable at par at the end of 1826 days from the date of allotment
Series G FY 2018-19	₹ 10 lakh each	11-01-2019	27.52	8.90%	11-01-2024	Redeemable at par at the end of 1826 days from the date of allotment
Series K FY 2018-19 option 2	₹ 10 lakh each	11-01-2019	25.45	9.00%	09-02-2024	Redeemable at par at the end of 1855 days from the date of allotment
Series G FY 2020-21	₹ 10 lakh each	03-03-2021	451.01	6.40%	01-03-2024	Redeemable at par at the end of 1094 days from the date of allotment
Series N FY 2018-19 option 2	₹ 10 lakh each	01-02-2019	25.36	9.02%	11-03-2024	Redeemable at par at the end of 1865 days from the date of allotment
Series III option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	30.24	9.10%	13-03-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	235.06	9.25%	13-03-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	1.76	8.75%	13-03-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	59.92	8.89%	13-03-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	78.45	8.80%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	200.63	9.00%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	1.55	8.48%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	21.82	8.66%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	0.27	8.81%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	21.58	9.01%	15-04-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series H FY 2020-21	₹ 10 lakh each	10-03-2021	50.18	6.45%	10-05-2024	Redeemable at par at the end of 1157 days from the date of allotment
Series E FY 2020-21 opt 2	₹ 10 lakh each	13-07-2020	257.97	7.90%	12-07-2024	Redeemable at par at the end of 1460 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2021 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series K FY 2020-21 opt 2	₹ 10 lakh each	16-09-2020	180.88	7.15%	16-09-2024	Redeemable at par at the end of 1461 days from the date of allotment
Series M FY 2020-21	₹ 10 lakh each	03-11-2020	204.36	6.75%	01-11-2024	Redeemable at par at the end of 1459 days from the date of allotment
Series D FY 2020-21	₹ 10 lakh each	03-11-2020	306.29	6.55%	01-11-2024	Redeemable at par at the end of 1459 days from the date of allotment
Series A FY 2017-18	₹ 10 lakh each	29-06-2017	682.92	7.59%	18-11-2024	Redeemable at par at the end of 2699 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	23.55	8.45%	23-12-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	330.14	8.60%	23-12-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	0.79	8.15%	23-12-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	74.77	8.29%	23-12-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series B FY 2019-20 opt 1	₹ 10 lakh each	28-01-2020	64.97	8.45%	17-02-2025	Redeemable at par at the end of 1847 days from the date of allotment
Reissuance - Series B1 FY 2019-20 opt 1 (Original issuance series B FY 2019-20 opt 1)	₹ 10 lakh each	05-02-2020	36.36	8.45%	17-02-2025	Redeemable at par at the end of 1839 days from the date of allotment
Series J FY 2015-16 opt 3	₹ 25 lakh each	19-05-2015	47.90	8.84%	19-05-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2015-16 opt 5	₹ 25 lakh each	26-05-2015	32.27	8.90%	26-05-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series M FY 2015-16 opt 2	₹ 25 lakh each	26-05-2015	21.50	8.85%	26-05-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series D FY 2015-16 opt 5	₹ 25 lakh each	05-06-2015	26.83	8.90%	05-06-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series R FY 2015-16	₹ 25 lakh each	05-06-2015	53.61	8.84%	05-06-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series B FY 2020-21	₹ 10 lakh each	09-07-2020	293.90	7.85%	09-07-2025	Redeemable at par at the end of 1826 days from the date of allotment
Series D FY 2020-21	₹ 10 lakh each	10-07-2020	363.63	7.75%	10-07-2025	Redeemable at par at the end of 1826 days from the date of allotment
Series I FY 2015-16 opt 4	₹ 25 lakh each	17-07-2015	10.63	8.95%	17-07-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2020-21 opt 1	₹ 10 lakh each	13-07-2020	526.80	7.95%	28-07-2025	Redeemable at par at the end of 1841 days from the date of allotment
Series AJ FY 2015-16 opt 2	₹ 25 lakh each	08-02-2016	52.61	8.75%	06-02-2026	Redeemable at par at the end of 3651 days from the date of allotment
Series B FY 2016-17 opt 3	₹ 25 lakh each	20-04-2016	5.41	8.65%	20-04-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series B FY 2019-20	₹ 10 lakh each	28-05-2019	913.12	8.80%	28-05-2026	Redeemable at par at the end of 2557 days from the date of allotment
Series C FY 2019-20	₹ 10 lakh each	31-07-2019	15.85	8.55%	31-07-2026	Redeemable at par at the end of 2557 days from the date of allotment
Series S FY 2016-17	₹ 25 lakh each	25-10-2016	10.33	7.90%	23-10-2026	Redeemable at par at the end of 3650 days from the date of allotment
Series T FY 2016-17	₹ 25 lakh each	16-11-2016	48.36	7.95%	16-11-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	25.35	8.50%	23-12-2026	Redeemable at par at the end of 2557 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-12-2019	403.53	8.65%	23-12-2026	Redeemable at par at the end of 2557 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	11.32	8.85%	15-04-2027	Redeemable at par at the end of 2922 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	379.23	9.05%	15-04-2027	Redeemable at par at the end of 2922 days from the date of allotment
Series VII option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	0.45	8.52%	15-04-2027	Redeemable at par at the end of 2922 days from the date of allotment
Series VII option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-04-2019	17.38	8.70%	15-04-2027	Redeemable at par at the end of 2922 days from the date of allotment
Series A FY 2011-12	₹ 10 lakh each	18-10-2011	509.70	9.70%	18-10-2028	Redeemable at par at the end of 6210 days from the date of allotment
Series V option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	7.97	9.20%	13-03-2029	Redeemable at par at the end of 3653 days from the date of allotment
Series V option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	110.38	9.35%	13-03-2029	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	0.70	8.84%	13-03-2029	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	101.24	8.98%	13-03-2029	Redeemable at par at the end of 3653 days from the date of allotment
Series B FY 2019-20 opt 2	₹ 10 lakh each	28-01-2020	58.88	8.55%	28-01-2030	Redeemable at par at the end of 3653 days from the date of allotment
Reissuance - Series B2 FY 2019-20 opt 2 (Original issuance series B FY 2019-20 opt 2)	₹ 10 lakh each	11-02-2020	219.86	8.55%	28-01-2030	Redeemable at par at the end of 3639 days from the date of allotment
Reissuance - Series B FY 2020-21	₹ 10 lakh each	30-06-2020	142.71	8.10%	28-06-2030	Redeemable at par at the end of 3650 days from the date of allotment
Reissuance - Series B FY 2020-21 opt 3 (Original issuance series B FY 2020-21)	₹ 10 lakh each	13-07-2020	250.95	8.10%	28-06-2030	Redeemable at par at the end of 3637 days from the date of allotment
Series J FY 2020-21 opt 2	₹ 10 lakh each	09-09-2020	103.90	7.66%	09-09-2030	Redeemable at par at the end of 3652 days from the date of allotment
Reissuance - Series K FY 2020-21 opt 1 (Original issuance series J FY 2020-21 opt 2)	₹ 10 lakh each	16-09-2020	52.24	7.66%	09-09-2030	Redeemable at par at the end of 3645 days from the date of allotment
Series N FY 2020-21	₹ 10 lakh each	30-12-2020	1,528.81	7.62%	30-12-2030	Redeemable at par at the end of 3652 days from the date of allotment
			31,380.80			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

Secured redeemable non convertible debentures public issue :

The Company has utilised fund raised through public issue for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/prepayment of principal of borrowings) and general corporate purpose. . Total unutilised balance amount of ₹0.14 crore is in current account (includes ₹4.44 crore unutilised from amount

Note 13 (b)

Commercial papers (net) as on March 31, 2021 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2021 (₹ crore)
Bullet	Up to 1 years	upto 7.00%	5,849.68
	Total		**5849.68**

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series A FY 2017-18	₹ 25 lakh each	10-Apr-17	107.61	7.80%	10-Apr-20	Redeemable at par at the end of 1096 days from the date of allotment
Series A FY 2015-16 opt 4	₹ 25 lakh each	16-Apr-15	10.86	8.95%	16-Apr-20	Redeemable at par at the end of 1827 days from the date of allotment
Series B FY 2015-16	₹ 25 lakh each	20-Apr-15	109.82	8.70%	20-Apr-20	Redeemable at par at the end of 1827 days from the date of allotment
Series E FY 2015-16	₹ 25 lakh each	27-Apr-15	35.92	8.70%	27-Apr-20	Redeemable at par at the end of 1827 days from the date of allotment
Series E FY 2016-17	₹ 25 lakh each	29-Mar-17	100.06	7.90%	29-Apr-20	Redeemable at par at the end of 1127 days from the date of allotment
Series A FY 2017-18 opt 2	₹ 25 lakh each	10-Apr-17	107.61	7.80%	08-May-20	Redeemable at par at the end of 1124 days from the date of allotment
Series J FY 2015-16 opt 1	₹ 25 lakh each	19-May-15	33.37	8.84%	19-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series C FY 2015-16 opt 5	₹ 25 lakh each	20-May-15	28.00	8.87%	20-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series O FY 2018-19	₹ 10 lakh each	01-Mar-19	277.10	8.75%	22-May-20	Redeemable at par at the end of 448 days from the date of allotment
Series K FY 2015-16 opt 1	₹ 25 lakh each	22-May-15	16.14	8.81%	22-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series C FY 2017-18	₹ 25 lakh each	25-May-17	26.67	7.85%	25-May-20	Redeemable at par at the end of 1096 days from the date of allotment
Series B FY 2017-18	₹ 25 lakh each	25-May-17	53.35	7.85%	25-May-20	Redeemable at par at the end of 1096 days from the date of allotment
Series L FY 2015-16 opt 1	₹ 25 lakh each	25-May-15	10.75	8.81%	25-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	31-Mar-17	300.07	8.07%	29-May-20	Redeemable at par at the end of 1155 days from the date of allotment
Series N FY 2015-16 opt 1	₹ 25 lakh each	29-May-15	42.96	8.81%	29-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series D FY 2015-16 opt 4	₹ 25 lakh each	05-Jun-15	21.46	8.90%	05-Jun-20	Redeemable at par at the end of 1827 days from the date of allotment
Series C FY 2017-18	₹ 25 lakh each	05-Jun-17	63.90	7.90%	05-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series D FY 2017-18	₹ 25 lakh each	08-Jun-17	30.87	7.90%	08-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series D FY 2017-18	₹ 25 lakh each	09-Jun-17	223.37	7.85%	09-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2017-18	₹ 25 lakh each	09-Jun-17	186.15	7.85%	09-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2017-18	₹ 25 lakh each	15-Jun-17	79.65	7.80%	15-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2017-18	₹ 25 lakh each	16-Jun-17	265.35	7.75%	16-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2017-18	₹ 25 lakh each	19-Jun-17	212.31	7.85%	19-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series G FY 2017-18	₹ 25 lakh each	20-Jun-17	398.00	7.85%	19-Jun-20	Redeemable at par at the end of 1095 days from the date of allotment
Series G FY 2017-18 opt 1	₹ 25 lakh each	19-Jun-17	49.85	7.72%	19-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series H FY 2017-18 opt 1	₹ 25 lakh each	20-Jun-17	106.13	7.85%	19-Jun-20	Redeemable at par at the end of 1095 days from the date of allotment
Series I FY 2017-18	₹ 25 lakh each	23-Jun-17	132.49	7.75%	23-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series J FY 2017-18	₹ 25 lakh each	28-Jun-17	132.36	7.75%	26-Jun-20	Redeemable at par at the end of 1094 days from the date of allotment
Series N FY 2016-17 opt 2	₹ 25 lakh each	25-Aug-16	104.96	8.30%	26-Jun-20	Redeemable at par at the end of 1401 days from the date of allotment
Series M FY 2018-19 option 1- MLD	₹ 10 lakh each	18-Jan-19	48.26	8.45%	17-Jul-20	Redeemable at par at the end of 546 days from the date of allotment
Series U FY 2015-16 opt 6	₹ 25 lakh each	17-Jul-15	7.44	8.87%	17-Jul-20	Redeemable at par at the end of 1827 days from the date of allotment
Series I FY 2017-18	₹ 25 lakh each	20-Jul-17	368.84	7.70%	20-Jul-20	Redeemable at par at the end of 1096 days from the date of allotment
Series C FY 2017-18	₹ 25 lakh each	21-Jul-17	231.87	7.75%	21-Jul-20	Redeemable at par at the end of 1096 days from the date of allotment
Series W FY 2015-16 opt 5	₹ 25 lakh each	07-Aug-15	21.15	8.82%	07-Aug-20	Redeemable at par at the end of 1827 days from the date of allotment
Series H FY 2017-18 opt 1	₹ 25 lakh each	21-Jun-17	53.02	7.76%	10-Aug-20	Redeemable at par at the end of 1146 days from the date of allotment
Series M FY 2018-19 option 2- MLD	₹ 10 lakh each	18-Jan-19	58.56	8.65%	10-Aug-20	Redeemable at par at the end of 570 days from the date of allotment
Series D1 FY 2018-19 opt 4	₹ 10 lakh each	20-Aug-18	84.30	8.75%	19-Aug-20	Redeemable at par at the end of 730 days from the date of allotment
Reissuance - Series D2 FY 2018-19 opt 4 (Original issuance series D FY 2018-19 opt 4)	₹ 10 lakh each	27-Aug-18	358.25	8.75%	19-Aug-20	Redeemable at par at the end of 723 days from the date of allotment
Series L FY 2017-18	₹ 25 lakh each	25-Jul-17	323.20	7.65%	20-Aug-20	Redeemable at par at the end of 1122 days from the date of allotment
Series D FY 2017-18 opt 1	₹ 25 lakh each	25-Jul-17	109.82	7.67%	20-Aug-20	Redeemable at par at the end of 1122 days from the date of allotment
Series O FY 2016-17	₹ 25 lakh each	02-Sep-16	104.80	8.30%	02-Sep-20	Redeemable at par at the end of 1461 days from the date of allotment
Series Y FY 2015-16 opt 2	₹ 25 lakh each	04-Sep-15	21.01	8.82%	04-Sep-20	Redeemable at par at the end of 1827 days from the date of allotment
Series J FY 2017-18	₹ 25 lakh each	08-Sep-17	130.20	7.40%	08-Sep-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2017-18	₹ 25 lakh each	13-Sep-17	218.64	7.50%	21-Sep-20	Redeemable at par at the end of 1104 days from the date of allotment
Series AE FY 2015-16 opt 2	₹ 25 lakh each	16-Oct-15	53.54	8.62%	16-Oct-20	Redeemable at par at the end of 1827 days from the date of allotment
Series P FY 2015-16 opt 2	₹ 25 lakh each	26-Oct-15	25.92	8.65%	26-Oct-20	Redeemable at par at the end of 1827 days from the date of allotment
Series O FY 2017-18	₹ 25 lakh each	13-Oct-17	517.77	7.65%	13-Nov-20	Redeemable at par at the end of 1127 days from the date of allotment
Series U FY 2017-18	₹ 25 lakh each	29-Dec-17	102.05	8.00%	27-Nov-20	Redeemable at par at the end of 1064 days from the date of allotment
Series R FY 2015-16	₹ 25 lakh each	27-Nov-15	10.30	8.60%	27-Nov-20	Redeemable at par at the end of 1827 days from the date of allotment
Series 2010A – Scheme 4 (Public issue)	₹ 1000 each	02-Dec-10	204.43	7.50%	02-Dec-20	Redeemable at par at the end of 3653 days from the date of allotment
Series 2010A – Scheme 2 (Public issue)	₹ 1000 each	02-Dec-10	88.11	7.75%	02-Dec-20	Redeemable at par at the end of 3653 days from the date of allotment
Series 2010A – Scheme 1 (Public issue)	₹ 1000 each	02-Dec-12	17.77	7.75%	02-Dec-20	Redeemable at par at the end of 2922 days from the date of allotment
Series 2010A – Scheme 3 (Public issue)	₹ 1000 each	02-Dec-12	52.31	7.50%	02-Dec-20	Redeemable at par at the end of 2922 days from the date of allotment
Series R FY 2017-18	₹ 25 lakh each	04-Dec-17	769.14	7.90%	04-Dec-20	Redeemable at par at the end of 1096 days from the date of allotment
Series Q FY 2017-18	₹ 25 lakh each	24-Nov-17	313.42	7.85%	11-Dec-20	Redeemable at par at the end of 1113 days from the date of allotment
Series Q FY 2016-17	₹ 25 lakh each	15-Sep-16	156.69	8.26%	14-Dec-20	Redeemable at par at the end of 1551 days from the date of allotment
Series AI FY 2015-16 opt 2	₹ 25 lakh each	16-Dec-15	27.68	8.65%	16-Dec-20	Redeemable at par at the end of 1827 days from the date of allotment
Series P FY 2017-18	₹ 25 lakh each	17-Oct-17	155.26	7.68%	18-Dec-20	Redeemable at par at the end of 1158 days from the date of allotment
Series S FY 2017-18	₹ 25 lakh each	06-Dec-17	218.87	7.84%	06-Jan-21	Redeemable at par at the end of 1127 days from the date of allotment
Series M FY 2018-19 option 3- MLD	₹ 10 lakh each	18-Jan-19	32.53	8.61%	18-Jan-21	Redeemable at par at the end of 731 days from the date of allotment
Series S FY 2015-16 opt 1	₹ 25 lakh each	25-Feb-16	20.17	8.86%	25-Feb-21	Redeemable at par at the end of 1827 days from the date of allotment
Series 2011A – Scheme 2 (Public issue)	₹ 1000 each	23-Mar-11	482.89	8.30%	23-Mar-21	Redeemable at par at the end of 3653 days from the date of allotment
Series 2011A – Scheme 1 (Public issue)	₹ 1000 each	23-Mar-12	69.33	8.20%	23-Mar-21	Redeemable at par at the end of 3287 days from the date of allotment
Series AN FY 2015-16 opt 2	₹ 25 lakh each	29-Mar-16	25.01	8.80%	29-Mar-21	Redeemable at par at the end of 1826 days from the date of allotment
Series L FY 2017-18	₹ 25 lakh each	27-Mar-18	105.68	8.30%	06-Apr-21	Redeemable at par at the end of 1106 days from the date of allotment
Series V FY 2017-18	₹ 25 lakh each	27-Mar-18	96.78	8.25%	08-Apr-21	Redeemable at par at the end of 1108 days from the date of allotment
Series A FY 2016-17 opt 2	₹ 25 lakh each	13-Apr-16	130.08	8.75%	13-Apr-21	Redeemable at par at the end of 1826 days from the date of allotment
Series A FY 2016-17	₹ 25 lakh each	18-Apr-16	21.67	8.75%	16-Apr-21	Redeemable at par at the end of 1824 days from the date of allotment
Series B FY 2016-17 opt 3	₹ 25 lakh each	21-Apr-16	48.96	8.70%	21-Apr-21	Redeemable at par at the end of 1826 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	05-May-16	10.79	8.70%	05-May-21	Redeemable at par at the end of 1826 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	13-Jun-16	10.70	8.80%	11-Jun-21	Redeemable at par at the end of 1824 days from the date of allotment
Series F FY 2016-17 opt 3	₹ 25 lakh each	14-Jun-16	26.74	8.75%	14-Jun-21	Redeemable at par at the end of 1826 days from the date of allotment
Series W FY 2017-18	₹ 25 lakh each	28-Mar-18	95.07	8.25%	21-Jun-21	Redeemable at par at the end of 1181 days from the date of allotment
Reissuance - Series "W"1-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 25 lakh each	27-Jul-18	79.71	8.25%	21-Jun-21	Redeemable at par at the end of 1060 days from the date of allotment
Reissuance - Series "W"2-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 25 lakh each	09-Aug-18	54.71	8.25%	21-Jun-21	Redeemable at par at the end of 1047 days from the date of allotment
Series B FY 2018-19 opt 2	₹ 10 lakh each	06-Jul-18	15.65	8.80%	23-Jun-21	Redeemable at par at the end of 1083 days from the date of allotment
Series H FY 2016-17 opt 3	₹ 25 lakh each	22-Jul-16	5.30	8.70%	22-Jul-21	Redeemable at par at the end of 1826 days from the date of allotment
Series I FY 2016-17	₹ 25 lakh each	26-Jul-16	63.57	8.71%	26-Jul-21	Redeemable at par at the end of 1826 days from the date of allotment
Series J FY 2016-17	₹ 25 lakh each	28-Jul-16	264.60	8.70%	28-Jul-21	Redeemable at par at the end of 1826 days from the date of allotment
Series D FY 2018-19 opt 1	₹ 10 lakh each	20-Jul-18	28.93	8.92%	30-Jul-21	Redeemable at par at the end of 1106 days from the date of allotment
Reissuance - Series D1 FY 2018-19 opt 1 (Original issuance series D FY 2018-19 opt 1)	₹ 10 lakh each	20-Aug-18	12.51	8.92%	30-Jul-21	Redeemable at par at the end of 1075 days from the date of allotment
Series K FY 2016-17	₹ 25 lakh each	02-Aug-16	177.68	8.70%	02-Aug-21	Redeemable at par at the end of 1826 days from the date of allotment
Series E FY 2018-19	₹ 10 lakh each	12-Sep-18	101.40	8.71%	03-Aug-21	Redeemable at par at the end of 1056 days from the date of allotment
Reissuance - Series E1 FY 2018-19 opt 1 (Original issuance series E FY 2018-19)	₹ 10 lakh each	24-Oct-18	39.57	8.71%	03-Aug-21	Redeemable at par at the end of 1014 days from the date of allotment
Series D FY 2018-19 opt 2	₹ 10 lakh each	20-Jul-18	416.71	8.95%	16-Aug-21	Redeemable at par at the end of 1123 days from the date of allotment

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Reissuance - Series D1 FY 2018-19 opt 2 (Original issuance series D FY 2018-19 opt 2)	₹ 10 lakh each	20-Aug-18	59.12	8.95%	16-Aug-21	Redeemable at par at the end of 1092 days from the date of allotment
Series F FY 2018-19	₹ 10 lakh each	12-Sep-18	67.32	8.82%	03-Sep-21	Redeemable at par at the end of 1087 days from the date of allotment
Reissuance - Series G FY 2018-19 opt 1 (Original issuance series F FY 2018-19)	₹ 10 lakh each	31-Oct-18	5.66	8.82%	03-Sep-21	Redeemable at par at the end of 1038 days from the date of allotment
Series M FY 2016-17	₹ 25 lakh each	09-Sep-16	130.84	8.34%	09-Sep-21	Redeemable at par at the end of 1826 days from the date of allotment
Series H FY 2014-15	₹ 25 lakh each	19-Sep-14	52.61	9.80%	17-Sep-21	Redeemable at par at the end of 2555 days from the date of allotment
Series D FY 2018-19	₹ 10 lakh each	05-Sep-18	143.80	8.71%	20-Sep-21	Redeemable at par at the end of 1111 days from the date of allotment

Note 13 (a)
Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Reissuance - Series D1 FY 2018-19 (Original issuance series D FY 2018-19)	₹ 10 lakh each	21-Sep-18	52.39	8.71%	20-Sep-21	Redeemable at par at the end of 1095 days from the date of allotment
Series N FY 2016-17 opt 2	₹ 25 lakh each	22-Sep-16	20.86	8.25%	22-Sep-21	Redeemable at par at the end of 1826 days from the date of allotment
Series C FY 2018-19 opt 2	₹ 10 lakh each	06-Jul-18	132.49	8.92%	06-Oct-21	Redeemable at par at the end of 1188 days from the date of allotment
Reissuance - Series D3 FY 2018-19 opt 3 (Original issuance series C FY 2018-19)	₹ 10 lakh each	31-Aug-18	52.23	8.92%	06-Oct-21	Redeemable at par at the end of 1132 days from the date of allotment
Series E1 FY 2018-19 opt 2	₹ 10 lakh each	24-Oct-18	46.12	9.40%	11-Oct-21	Redeemable at par at the end of 1083 days from the date of allotment
Series S FY 2016-17	₹ 25 lakh each	24-Oct-16	25.85	7.80%	22-Oct-21	Redeemable at par at the end of 1824 days from the date of allotment
Series J FY 2014-15 opt 3	₹ 25 lakh each	07-Nov-14	10.38	9.45%	06-Nov-21	Redeemable at par at the end of 2556 days from the date of allotment
Series A FY 2019-20 opt 1	₹ 10 lakh each	29-Nov-19	381.47	8.30%	29-Nov-21	Redeemable at par at the end of 731 days from the date of allotment
Series A FY 2019-20 opt 1	₹ 10 lakh each	29-Nov-19	636.00	8.40%	29-Nov-21	Redeemable at par at the end of 731 days from the date of allotment
Series L FY 2014-15 opt 2	₹ 25 lakh each	15-Dec-14	20.53	9.15%	15-Dec-21	Redeemable at par at the end of 2557 days from the date of allotment
Series 2011B – Scheme 1 (Public issue)	₹ 1000 each	10-Jan-12	126.55	9.00%	10-Jan-22	Redeemable at par at the end of 3653 days from the date of allotment
Series 2011B – Scheme 2 (Public issue)	₹ 1000 each	10-Jan-12	623.39	9.00%	10-Jan-22	Redeemable at par at the end of 3653 days from the date of allotment
Series N FY 2014-15 opt 3	₹ 25 lakh each	16-Jan-15	56.05	9.20%	14-Jan-22	Redeemable at par at the end of 2555 days from the date of allotment
Series C FY 2019-20 opt 4	₹ 10 lakh each	17-Feb-20	498.88	8.10%	17-Feb-22	Redeemable at par at the end of 731 days from the date of allotment
Series U FY 2016-17 opt 2	₹ 25 lakh each	22-Feb-17	10.08	8.05%	22-Feb-22	Redeemable at par at the end of 1826 days from the date of allotment
Series P FY 2014-15 opt 2	₹ 25 lakh each	24-Feb-15	10.09	9.10%	24-Feb-22	Redeemable at par at the end of 2557 days from the date of allotment
Series W FY 2016-17	₹ 25 lakh each	03-Mar-17	20.12	7.95%	03-Mar-22	Redeemable at par at the end of 1826 days from the date of allotment
Series E1 FY 2018-19 opt 3	₹ 10 lakh each	24-Oct-18	79.35	9.38%	11-Mar-22	Redeemable at par at the end of 1234 days from the date of allotment
Reissuance - Series F FY 2018-19 (Original issuance series E1 FY 2018-19 opt 3)	₹ 10 lakh each	06-Nov-18	76.95	9.38%	11-Mar-22	Redeemable at par at the end of 1221 days from the date of allotment
Series G FY 2018-19 opt 2	₹ 10 lakh each	31-Oct-18	86.25	9.48%	14-Mar-22	Redeemable at par at the end of 1230 days from the date of allotment
Series 2012A – Scheme 1 (Public issue)	₹ 1000 each	24-Mar-12	101.12	8.70%	24-Mar-22	Redeemable at par at the end of 3652 days from the date of allotment
Series 2012A – Scheme 2 (Public issue)	₹ 1000 each	24-Mar-12	557.23	8.70%	24-Mar-22	Redeemable at par at the end of 3652 days from the date of allotment
Series I option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	176.35	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	686.15	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	5.52	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	87.53	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	119.22	8.70%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	202.67	8.90%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	3.75	8.71%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	17.35	8.91%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series A FY 2015-16 opt 5	₹ 25 lakh each	16-Apr-15	43.43	8.95%	15-Apr-22	Redeemable at par at the end of 2556 days from the date of allotment
Series A FY 2019-20 - MLD	₹ 10 lakh each	24-Apr-19	85.11	8.36%	22-Apr-22	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2018-19	₹ 10 lakh each	06-Jun-18	63.98	8.65%	28-Apr-22	Redeemable at par at the end of 1422 days from the date of allotment
Reissuance- Series A1 FY 2018-19 (Original issuance series A FY 2018-19)	₹ 10 lakh each	14-Nov-18	34.39	8.65%	28-Apr-22	Redeemable at par at the end of 1261 days from the date of allotment
Series A FY 2018-19	₹ 10 lakh each	06-Jun-18	52.30	8.60%	28-Apr-22	Redeemable at par at the end of 1422 days from the date of allotment
Series K FY 2015-16 opt 2	₹ 25 lakh each	22-May-15	11.83	8.81%	20-May-22	Redeemable at par at the end of 2555 days from the date of allotment
Series M FY 2015-16 opt 1	₹ 25 lakh each	26-May-15	16.11	8.81%	26-May-22	Redeemable at par at the end of 2557 days from the date of allotment
Series N FY 2015-16 opt 2	₹ 25 lakh each	29-May-15	11.81	8.81%	27-May-22	Redeemable at par at the end of 2555 days from the date of allotment
Series C FY 2018-19 opt 1	₹ 10 lakh each	06-Jul-18	40.65	8.95%	10-Jun-22	Redeemable at par at the end of 1435 days from the date of allotment
Series B FY 2018-19 opt 1	₹ 10 lakh each	06-Jul-18	77.80	8.95%	10-Jun-22	Redeemable at par at the end of 1435 days from the date of allotment
Series G FY 2017-18 opt 2	₹ 25 lakh each	19-Jun-17	79.52	7.72%	19-Jul-22	Redeemable at par at the end of 1856 days from the date of allotment
Series H FY 2017-18 opt 2	₹ 25 lakh each	21-Jun-17	26.51	7.81%	21-Jul-22	Redeemable at par at the end of 1856 days from the date of allotment
Series K FY 2015-16 opt 3	₹ 25 lakh each	28-Jul-15	3.18	8.90%	28-Jul-22	Redeemable at par at the end of 2557 days from the date of allotment
Series W FY 2015-16 opt 6	₹ 25 lakh each	07-Aug-15	10.57	8.82%	05-Aug-22	Redeemable at par at the end of 2555 days from the date of allotment
Series M FY 2017-18	₹ 25 lakh each	08-Aug-17	488.11	7.71%	08-Aug-22	Redeemable at par at the end of 1826 days from the date of allotment
Series L FY 2018-19 option 2	₹ 10 lakh each	24-Jan-19	50.82	8.93%	08-Aug-22	Redeemable at par at the end of 1292 days from the date of allotment
Series D FY 2017-18 opt 2	₹ 25 lakh each	25-Jul-17	215.92	7.80%	16-Aug-22	Redeemable at par at the end of 1848 days from the date of allotment
Series E FY 2017-18	₹ 25 lakh each	30-Aug-17	52.25	7.65%	30-Aug-22	Redeemable at par at the end of 1826 days from the date of allotment
Series K FY 2017-18	₹ 25 lakh each	29-Sep-17	207.73	7.65%	29-Sep-22	Redeemable at par at the end of 1826 days from the date of allotment
Series N FY 2017-18	₹ 25 lakh each	06-Oct-17	321.61	7.70%	06-Oct-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance- Series H FY 2018-19 opt 2 (Original issuance series N FY 2017-18)	₹ 25 lakh each	20-Nov-18	65.02	7.70%	06-Oct-22	Redeemable at par at the end of 1416 days from the date of allotment
Series O FY 2015-16 opt 3	₹ 25 lakh each	20-Oct-15	33.75	8.65%	20-Oct-22	Redeemable at par at the end of 2557 days from the date of allotment
Series AG FY 2015-16	₹ 25 lakh each	13-Nov-15	18.59	8.60%	11-Nov-22	Redeemable at par at the end of 2555 days from the date of allotment
Series A FY 2019-20 opt 2	₹ 10 lakh each	29-Nov-19	381.42	8.48%	29-Nov-22	Redeemable at par at the end of 1096 days from the date of allotment
Series A FY 2019-20 opt 2	₹ 10 lakh each	29-Nov-19	635.85	8.55%	29-Nov-22	Redeemable at par at the end of 1096 days from the date of allotment
Series T FY 2017-18	₹ 25 lakh each	12-Dec-17	86.97	7.95%	12-Dec-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance-Series G FY 2018-19 opt 3 (Original issuance series T FY 2017-18)	₹ 25 lakh each	31-Oct-18	16.34	7.95%	12-Dec-22	Redeemable at par at the end of 1503 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	30.12	8.25%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	422.19	8.45%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	6.33	8.26%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	63.08	8.46%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	0.84	7.96%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	42.97	8.15%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2012-13	₹ 10 lakh each	11-Jan-13	459.02	9.00%	11-Jan-23	Redeemable at par at the end of 3652 days from the date of allotment
Series C FY 2019-20 opt 1	₹ 10 lakh each	17-Feb-20	802.74	8.50%	17-Jan-23	Redeemable at par at the end of 1065 days from the date of allotment
Series E FY 2019-20	₹ 10 lakh each	24-Jan-20	410.05	8.25%	24-Jan-23	Redeemable at par at the end of 1096 days from the date of allotment
Series C FY 2019-20 opt 2	₹ 10 lakh each	17-Feb-20	802.73	8.50%	17-Feb-23	Redeemable at par at the end of 1096 days from the date of allotment
Series B FY 2019-20	₹ 10 lakh each	28-Feb-20	250.43	7.75%	28-Feb-23	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2019-20	₹ 10 lakh each	04-Mar-20	75.39	7.68%	03-Mar-23	Redeemable at par at the end of 1094 days from the date of allotment
Series C FY 2019-20	₹ 10 lakh each	04-Mar-20	20.11	7.75%	15-Mar-23	Redeemable at par at the end of 1106 days from the date of allotment
Series AK FY 2015-16	₹ 25 lakh each	16-Mar-16	10.03	8.80%	16-Mar-23	Redeemable at par at the end of 2556 days from the date of allotment
Series C FY 2019-20 opt 3	₹ 10 lakh each	17-Feb-20	904.38	8.50%	17-Mar-23	Redeemable at par at the end of 1124 days from the date of allotment
Series C FY 2018-19	₹ 10 lakh each	29-Aug-18	497.44	8.44%	18-May-23	Redeemable at par at the end of 1723 days from the date of allotment
Series C FY 2013-14	₹ 10 lakh each	29-May-13	117.73	8.35%	29-May-23	Redeemable at par at the end of 3652 days from the date of allotment
Series G FY 2016-17 opt 1	₹ 25 lakh each	01-Jul-16	10.66	8.75%	30-Jun-23	Redeemable at par at the end of 2555 days from the date of allotment
Series H FY 2016-17 opt 2	₹ 25 lakh each	22-Jul-16	16.96	8.70%	21-Jul-23	Redeemable at par at the end of 2555 days from the date of allotment
Series E FY 2018-19	₹ 10 lakh each	02-Aug-18	37.05	8.86%	02-Aug-23	Redeemable at par at the end of 1826 days from the date of allotment
Series J FY 2018-19	₹ 10 lakh each	04-Jan-19	817.31	9.00%	04-Jan-24	Redeemable at par at the end of 1826 days from the date of allotment
Series G FY 2018-19	₹ 10 lakh each	11-Jan-19	27.52	8.90%	11-Jan-24	Redeemable at par at the end of 1826 days from the date of allotment
Series K FY 2018-19 option 2	₹ 10 lakh each	11-Jan-19	25.45	9.00%	09-Feb-24	Redeemable at par at the end of 1855 days from the date of allotment
Series N FY 2018-19 option 2	₹ 10 lakh each	01-Feb-19	25.37	9.02%	11-Mar-24	Redeemable at par at the end of 1865 days from the date of allotment
Series III option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	30.16	9.10%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	234.49	9.25%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	1.75	8.75%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	59.77	8.89%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series III option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	78.27	8.80%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	200.15	9.00%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	1.54	8.48%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	21.76	8.66%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	0.25	8.81%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	19.74	9.01%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series A FY 2017-18	₹ 10 lakh each	29-Jun-17	682.27	7.59%	18-Nov-24	Redeemable at par at the end of 2699 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	23.50	8.45%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	329.40	8.60%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	0.79	8.15%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	74.59	8.29%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series B FY 2019-20 opt 1	₹ 10 lakh each	28-Jan-20	65.93	8.45%	17-Feb-25	Redeemable at par at the end of 1847 days from the date of allotment
Reissuance - Series B1 FY 2019-20 opt 1 (Original issuance series B FY 2019-20 opt 1)	₹ 10 lakh each	05-Feb-20	35.49	8.45%	17-Feb-25	Redeemable at par at the end of 1839 days from the date of allotment
Series J FY 2015-16 opt 3	₹ 25 lakh each	19-May-15	47.88	8.84%	19-May-25	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2015-16 opt 5	₹ 25 lakh each	26-May-15	32.26	8.90%	26-May-25	Redeemable at par at the end of 3653 days from the date of allotment
Series M FY 2015-16 opt 2	₹ 25 lakh each	26-May-15	21.50	8.85%	26-May-25	Redeemable at par at the end of 3653 days from the date of allotment
Series D FY 2015-16 opt 5	₹ 25 lakh each	05-Jun-15	26.83	8.90%	05-Jun-25	Redeemable at par at the end of 3653 days from the date of allotment
Series R FY 2015-16	₹ 25 lakh each	05-Jun-15	53.61	8.84%	05-Jun-25	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2015-16 opt 4	₹ 25 lakh each	17-Jul-15	10.63	8.95%	17-Jul-25	Redeemable at par at the end of 3653 days from the date of allotment
Series AJ FY 2015-16 opt 2	₹ 25 lakh each	08-Feb-16	52.59	8.75%	06-Feb-26	Redeemable at par at the end of 3651 days from the date of allotment
Series B FY 2016-17 opt 3	₹ 25 lakh each	20-Apr-16	5.41	8.65%	20-Apr-26	Redeemable at par at the end of 3652 days from the date of allotment
Series B FY 2019-20	₹ 10 lakh each	28-May-19	913.15	8.80%	28-May-26	Redeemable at par at the end of 2557 days from the date of allotment
Series C FY 2019-20	₹ 10 lakh each	31-Jul-19	15.85	8.55%	31-Jul-26	Redeemable at par at the end of 2557 days from the date of allotment
Series S FY 2016-17	₹ 25 lakh each	25-Oct-16	10.33	7.90%	23-Oct-26	Redeemable at par at the end of 3650 days from the date of allotment
Series T FY 2016-17	₹ 25 lakh each	16-Nov-16	48.34	7.95%	16-Nov-26	Redeemable at par at the end of 3652 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	25.31	8.50%	23-Dec-26	Redeemable at par at the end of 2557 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	402.90	8.65%	23-Dec-26	Redeemable at par at the end of 2557 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	11.30	8.85%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	378.68	9.05%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VII option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	0.45	8.52%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VII option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	17.35	8.70%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series A FY 2011-12	₹ 10 lakh each	18-Oct-11	509.97	9.70%	18-Oct-28	Redeemable at par at the end of 6210 days from the date of allotment
Series V option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	7.96	9.20%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series V option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	110.25	9.35%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	0.70	8.84%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	101.11	8.98%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series B FY 2019-20 opt 2	₹ 10 lakh each	28-Jan-20	55.76	8.55%	28-Jan-30	Redeemable at par at the end of 3653 days from the date of allotment
Reissuance - Series B2 FY 2019-20 opt 2 (Original issuance series B FY 2019-20 opt 2)	₹ 10 lakh each	11-Feb-20	223.09	8.55%	28-Jan-30	Redeemable at par at the end of 3639 days from the date of allotment
			29,889.30			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

Secured redeemable non convertible debentures public issue :

The Company has utilised fund raised through public issue for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/prepayment of principal of borrowings) and general corporate purpose. Total unutilised balance amount of ₹4.44 crore is in current account as on 31 March 2020.

Unsecured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series Y FY 2016-17	₹ 25 lakh each	30-Mar-17	633.51	8.19%	25-May-20	Redeemable at par at the end of 1152 days from the date of allotment
			633.51			

Note 13 (b)

Commercial papers (net) as on March 31, 2020 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹ crore)
Bullet	Up to 1 years	upto 7.00%	3,368.00
		7.01% to 8.00%	172.71
		8.01% to 9.00%	247.39
Total			**3,788.10**

L&T Finance Limited
Reformatted standalone notes forming part of the financial statements

Note 14 : Borrowings (other than debt securities)

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(A)			
(i) At amortised cost			
(a) Term loans			
(i) from banks (refer note 14 (a))	13,597.77	17,126.81	22,496.35
(ii) from financial institutions (refer note 14 (a-1))	5,148.83	1,691.78	2,586.06
(b) Term loans from bank - FCNR (refer note 14 (b))	-	99.81	-
(c) External commercial borrowings (refer note 14 (c))	4,121.00	3,989.00	3,340.82
(d) Loan from related parties (refer note 14 (d) and note 33)	1,037.59	1,075.53	817.36
(e) Loan repayable on demand			
(i) from banks (refer note 14 (e))	16,451.21	14,675.18	16,094.77
Total borrowings (other than debt securities) (A)	**40,356.40**	**38,658.11**	**45,335.36**
(B)			
(I) Borrowings (other than debt securities) in India			
(i) At amortised cost	36,235.40	34,669.11	41,994.54
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total borrowings (other than debt securities) in India (I = i+ii+iii)	**36,235.40**	**34,669.11**	**41,994.54**
(II) Borrowings (other than debt securities) outside India			
(i) At amortised Cost	4,121.00	3,989.00	3,340.82
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total borrowings (other than debt securities) in outside India (II = i+ii+iii)	**4,121.00**	**3,989.00**	**3,340.82**
Total borrowings (other than debt securities) (B) = (I)+(II)	**40,356.40**	**38,658.11**	**45,335.36**

Note 15 : Subordinated liabilities

Particulars	**As at March 31, 2022**	**As at March 31, 2021**	**As at March 31, 2020**
			₹ in crore
(A)			
(i) At amortised cost			
(a) Perpetual debt Instruments to the extent that do not qualify as equity (Refer note 15 (a))	404.39	609.71	609.28
(b) Subordinate debt Instruments (Refer note 15 (b))	2,893.20	2,891.88	2,694.64
Total subordinated liabilities (A) = (i)+(ii)+(iii)	**3,297.59**	**3,501.59**	**3,303.92**
(B)			
(I) Subordinated liabilities in India			
(i) At amortised cost	3,297.59	3,501.59	3,303.92
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total subordinated liabilities in India (I = i+ii+iii)	**3,297.59**	**3,501.59**	**3,303.92**
(II) Subordinated liabilities outside India			
(i) At amortised cost	-	-	-
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total subordinated liabilities in outside India (II = i+ii+iii)	**-**	**-**	**-**
Total subordinated liabilities (B) = (I)+(II)	**3,297.59**	**3,501.59**	**3,303.92**

Note 14 (a)

Term loans from bank as on March 31, 2022 : Secured [1]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2022 (₹crore)
Bullet	Up to 5 Years	Upto 7.00%	1,200.01
	Up to 5 Years	7.01% - 8.00%	199.89
Annually	Up to 5 Years	Upto 7.00%	1,701.08
	Up to 5 Years	7.01% - 8.00%	150.03
Half Yearly	Up to 5 Years	Upto 7.00%	4,541.80
	Up to 5 Years	7.01% - 8.00%	2,234.81
Quarterly	Up to 5 Years	Upto 7.00%	2,954.08
	Up to 5 Years	7.01% - 8.00%	616.06
Total			**13,597.77**

Term loans from bank as on March 31, 2021 : Secured [1]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2021 (₹crore)
Bullet	Up to 5 Years	Upto 7.00%	350.01
	Up to 5 Years	7.01% - 8.00%	1,949.77
Annually	Up to 5 Years	Upto 7.00%	677.09
	Up to 5 Years	7.01% - 8.00%	630.13
Half Yearly	Up to 5 Years	Upto 7.00%	2,365.20
	Up to 5 Years	7.01% - 8.00%	3,901.11
	Above 5 Years	7.01% - 8.00%	1,000.00
	Up to 5 Years	8.01% - 9.00%	248.74
Quarterly	Up to 5 Years	Upto 7.00%	675.11
	Up to 5 Years	7.01% - 8.00%	5,329.65
Total			**17,126.81**

Term loans from bank as on March 31, 2020 : Secured [1]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 5 Years	7.01% - 8.00%	1,199.68
	Above 5 Years	8.01% - 9.00%	3,191.20
Annually	Up to 5 Years	7.01% - 8.00%	900.19
	Upto 5 Years	8.01% - 9.00%	457.92
	Above 5 Years	8.01% - 9.00%	75.00
Half Yearly	Up to 5 Years	7.01% - 8.00%	3,063.94
	Up to 5 Years	8.01% - 9.00%	4,745.37
	Above 5 Years	8.01% - 9.00%	999.99
Quarterly	Up to 5 Years	7.01% - 8.00%	1,086.96
	Up to 5 Years	8.01% - 9.00%	6,276.85
	Above 5 Years	7.01% - 8.00%	499.25
Total			**22,496.35**

Nature of Security :

[1]Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Note 14 (a-1)

Term loans from financial institutions as on March 31, 2022 : Secured [2]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2022 (₹crore)
Annual	Up to 5 Years	Upto 7.00%	249.28
Half Yearly	Up to 5 Years	Upto 7.00%	2,040.22
Quarterly	Above 5 Years	Upto 7.00%	2,859.33
Total			**5,148.83**

Term loans from financial institutions as on March 31, 2021 : Secured [2]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2021 (₹crore)
Annual	Up to 5 Years	Upto 7.00%	498.33
Half Yearly	Up to 5 Years	8.01% - 9.00%	114.57
Quarterly	Above 5 Years	Upto 7.00%	1,078.88
Total			**1,691.78**

Term loans from financial institutions as on March 31, 2020 : Secured [2]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Half Yearly	Up to 5 Years	8.01% - 9.00%	1,187.32
Quarterly	Up to 5 Years	7.01% - 8.00%	192.96
Quarterly	Above 5 Years	7.01% - 8.00%	1,205.78
Total			**2,586.06**

Nature of Security :

[2]Term loan from financial institutions is secured by hypothecation of specified lease/term loan receivables.

Note 14 (b)

Term loans from bank- FCNR as on March 31, 2022 : Secured [3]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2022 (₹crore)
-	-	-	-

Term loans from bank- FCNR as on March 31, 2021 : Secured [3]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2021 (₹crore)
Bullet	Up to 5 Years	Upto 7.00%	99.81
Total			**99.81**

Term loans from bank- FCNR as on March 31, 2020 : Secured [3]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
-	-	-	-

Nature of Security :

[3]Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Note 14 (c)

External commercial borrowings as on March 31, 2022 : Secured [4]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2022 (₹crore)
Bullet	Up to 5 Years	Upto 7.00%	751.88
	Up to 5 Years	8.01% - 9.00%	2,899.30
Total			**3,651.18**

External commercial borrowings as on March 31, 2022 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2022 (₹crore)
Bullet	Up to 5 Years	8.01% - 9.00%	469.82
Total			**469.82**

Total of External commercial borrowings as on March 31, 2022	**4,121.00**

External commercial borrowings as on March 31, 2021 : Secured [4]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2021 (₹crore)
Bullet	Up to 5 Years	Upto 7.00%	748.18
	Up to 5 Years	8.01% - 9.00%	2,788.91
Total			**3,537.09**

External commercial borrowings as on March 31, 2021 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2021 (₹crore)
Bullet	Up to 5 Years	8.01% - 9.00%	451.91
	Above 5 Years	8.01%-9.00%	-
Total			**451.91**

Total of External commercial borrowings as on March 31, 2021	**3,989.00**

External commercial borrowings as on March 31, 2020 : Secured [4]

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 5 Years	8.01%-9.00%	2,874.92
	Above 5 Years	8.01%-9.00%	-
Total			**2,874.92**

External commercial borrowings as on March 31, 2020 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 5 Years	8.01% - 9.00%	465.90
	Above 5 Years	8.01%-9.00%	-
Total			**465.90**

Total of External commercial borrowings as on March 31, 2020	**3,340.82**

Nature of Security :

[4]External commercial borrowings Loan is secured against first charge on specific receivables pertaining to Farm Equipments.

Note 14 (d)

Loan from related parties as on March 31, 2022 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2022 (₹crore)
Bullet	Up to 1 Year	Upto 6.50%	1,037.59
Total			**1,037.59**

Loan from related parties as on March 31, 2021 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2021 (₹crore)
Bullet	Up to 1 Year	Upto 6.50%	1,075.53
Total			**1,075.53**

Loan from related parties as on March 31, 2020 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 1 Year	8.01% to 9.00%	817.36
Total			**817.36**

Note 14 (e)

Loan repayable on demand from bank as on March 31, 2022 : Secured [5]

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2022 (₹crore)
Line of credit	Bullet	Up to 5 Years	Upto 7.00%	3,400.58
Working Capital Demand	Bullet	Up to 5 Years	Upto 7.00%	5,286.94
Line of credit	Bullet	Up to 5 Years	7.01% - 8.00%	1,387.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	2,387.00
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	4.69
Total				**12,466.21**

Loan repayable on demand as on March 31, 2022 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2022 (₹crore)
Working Capital Demand	Bullet	Up to 5 Years	Upto 7.00%	660.00
Working Capital Demand	Bullet	Up to 5 Years	Upto 7.00%	3,325.00
Total				**3,985.00**

Total of Loan repayable on demand as on March 31, 2022	**16,451.21**

Loan repayable on demand from bank as on March 31, 2021 : Secured [5]

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2021 (₹crore)
Line of credit	Bullet	Up to 5 Years	Upto 7.00%	4,795.63
Working Capital Demand	Bullet	Up to 5 Years	Upto 7.00%	2,725.89
Working Capital Demand	Bullet	Up to 5 Years	7.01% - 8.00%	3,314.92
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	99.76
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	3.98
Total				**10,940.18**

Loan repayable on demand as on March 31, 2021 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2021 (₹crore)
Line of credit	Bullet	Up to 5 Years	Upto 7.00%	1,435.00
Working Capital Demand	Bullet	Up to 5 Years	7.01% - 8.00%	530.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	1,770.00

Total	**3,735.00**

Total of Loan repayable on demand as on March 31, 2021	**14,675.18**

Loan repayable on demand from bank as on March 31, 2020 : Secured [5]

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Line of credit	Bullet	Up to 5 Years	7.01% - 8.00%	249.50
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	3,569.53
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	555.47
Working Capital Demand	Bullet	Up to 5 Years	7.01% - 8.00%	2,309.88
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	3,633.96
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	494.36
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	7.01% - 8.00%	234.23
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	227.34
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	9.01% - 10.00%	134.15
Total				**11,408.42**

Loan repayable on demand as on March 31, 2020 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	1,700.00
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	1,540.00
Working Capital Demand	Bullet	Up to 5 Years	7.01% - 8.00%	201.35
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	435.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	810.00
Total				**4,686.35**

Total of Loan repayable on demand as on March 31, 2020	**16,094.77**

Nature of Security :

[5]Loan repayable on demand from bank is secured by hypothecation of specified lease/term loan receivables.

Note 15 (a)

Unsecured redeemable non convertible debentures as on March 31, 2022 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2022 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series I FY 2013-14	₹ 10 Lakh each	29-01-2014	50.71	10.35%	29-01-2024	Redeemable at par at the end of 3652 days from the date of allotment
Series X FY 2015-16	₹ 10 Lakh each	27-08-2015	158.08	9.90%	27-08-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series AL FY 2015-16	₹ 10 Lakh each	18-03-2016	49.73	9.50%	18-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series I FY 2015-16	₹ 10 Lakh each	30-03-2016	50.03	10.10%	30-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series AO FY 2015-16	₹ 10 Lakh each	30-03-2016	29.74	9.50%	30-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series U FY 2015-16	₹ 10 Lakh each	30-03-2016	49.90	9.90%	30-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series E FY 2016-17	₹ 10 Lakh each	03-06-2016	16.19	9.60%	03-06-2026	Redeemable at par at the end of 3652 days from the date of allotment
			404.39			

Note 15 (b)

Unsecured redeemable non convertible debentures as on March 31, 2022 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2022 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series A FY 2012-13	₹ 5 Lakh each	30-04-2012	218.20	9.90%	29-04-2022	Redeemable at par at the end of 3651 days from the date of allotment
Series J FY 2012-13	₹ 10 Lakh each	21-12-2012	282.46	9.80%	21-12-2022	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2013-14	₹ 10 Lakh each	31-01-2014	25.33	9.73%	31-01-2024	Redeemable at par at the end of 3652 days from the date of allotment
Series K FY 2013-14	₹ 10 Lakh each	10-02-2014	20.21	9.73%	09-02-2024	Redeemable at par at the end of 3651 days from the date of allotment
Series L FY 2013-14	₹ 10 Lakh each	18-02-2014	20.17	9.73%	16-02-2024	Redeemable at par at the end of 3650 days from the date of allotment
Series C FY 2013-14	₹ 10 Lakh each	28-02-2014	25.24	10.90%	28-02-2024	Redeemable at par at the end of 3652 days from the date of allotment
Series O FY 2013-14	₹ 10 Lakh each	04-03-2014	5.02	9.73%	04-03-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series M FY 2013-14	₹ 10 Lakh each	14-03-2014	30.06	9.73%	14-03-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2013-14	₹ 10 Lakh each	27-03-2014	50.06	10.90%	27-03-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	₹ 10 Lakh each	27-03-2014	50.06	10.35%	27-03-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2014-15	₹ 10 Lakh each	30-06-2014	43.13	10.40%	28-06-2024	Redeemable at par at the end of 3651 days from the date of allotment
Series N FY 2014-15	₹ 10 Lakh each	13-11-2014	103.15	9.10%	13-11-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series M FY 2014-15	₹ 10 Lakh each	31-12-2014	51.24	9.95%	31-12-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 Lakh each	19-01-2015	126.90	8.75%	17-01-2025	Redeemable at par at the end of 3651 days from the date of allotment
Series O FY 2014-15	₹ 10 Lakh each	29-01-2015	101.21	9.35%	29-01-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series U FY 2014-15	₹ 10 Lakh each	18-02-2015	226.54	8.75%	18-02-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 Lakh each	30-03-2015	50.03	9.95%	28-03-2025	Redeemable at par at the end of 3651 days from the date of allotment
Series A FY 2015-16	₹ 10 Lakh each	17-04-2015	108.35	8.90%	17-04-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2015-16	₹ 10 Lakh each	21-04-2015	86.10	8.90%	21-04-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series D FY 2015-16	₹ 10 Lakh each	22-04-2015	48.73	8.90%	22-04-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series G FY 2015-16	₹ 10 Lakh each	29-04-2015	81.08	8.90%	29-04-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2015-16	₹ 10 Lakh each	15-05-2015	46.30	8.90%	15-05-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series P FY 2015-16	₹ 10 Lakh each	03-06-2015	64.32	8.87%	03-06-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series H FY 2015-16	₹ 10 Lakh each	14-07-2015	14.93	9.32%	14-07-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series J FY 2015-16	₹ 10 Lakh each	25-07-2015	53.17	9.30%	24-07-2025	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2015-16	₹ 10 Lakh each	09-09-2015	105.17	9.25%	09-09-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series AB FY 2015-16	₹ 10 Lakh each	15-09-2015	20.94	8.90%	15-09-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	₹ 10 Lakh each	30-01-2016	32.49	9.35%	29-01-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series G FY 2015-16	₹ 10 Lakh each	09-02-2016	18.24	9.35%	09-02-2026	Redeemable at par at the end of 3653 days from the date of allotment
Series H FY 2015-16	₹ 10 Lakh each	04-03-2016	50.36	9.48%	04-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series M FY 2015-16	₹ 10 Lakh each	23-03-2016	100.23	9.30%	23-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series H FY 2016-17	₹ 10 Lakh each	21-07-2016	84.76	8.78%	21-07-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series U FY 2016-17	₹ 10 Lakh each	04-01-2017	127.18	8.05%	04-01-2027	Redeemable at par at the end of 3652 days from the date of allotment
Series V FY 2016-17	₹ 10 Lakh each	30-01-2017	15.17	8.05%	29-01-2027	Redeemable at par at the end of 3651 days from the date of allotment
Series B FY 2018-19	₹ 10 Lakh each	31-10-2018	46.55	9.10%	31-10-2028	Redeemable at par at the end of 3653 days from the date of allotment
Series B FY 2017-18	₹ 10 Lakh each	14-07-2017	63.19	7.80%	13-07-2029	Redeemable at par at the end of 4382 days from the date of allotment
Series D FY 2019-20	₹ 10 Lakh each	13-09-2019	27.04	8.90%	13-09-2029	Redeemable at par at the end of 3653 days from the date of allotment
Series A FY 2020-21	₹ 10 Lakh each	10-06-2020	91.26	8.30%	10-06-2030	Redeemable at par at the end of 3652 days from the date of allotment
Series F FY 2020-21	₹ 10 Lakh each	20-07-2020	105.07	8.15%	19-07-2030	Redeemable at par at the end of 3651 days from the date of allotment
Series K FY 2016-17	₹ 10 Lakh each	09-08-2016	26.33	8.65%	08-08-2031	Redeemable at par at the end of 5477 days from the date of allotment
Series L FY 2016-17	₹ 10 Lakh each	12-08-2016	26.31	8.63%	12-08-2031	Redeemable at par at the end of 5478 days from the date of allotment
Series P FY 2016-17	₹ 10 Lakh each	07-09-2016	20.92	8.55%	05-09-2031	Redeemable at par at the end of 5476 days from the date of allotment
			2,893.20			

L&T Finance Limited

Reformatted standalone Notes forming part of the financial statements

Note 15 (a)

Unsecured redeemable non convertible debentures as on March 31, 2021 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2021 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series F FY 2011-12	₹ 10 lakh each	30-12-2011	205.80	11.50%	30-12-2021	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	₹ 10 lakh each	29-01-2014	50.67	10.35%	29-01-2024	Redeemable at par at the end of 3652 days from the date of allotment
Series X FY 2015-16	₹ 10 lakh each	27-08-2015	157.86	9.90%	27-08-2025	Redeemable at par at the end of 3652 days from the date of allotment
Series AL FY 2015-16	₹ 10 lakh each	18-03-2016	49.62	9.50%	18-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series I FY 2015-16	₹ 10 lakh each	30-03-2016	50.03	10.10%	30-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series AO FY 2015-16	₹ 10 lakh each	30-03-2016	29.67	9.50%	30-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series U FY 2015-16	₹ 10 lakh each	30-03-2016	49.87	9.90%	30-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series E FY 2016-17	₹ 10 lakh each	03-06-2016	16.19	9.60%	03-06-2026	Redeemable at par at the end of 3652 days from the date of allotment
			609.71			

Note 15 (b)

Unsecured redeemable non convertible debentures as on March 31, 2021 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2021 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series A FY 2012-13	₹ 10 lakh each	30-04-2012	217.90	9.90%	29-04-2022	Redeemable at par at the end of 3651 days from the date of allotment
Series J FY 2012-13	₹ 10 lakh each	21-12-2012	282.46	9.80%	21-12-2022	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2013-14	₹ 10 lakh each	31-01-2014	25.29	9.73%	31-01-2024	Redeemable at par at the end of 3652 days from the date of allotment
Series K FY 2013-14	₹ 10 lakh each	10-02-2014	20.18	9.73%	09-02-2024	Redeemable at par at the end of 3651 days from the date of allotment
Series L FY 2013-14	₹ 10 lakh each	18-02-2014	20.14	9.73%	16-02-2024	Redeemable at par at the end of 3650 days from the date of allotment
Series C FY 2013-14	₹ 10 lakh each	28-02-2014	25.23	10.90%	28-02-2024	Redeemable at par at the end of 3652 days from the date of allotment
Series O FY 2013-14	₹ 10 lakh each	04-03-2014	5.02	9.73%	04-03-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series M FY 2013-14	₹ 10 lakh each	14-03-2014	30.00	9.73%	14-03-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2013-14	₹ 10 lakh each	27-03-2014	50.04	10.90%	27-03-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	₹ 10 lakh each	27-03-2014	50.04	10.35%	27-03-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2014-15	₹ 10 lakh each	30-06-2014	43.13	10.40%	28-06-2024	Redeemable at par at the end of 3651 days from the date of allotment
Series N FY 2014-15	₹ 10 lakh each	13-11-2014	103.10	9.10%	13-11-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series M FY 2014-15	₹ 10 lakh each	31-12-2014	51.24	9.95%	31-12-2024	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 lakh each	19-01-2015	126.81	8.75%	17-01-2025	Redeemable at par at the end of 3651 days from the date of allotment
Series O FY 2014-15	₹ 10 lakh each	29-01-2015	101.15	9.35%	29-01-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series U FY 2014-15	₹ 10 lakh each	18-02-2015	226.29	8.75%	18-02-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 lakh each	30-03-2015	50.03	9.95%	28-03-2025	Redeemable at par at the end of 3651 days from the date of allotment
Series A FY 2015-16	₹ 10 lakh each	17-04-2015	108.37	8.90%	17-04-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2015-16	₹ 10 lakh each	21-04-2015	86.07	8.90%	21-04-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series D FY 2015-16	₹ 10 lakh each	22-04-2015	48.71	8.90%	22-04-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series G FY 2015-16	₹ 10 lakh each	29-04-2015	81.06	8.90%	29-04-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2015-16	₹ 10 lakh each	15-05-2015	46.30	8.90%	15-05-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series P FY 2015-16	₹ 10 lakh each	03-06-2015	64.29	8.87%	03-06-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series H FY 2015-16	₹ 10 lakh each	14-07-2015	14.93	9.32%	14-07-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series J FY 2015-16	₹ 10 lakh each	24-07-2015	53.20	9.30%	24-07-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series J FY 2015-16	₹ 10 lakh each	09-09-2015	105.17	9.25%	09-09-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series AB FY 2015-16	₹ 10 lakh each	15-09-2015	20.93	8.90%	15-09-2025	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	₹ 10 lakh each	29-01-2016	32.51	9.35%	29-01-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series G FY 2015-16	₹ 10 lakh each	09-02-2016	18.24	9.35%	09-02-2026	Redeemable at par at the end of 3653 days from the date of allotment
Series H FY 2015-16	₹ 10 lakh each	04-03-2016	50.36	9.48%	04-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series M FY 2015-16	₹ 10 lakh each	23-03-2016	100.23	9.30%	23-03-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series H FY 2016-17	₹ 10 lakh each	21-07-2016	84.74	8.78%	21-07-2026	Redeemable at par at the end of 3652 days from the date of allotment
Series U FY 2016-17	₹ 10 lakh each	04-01-2017	127.13	8.05%	04-01-2027	Redeemable at par at the end of 3652 days from the date of allotment
Series V FY 2016-17	₹ 10 lakh each	30-01-2017	15.16	8.05%	29-01-2027	Redeemable at par at the end of 3651 days from the date of allotment
Series B FY 2018-19	₹ 10 lakh each	31-10-2018	46.53	9.10%	31-10-2028	Redeemable at par at the end of 3653 days from the date of allotment
Series B FY 2017-18	₹ 10 lakh each	14-07-2017	63.17	7.80%	13-07-2029	Redeemable at par at the end of 4382 days from the date of allotment
Series D FY 2019-20	₹ 10 lakh each	13-09-2019	27.00	8.90%	13-09-2029	Redeemable at par at the end of 3653 days from the date of allotment
Series A FY 2020-21	₹ 10 lakh each	10-06-2020	91.20	8.30%	10-06-2030	Redeemable at par at the end of 3652 days from the date of allotment
Series F FY 2020-21	₹ 10 lakh each	20-07-2020	104.99	8.15%	19-07-2030	Redeemable at par at the end of 3651 days from the date of allotment
Series K FY 2016-17	₹ 10 lakh each	09-08-2016	26.32	8.65%	08-08-2031	Redeemable at par at the end of 5477 days from the date of allotment
Series L FY 2016-17	₹ 10 lakh each	12-08-2016	26.30	8.63%	12-08-2031	Redeemable at par at the end of 5478 days from the date of allotment
Series P FY 2016-17	₹ 10 lakh each	07-09-2016	20.92	8.55%	05-09-2031	Redeemable at par at the end of 5476 days from the date of allotment
			2,891.88			

Note 15 (a)

Unsecured redeemable non convertible debentures as on March 31, 2020 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series E FY 2016-17	₹ 10 lakh each	03-Jun-16	16.19	9.60%	03-Jun-26	Redeemable at par at the end of 3652 days from the date of allotment
Series I FY 2015-16	₹ 10 lakh each	30-Mar-16	50.03	10.10%	30-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series AO FY 2015-16	₹ 10 lakh each	30-Mar-16	29.61	9.50%	30-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series U FY 2015-16	₹ 10 lakh each	30-Mar-16	49.84	9.90%	30-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series AL FY 2015-16	₹ 10 lakh each	18-Mar-16	49.50	9.50%	18-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series X FY 2015-16	₹ 10 lakh each	27-Aug-15	157.65	9.90%	27-Aug-25	Redeemable at par at the end of 3652 days from the date of allotment
Series I FY 2013-14	₹ 10 lakh each	29-Jan-14	50.60	10.35%	29-Jan-24	Redeemable at par at the end of 3652 days from the date of allotment
Series F FY 2011-12	₹ 10 lakh each	30-Dec-11	205.86	11.50%	30-Dec-21	Redeemable at par at the end of 3653 days from the date of allotment
			609.28			

Note 15 (b)

Unsecured redeemable non convertible debentures as on March 31,2020 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series P FY 2016-17	₹ 10 lakh each	07-Sep-16	20.91	8.55%	05-Sep-31	Redeemable at par at the end of 5476 days from the date of allotment
Series L FY 2016-17	₹ 10 lakh each	12-Aug-16	26.30	8.63%	12-Aug-31	Redeemable at par at the end of 5478 days from the date of allotment
Series K FY 2016-17	₹ 10 lakh each	09-Aug-16	26.32	8.65%	08-Aug-31	Redeemable at par at the end of 5477 days from the date of allotment
Series D FY 2019-20	₹ 10 lakh each	13-Sep-19	26.98	8.90%	13-Sep-29	Redeemable at par at the end of 3653 days from the date of allotment
Series B FY 2017-18	₹ 10 lakh each	14-Jul-17	63.16	7.80%	13-Jul-29	Redeemable at par at the end of 4382 days from the date of allotment
Series B FY 2018-19	₹ 10 lakh each	31-Oct-18	46.51	9.10%	31-Oct-28	Redeemable at par at the end of 3653 days from the date of allotment
Series V FY 2016-17	₹ 10 lakh each	30-Jan-17	15.17	8.05%	29-Jan-27	Redeemable at par at the end of 3651 days from the date of allotment
Series U FY 2016-17	₹ 10 lakh each	04-Jan-17	127.05	8.05%	04-Jan-27	Redeemable at par at the end of 3652 days from the date of allotment
Series H FY 2016-17	₹ 10 lakh each	21-Jul-16	84.69	8.78%	21-Jul-26	Redeemable at par at the end of 3652 days from the date of allotment
Series M FY 2015-16	₹ 10 lakh each	23-Mar-16	100.23	9.30%	23-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series H FY 2015-16	₹ 10 lakh each	04-Mar-16	50.36	9.48%	04-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series G FY 2015-16	₹ 10 lakh each	09-Feb-16	18.23	9.35%	09-Feb-26	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	₹ 10 lakh each	29-Jan-16	32.52	9.35%	29-Jan-26	Redeemable at par at the end of 3652 days from the date of allotment
Series AB FY 2015-16	₹ 10 lakh each	15-Sep-15	20.92	8.90%	15-Sep-25	Redeemable at par at the end of 3653 days from the date of allotment
Series J FY 2015-16	₹ 10 lakh each	09-Sep-15	105.18	9.25%	09-Sep-25	Redeemable at par at the end of 3653 days from the date of allotment
Series J FY 2015-16	₹ 10 lakh each	24-Jul-15	53.20	9.30%	24-Jul-25	Redeemable at par at the end of 3653 days from the date of allotment
Series H FY 2015-16	₹ 10 lakh each	14-Jul-15	14.93	9.32%	14-Jul-25	Redeemable at par at the end of 3653 days from the date of allotment
Series P FY 2015-16	₹ 10 lakh each	03-Jun-15	64.26	8.87%	03-Jun-25	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2015-16	₹ 10 lakh each	15-May-15	46.29	8.90%	15-May-25	Redeemable at par at the end of 3653 days from the date of allotment
Series G FY 2015-16	₹ 10 lakh each	29-Apr-15	81.03	8.90%	29-Apr-25	Redeemable at par at the end of 3653 days from the date of allotment
Series D FY 2015-16	₹ 10 lakh each	22-Apr-15	48.69	8.90%	22-Apr-25	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2015-16	₹ 10 lakh each	21-Apr-15	86.03	8.90%	21-Apr-25	Redeemable at par at the end of 3653 days from the date of allotment
Series A FY 2015-16	₹ 10 lakh each	17-Apr-15	108.33	8.90%	17-Apr-25	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 lakh each	30-Mar-15	50.03	9.95%	28-Mar-25	Redeemable at par at the end of 3651 days from the date of allotment
Series U FY 2014-15	₹ 10 lakh each	18-Feb-15	226.08	8.75%	18-Feb-25	Redeemable at par at the end of 3653 days from the date of allotment
Series O FY 2014-15	₹ 10 lakh each	29-Jan-15	101.06	9.35%	29-Jan-25	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 lakh each	19-Jan-15	126.71	8.75%	17-Jan-25	Redeemable at par at the end of 3651 days from the date of allotment
Series M FY 2014-15	₹ 10 lakh each	31-Dec-14	51.25	9.95%	31-Dec-24	Redeemable at par at the end of 3653 days from the date of allotment
Series N FY 2014-15	₹ 10 lakh each	13-Nov-14	103.02	9.10%	13-Nov-24	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2014-15	₹ 10 lakh each	30-Jun-14	43.13	10.40%	28-Jun-24	Redeemable at par at the end of 3651 days from the date of allotment
Series F FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.90%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.35%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series M FY 2013-14	₹ 10 lakh each	14-Mar-14	29.94	9.73%	14-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series O FY 2013-14	₹ 10 lakh each	04-Mar-14	5.01	9.73%	04-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2013-14	₹ 10 lakh each	28-Feb-14	25.25	10.90%	28-Feb-24	Redeemable at par at the end of 3652 days from the date of allotment
Series L FY 2013-14	₹ 10 lakh each	18-Feb-14	20.11	9.73%	16-Feb-24	Redeemable at par at the end of 3650 days from the date of allotment
Series K FY 2013-14	₹ 10 lakh each	10-Feb-14	20.15	9.73%	09-Feb-24	Redeemable at par at the end of 3651 days from the date of allotment
Series J FY 2013-14	₹ 10 lakh each	31-Jan-14	25.26	9.73%	31-Jan-24	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2012-13	₹ 10 lakh each	21-Dec-12	282.60	9.80%	21-Dec-22	Redeemable at par at the end of 3652 days from the date of allotment
Series A FY 2012-13	₹ 10 lakh each	30-Apr-12	217.61	9.90%	29-Apr-22	Redeemable at par at the end of 3651 days from the date of allotment
			2,694.64			

Note 16 : Other financial liabilities

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Security deposit and margin money received	10.10	10.10	12.28
Unclaimed principal and interest on infrastructure bonds	367.46	244.66	17.99
Liability for capital goods	-	-	0.12
Bank book credit balance	-	33.45	6.80
Liability for expenses	197.70	160.38	70.42
Short term obligation	9.62	13.07	9.32
Other payables	77.66	94.94	116.05
Total other financial liabilities	**662.54**	**556.60**	**232.98**

Note 17 : Provisions

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits			
Compensated absences	18.10	17.65	20.82
Gratuity (refer note 34)	7.76	8.92	11.07
Total provisions	**25.86**	**26.57**	**31.89**

Note 18 : Other non-financial liabilities

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	51.36	39.70	4.77
Total other non-financial liabilities	**51.36**	**39.70**	**4.77**

Note 19: Equity share capital

(a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in crore	No. of shares	₹ in crore	No. of shares	₹ in crore
Authorised						
Equity shares of ₹10 each	4,87,43,09,610	4,874.31	4,87,43,09,610	4,874.31	4,87,43,09,610	4,874.31
Preference shares of ₹ 100 each	12,00,000	12.00	12,00,000	12.00	12,00,000	12.00
		4,886.31		**4,886.31**		**4,886.31**
Issued, subscribed and paid up						
Equity shares of ₹ 10 each fully paid up	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17
		2,684.17		**2,684.17**		**2,684.17**

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in crore	No. of shares	₹ in crore	No. of shares	₹ in crore
At the beginning of the year	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17	1,59,91,38,199	1,599.14
Add: Issue of equity shares* (Refer note 45)	-	-	-	-	1,08,50,34,161	1,085.03
At the end of the year	**2,68,41,72,360**	**2,684.17**	**2,68,41,72,360**	**2,684.17**	**2,68,41,72,360**	**2,684.17**

*Note: Shares pending issuance as on March 31, 2021 which have been subsequently issued at the meeting of the Board of Directors held on April 12, 2021.

(c) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
	No. of shares	No. of shares	No. of shares
Fully paid up pursuant to contract(s) without payment being received in cash	2,32,07,71,845	2,32,07,71,845	2,32,07,71,845

(d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Members of the Company holding equity shares therein have a right to vote, on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid up equity capital of the Company held by the shareholders. The Company declares dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. The company has not declared any dividend in FY 2021-22 ,FY 2020 -21 and declared dividend of ₹ 221.11 crore in FY 2019-20.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shares held by Promoters

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
L&T Finance Holdings Limited (Holding company) directly or through it's beneficiary nominee (Equity shares of ₹ 10 each fully paid up)	2,68,41,72,360	100%	2,68,41,72,360	100%	2,68,41,72,360	100%

There is no change in equity shares holding during the years by Promoters

(f) Shares held by holding company:

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in crore	No. of shares	₹ in crore	No. of shares	₹ in crore
L&T Finance Holdings Limited (Holding company) directly or through it's beneficiary nominee (Equity shares of ₹ 10 each fully paid up)	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17

(g) Shareholder holding more than 5% of equity shares as at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
L&T Finance Holdings Limited (Holding company) directly or through it's beneficiary nominee (Equity shares of ₹ 10 each fully paid up)	2,68,41,72,360	100%	2,68,41,72,360	100%	2,68,41,72,360	100%

Note 20 : Other equity ₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Capital redemption reserve	3.20	3.20	3.20
Debenture redemption reserve[1]	5.15	213.11	319.21
Securities premium[2]	10,800.89	10,800.89	10,858.78
Capital reserve[3]	585.64	585.64	585.64
General reserve[4]	338.39	130.43	132.25
Reserve u/s 45 IC of Reserve Bank of India Act, 1934[5]	1,475.85	1,314.25	1,313.98
Reserve u/s 29C of National Housing Bank,1987[6]	27.42	27.42	27.42
Reserve u/s 36(1)(viii) of Income tax Act, 1961[7]	951.35	911.35	803.43
Amalgamation adjustment account[8]	(463.30)	(463.30)	(463.30)
Retained earnings[9]	134.62	(473.25)	(474.02)
Change in fair value of debt instruments classified at fair value through other comprehensive income	10.28	(10.94)	(0.47)
Change in fair value of equity instruments measured at fair value through other comprehensive income	-	-	(56.16)
Cash flow hedging reserve	(62.43)	(101.74)	(99.54)
Total other equity	**13,807.06**	**12,937.06**	**12,950.42**

Notes:

1. Debenture redemption reserve (DRR) : The Ministry of Corporate Affairs vide notification dated August 16, 2019, amended the Companies (Share capital and Debenture) Rules, 2014 by which the Company is no longer required to create DRR towards the debentures issued. Earlier to this amendment, the Company was required to maintain a DRR of 25% of the value of debentures issued, either by a public issue or on a private placement basis and the amounts credited to the DRR was not to be utilised by the Company except to redeem debentures. The above amount represents the DRR created out of profits of the Company prior to the said notification.

2. Securities premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

3. Capital reserve: It represents the gains of capital nature which mainly include the excess of value of net assets acquired over consideration paid by the Company for business amalgamation transactions.

4. General Reserve: The Companies (Transfer of Profits to Reserves) Rules, 1975 read with Section 205(2A) of the Companies Act, 1956, prohibited declaration of dividend for any financial year out of profits of the company for that year except after the transfer of a specified percentage of the profits not exceeding 10%, to its reserves. Amounts were transferred to General Reserve to comply with these provisions. The Companies Act, 2013, does not mandate such a transfer.General reserve is a free reserve available to the Company

5. Reserve u/s 45 IC of Reserve Bank of India Act, 1934: The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.

6. Reserve u/s 29C of National Housing Bank, 1987: Upon amalgamation of the erstwhile L&T Housing Finance Limited (the "Transferor Company") with L&T Finance Limited (the "Transferee Company"), the statutory reserves (i.e. Reserve under section 29C of National Housing Bank, 1987) of the Transferor Company is also transfered to the Transferee Company.

7. Reserve u/s 36(1)(viii) of Income tax Act, 1961: In respect of any special reserve created and maintained by a specified entity, an amount not exceeding twenty percent of the profits derived from eligible business computed under the head "Profits and gains of business or profession" (before making any deduction under this clause) is carried to such reserve account.

8. Amalgamation Adjustment Account: Upon amalgamation of the erstwhile L&T Finance Limited and the erstwhile L&T Fincorp Limited (the "Transferor Companies") with Family Credit Limited (the "Transferee Company" which was renamed as L&T Finance Limited") the statutory reserves (i.e. Debenture Redemption Reserve, Reserve under section 45 IC of the Reserve Bank of India Act, 1934 and Reserve under section 36(1)(viii) of the Income tax Act, 1961) of the Transferor Companies as on April 01, 2016 (the Appointed Date") with a corresponding debit to Amalgamation Adjustment Account. As the corresponding statutory reserve unwind, the Amalgamation Adjustment Account is also reversed.

9. Retained earnings: Retained earnings represent the amount of accumulated earnings of the Company.

10. The movement of other equity is given in the "Statement of Changes in Equity".

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Note 21 : Interest Income ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
(i) On financial assets measured at amortised cost			
- Interest on loans	8,143.11	8,872.83	8,799.58
- Interest income from investments	-	-	50.50
- Interest on deposits with banks	47.09	146.05	64.81
- Other interest income	0.09	0.23	1.90
Total interest income on financial assets measured at amortised cost (i)	**8,190.29**	**9,019.11**	**8,916.79**
(ii) On financial assets measured at fair value through other comprehensive income			
- Interest income from investments	149.12	84.69	112.10
Total interest income on financial assets measured at fair value through other comprehensive income (ii)	**149.12**	**84.69**	**112.10**
(iii) On financial assets classified at fair value through profit or loss			
- Interest on loans	2,627.79	3,101.69	3,325.53
- Interest income from investments	2.11	1.29	19.99
Total interest income on financial assets classified at fair value through profit or loss (iii)	**2,629.90**	**3,102.98**	**3,345.52**
Total interest income (i+ii+iii)	**10,969.31**	**12,206.78**	**12,374.41**

Note 22 : Dividend Income ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Dividend income on equity shares	0.14	-	0.03
Dividend income on preference shares	-	-	0.01
Total dividend income	**0.14**	**-**	**0.04**

Note 23 : Rental income ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Lease rental income	1.73	4.52	9.04
Total rental income	**1.73**	**4.52**	**9.04**

Note 24 : Fees and commission income ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Consultancy fees and financial advisory fee	-	32.86	207.86
Other Charges and Commission	86.40	105.15	156.63
Total fees and commission income	**86.40**	**138.01**	**364.49**

Note 25 : Other income ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Income on cross sell	371.66	300.99	275.89
Other income	15.92	42.77	18.40
Total other income	**387.58**	**343.76**	**294.29**

Note 26 : Finance costs ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
On financial liabilities measured at amortised cost			
Interest on debt securities	2,787.39	2,966.73	3,060.79
Interest on borrowings	1,944.16	3,031.05	3,339.00
Interest on subordinated liabilities	313.53	315.04	303.09
Other interest expense	20.19	44.48	26.03
Total finance costs	**5,065.27**	**6,357.30**	**6,728.91**

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Note 27 : Net loss on fair value changes ₹ in crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
(A) Net (gain)/loss on financial instruments classified at fair value through profit or loss			
On trading portfolio			
- (Gain)/loss on sale of investments	1.14	(11.79)	(114.94)
- (Gain)/loss on sale of loan assets	(0.77)	19.03	(1.35)
- Fair value changes on loan assets	348.10	139.74	93.31
- Fair value changes on investments	259.05	240.31	197.93
(B) Net (gain)/loss on disposal of financial instruments classified at fair value through other comprehensive income			
- (Gain)/Loss on sale of Investments	467.53	0.59	(130.46)
- Derivatives	0.85	5.32	-
Total net loss on fair value changes (A+B)	**1,075.90**	**393.20**	**44.49**
(C) Fair value changes:			
-Realised	467.90	7.83	(246.75)
-Unrealised	608.00	385.37	291.24
Total net loss on fair value changes (C)	**1,075.90**	**393.20**	**44.49**

Note 28 : Net loss on derecognition of financial instruments under amortised cost category — **₹ in crore**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Loss on foreclosure and writeoff of loan	3,836.45	2,626.54	2,002.77
Less: Provision held reversed on derecognition of financial instruments	(3,551.44)	(2,389.29)	(1,729.76)
Total net loss on derecognition of financial instruments under amortised cost category	**285.01**	**237.25**	**273.01**

Note 29 : Impairment on financial instruments — **₹ in crore**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
(a) On Financial instruments measured at fair value through other comprehensive income:			
- Investments	(394.77)	151.26	250.59
Total impairment on financial instruments on financial instruments measured at fair value through other comprehensive income (a)	**(394.77)**	**151.26**	**250.59**
(b) On financial instruments measured at amortised cost:			
- Loans	2,071.56	2,840.29	1,728.30
- Trade receivables	-	(16.41)	13.10
Total impairment on financial instruments on financial instruments measured at at amortised cost (b)	**2,071.56**	**2,823.88**	**1,741.40**
Total impairment on financial instruments (a+b)	**1,676.79**	**2,975.14**	**1,991.99**

Note 30 : Employee benefit expenses — **₹ in crore**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Salaries	937.98	788.88	762.34
Contribution provident and pension fund (refer note: 34)	38.59	34.14	32.55
Contribution to gratuity fund (refer note: 34)	9.21	9.05	5.66
Share based payments to employees (refer note: 37)	13.79	41.64	61.18
Staff welfare expenses	61.89	32.92	36.99
Total employee benefits expenses	**1,061.46**	**906.63**	**898.72**

Note 31 : Depreciation, amortization and impairment — **₹ in crore**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on property, plant and equipment (refer note: 9)	10.24	12.87	20.06
Depreciation on Right of use assets (refer note : 35)	18.71	10.38	9.81
Amortisation of Goodwill (refer note: 10)	-	565.70	565.71
Amortisation of Intangible assets (refer note: 10)	66.78	137.53	115.07
Total depreciation, amortization and impairment	**95.73**	**726.48**	**710.65**

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Note 32 : Other expenses ₹ in crore

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Rent	47.96	53.41	56.31
Rates and taxes	1.53	1.45	1.84
Repairs and maintenance	77.63	73.82	82.07
Advertisement and publicity	3.08	2.87	17.43
Printing and stationery	6.15	7.02	15.91
Telephone and postage	7.38	6.39	9.77
Directors sitting fees	0.39	0.40	0.63
Auditor's remuneration (refer footnote)	1.38	2.13	2.20
Legal and professional charges	392.26	216.90	164.61
Insurance	3.87	4.72	7.97
Electricity charges	4.79	4.82	5.59
Travelling and conveyance	21.45	14.90	33.79
Stamping charges	0.76	13.76	1.71
Collection charges	435.70	302.90	214.43
Loan processing charges	8.42	7.58	21.13
Corporate social responsibility expenses (refer note: 36)	5.48	11.78	21.03
Donation	-	-	21.21
Corporate support charges	14.30	17.64	25.81
Bank charges	11.22	17.51	39.56
Non executive directors remunerations	0.80	0.77	1.30
Loss on sale of property, plant and equipment (net)	0.03	0.53	2.68
Brand license fees	44.57	0.07	40.37
Miscellaneous expenses	3.98	3.46	3.07
Total administration and other expenses	**1,093.13**	**764.83**	**790.42**
footnote: Auditor's remuneration comprises the following*			
Statutory audit fees	0.50	0.64	0.78
Limited review fees	0.61	0.53	0.57
Tax audit Fees	0.10	0.05	0.11
Certification and other service	0.05	0.75	0.46
Expenses reimbursed	0.01	0.03	0.06
GST/Service tax (net of input credit)	0.11	0.13	0.22
	1.38	**2.13**	**2.20**

* Note: Auditors remuneration for FY 2020- 21 and FY 2019-20 includes fees paid to merging entity's auditors.

Note : 33 Disclosure pursuant to Ind AS 24 "Related Party Disclosures"

(a) List of Related Parties (with whom transactions were carried out during current and previous year)

		2021-22	2020-21	2019-20
A.	**Ultimate Holding Company**			
	1. Larsen & Toubro Limited	✓	✓	✓
B.	**Holding Company**			
	2. L&T Finance Holdings Limited	✓	✓	✓
C.	**Subsidiary Companies**			
	3. L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	✓	✓	✓
	4. L&T Infra Investment Partners Advisory Private Limited	✓	✓	✓
	5. L&T Infra Investment Partners Trustee Private Limited	✓	✓	✓
	6. L&T Infra Investment Partners Fund	✓	✓	✓
D.	**Fellow Subsidiary Companies**			
	7. Larsen & Toubro Infotech Limited	✓	✓	✓
	8. L&T Investment Management Limited	✓	✓	✓
	9. L&T Financial Consultants Limited	✓	✓	✓
	10. Larsen & Toubro Electromech LLC	✓	✓	
	11. L&T Hydrocarbon Engineering Limited	✓	✓	
	12. L&T Capital Company Limited			✓
	13. L&T Capital Markets Limited (Upto April 24, 2020)			✓
E.	**Key Management Personnel**			
	14. Mr. Dinanath Dubhashi			
	15. Mr. Sachinn Joshi *(Appointed as Whole Time Director with effect from October 8, 2021)*	✓		
	16. Mr. Sunil Prabhune *(Ceased as Whole Time Director from August 12,2021)*	✓	✓	✓
	17. Mr. P. V. Bhide *(Reappointed as an Independent Director from March 18, 2022)*	✓	✓	✓
	18. Dr (Mrs). Rajni R Gupte	✓	✓	✓
	19. Mr. Rishi Mandawat *(Appointed as Director with effect from April 28, 2019)*	✓	✓	✓
	20. Mr. Thomas Mathew T. *(Appointed as Independent Director with effect from April 12, 2021)*	✓	✓	✓
	21. Mrs. Nishi Vasudev *(Appointed as Independent Director with effect from April 12, 2021)*	✓	✓	✓
	22. Mr. Ashish Kotecha *(Ceased to be a Director with effect from April 28, 2019)*			

(b) Disclosure of related party transactions :

₹ in crore

Sr. No.	Nature of transaction[1]	2021-22	2020-21	2019-20
1	**Inter corporate deposits borrowed**			
	L&T Finance Holdings Limited	2,060.86	8,165.70	16,005.17
	L&T Investment Management Limited	451.29	643.46	2,054.13
	L&T Capital Company Limited	-	-	1.20
	L&T Capital Markets Limited	-	-	61.90
	Larsen & Tourbo Limited	-	-	1,000.00
2	**Inter corporate deposits repaid**			
	L&T Finance Holdings Limited	2,115.66	7,880.53	15,383.21
	L&T Investment Management Limited	451.29	671.26	2,026.33
	L&T Capital Company Limited	-	-	4.35
	L&T Capital Markets Limited	-	-	61.90
	Larsen & Tourbo Limited			1,000.00
3	**Interest expense on inter corporate deposits**			
	L&T Finance Holdings Limited	47.67	43.18	53.29
	L&T Investment Management Limited	12.53	10.52	14.28
	L&T Capital Company Limited	-	-	0.13
	L&T Capital Markets Limited	-	-	0.06
	Larsen & Tourbo Limited			16.81
4	**Inter corporate deposits given**			
	L&T Financial Consultants Limited	-	-	361.64
5	**Inter corporate deposits received back**			
	L&T Financial Consultants Limited	-	-	361.64
6	**Interest received on inter corporate deposits**			
	L&T Financial Consultants Limited	-	-	0.97
7	**Distribution towards Interest**			
	L&T Infra Investment Partners Fund	-	-	8.42
8	**Corporate support charges paid to**			
	L&T Finance Holdings Limited	13.12	16.19	23.68
9	**Rent and maintenance cost paid to**			
	L&T Financial Consultants Limited	41.54	42.71	43.09
	L&T Investment Management Limited	0.08	0.34	0.44
	Larsen & Tourbo Limited	0.11	-	-

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Sr. No.	Nature of transaction[1]	2021-22	2020-21	₹ in crore 2019-20
10	**Rent and maintenance cost recovered from**			
	L&T Investment Management Limited	2.80	3.08	2.29
	L&T Capital Markets Limited	-	-	0.56
11	**Professional charges paid to**			
	Larsen & Toubro Limited	4.46	3.92	-
12	**IT Professional fees paid to**			
	Larsen & Toubro Limited	1.26	1.97	5.90
	Larsen & Toubro Infotech Limited	1.01	1.05	4.09
	L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited)	-	1.28	0.81
13	**Sale of loan portfolio to**			
	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	-	404.63	216.95
14	**Brand license fees paid to**			
	Larsen & Toubro Limited	42.05	0.07	38.08
15	**Employee stock option (ESOP) cost paid to**			
	L&T Finance Holdings Limited	13.79	41.64	61.18
16	**Redemption in fund**			
	L&T Infra Investment Partners Fund	-	5.39	2.49
17	**Capital infusion in fund**			
	L&T Infra Investment Partners Fund	4.23	4.20	8.36
18	**Equity capital infused (including securities premium)**			
	L&T Finance Holdings Limited	-	-	1,000.00
19	**Corporate support charges recovered from**			
	L&T Infra Investment Partners Advisory Private Limited	1.64	1.91	1.74
	L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited)	5.50	5.46	-
	L&T Investment Management Limited	13.51	12.25	-
	Larsen & Toubro Limited	1.26	0.44	-
20	**Security deposit paid**			
	L&T Financial Consultants Limited	-	0.48	1.73
21	**Security deposit received**			
	L&T Financial Consultants Limited	0.47	3.78	-
22	**Interest on security deposit**			
	L&T Financial Consultants Limited	-	-	0.03
23	**Interest on non convertible debenture (Borrowings)**			
	Larsen & Toubro Limited	128.33	113.69	6.15
24	**Processing fees sharing on sale of loan portfolio**			
	L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited)	-	1.42	0.89
25	**Limit Creation Fees (NCD)**			
	Larsen & Toubro Limited	-	11.54	-
26	**Subscription in Non-Convertible Debentures (NCD)**			
	Larsen & Toubro Limited	-	2,445.00	-
27	**Interim dividend**			
	L&T Finance Holdings Limited	-	-	221.11

28 Compensation Paid to Key Managerial Personnel[2]

Name of Key Management Personnel	2021-22				2020-21				2019-20			
	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total
Mr. Sachinn Joshi	1.34	-	-	1.34	-	-	-	-	-	-	-	-
Mr. Sunil Prabhune	3.67	-	-	3.67	4.45	-	-	4.45	3.82	-	0.13	3.95
Mr. P. V. Bhide	0.24	-	-	0.24	0.31	-	-	0.31	0.36	-	-	0.36
Dr (Mrs). Rajni R Gupte	0.28	-	-	0.28	0.36	-	-	0.36	0.34	-	-	0.34
Mr. Rishi Mandawat	0.17	-	-	0.17	0.31	-	-	0.31	0.33	-	-	0.33
Mr. Thomas Mathew T.	0.20	-	-	0.20	0.14	-	-	0.14	0.17	-	-	0.17
Ms Nishi Vasudeva	0.20	-	-	0.20	0.17	-	-	0.17	0.20	-	-	0.20

Footnote: Compensation paid to Key Managerial Personnels of erstwhile L&T Infrastructure Finance Company Limited ₹ 2.98 crore for FY 2020-21 and ₹ 3.56 crore in FY 2019-20 and erstwhile L&T Housing Finance Limited ₹ 3.30 crore for FY 2020-21 ₹ 2.61 crore in FY 2019-20 are not included in previous period numbers in above table.

(c) Amount due to/from related parties:

₹ in crore

S. No.	Nature of transactions	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	**Inter corporate borrowings**			
	L&T Finance Holdings Limited	1,018.21	1,073.01	787.84
	L&T Investment Management Limited	-	-	27.80
2	**Interest accrued on inter corporate borrowings**			
	L&T Finance Holdings Limited	19.38	2.51	1.71
	L&T Investment Management Limited	-	-	0.01
3	**Investment in subsidiaries**			
	L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited)	478.26	478.26	478.26
	L&T Infra Investment Partners Advisory Private Limited	5.00	5.00	5.00
	L&T Infra Investment Partners Trustee Private Limited	0.10	0.10	0.10
4	**Investment in units of fund**			
	L&T Infra Investments Partner Fund	219.28	240.40	268.77
5	**Non convertible debenture (Borrowings) from[3]**			
	Larsen & Toubro Limited	1,025.38	2,015.38	40.45
6	**Interest accrued on non convertible debenture (borrowings)**			
	Larsen & Toubro Limited	39.66	76.73	0.81
7	**Rent deposit to**			
	L&T Financial Consultants Limited	16.60	17.06	15.34
8	**Account payable**			
	L&T Finance Holdings Limited	-	17.45	-
	Larsen & Toubro Electromech LLC	0.01	0.01	0.01
	L&T Hydrocarbon Engineering Limited	0.02	0.02	0.02
	Larsen & Toubro Infotech Limited	0.15	0.27	-
	L&T Financial Consultants Limited	-	-	0.03
9	**Account receivable**			
	Larsen & Toubro Limited	1.14	9.47	3.22
	L&T Finance Holdings Limited	7.18	-	7.47
	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	1.50	-	-
	L&T Investment Management Limited	0.01	-	0.03
	L&T Financial Consultants Limited	-	0.13	0.05
10	**Security deposit payable**			
	L&T Investment Management Limited	-	-	0.22
11	**Brand license fees payable**			
	Larsen & Tourbo Limited	44.57	0.07	40.37

Notes:

1 Transactions shown above are excluding GST, if any.

2 Managerial Remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the company as a whole and includes and director sitting fees.

3 The above NCD balance includes purchase and sale from secondary market and are held by related party as on reporting dates.

Note : 34 Disclosure pursuant to Ind AS 19 "Employee Benefits"

(i) Defined Contribution plan:

The Company's state governed provident fund scheme are defined contribution plan for its employees and for a certain categories of employees made to a trust viz. the Larsen & Toubro Officers & Supervisory Staff Provident Fund constituted by the ultimate parent company, which is permitted under The Employee's Provident Funds and Miscellaneous Provisions Act, 1952. The Contribution by the employer and employee together with interest accumulated there on are payable to the employee at the time of separation from company or retirement whichever is earlier. The benefit vests immediately on rendering of services by the employee. In addition to the above, information relating to the scheme operated by the trust constituted by the holding company is given in the note (iii) below.

The Company has recognised charges of ₹ 38.59 crore in FY 2021-22, ₹ 34.14 crore in FY 2020-21 and ₹ 32.55 crore in FY 2019-20 for provident fund contribution which is included in "Note 30 Employee Benefits Expenses" in the Statement of Profit and Loss.

(ii) Defined Benefits Gratuity Plan :

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days last salary drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

(a) The amounts recognised in Balance Sheet are as follows:

₹ in crore

	Particulars	Gratuity Plan		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
A)	**Present Value of Defined Benefit Obligation**			
	- Wholly funded	39.30	33.23	25.86
	- Wholly unfunded	-	-	-
		39.30	**33.23**	**25.86**
	Less : Fair value of plan assets	(31.54)	(24.31)	(14.79)
	Amount to be recognised as liability or (asset)	**7.76**	**8.92**	**11.07**
B)	**Amounts reflected in Balance Sheet**			
	Liabilities	7.76	8.92	11.07
	Assets	-	-	-
	Net liability	**7.76**	**8.92**	**11.07**

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

₹ in crore

Sr. No.	Particulars	Gratuity Plan		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Current Service Cost	9.21	9.05	5.66
2	Net Interest Cost	0.53	0.52	0.20
3	Actuarial losses/(gains):			
	i) Actuarial (gains)/losses arising from changes in financial assumptions	(2.67)	1.46	1.66
	ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	(0.75)	-
	iii) Actuarial (gains)/losses arising from changes in experience adjustments	1.08	(1.96)	2.38
	iv) Actuarial losses/(gains) - difference between actuarial return on plan assets	(0.40)	0.19	0.72
	v) Adjustment to recognize as asset celing	-	-	(0.01)
4	Past Service Cost	-	-	-
	Total (1 to 4)	**7.75**	**8.51**	**10.61**
i	Amount included in "employee benefits expenses"	9.21	9.05	5.66
ii	Amount included in as part of "finance cost'	0.53	0.52	0.20
iii	Amount included as part of "Other Comprehensive income"	(1.99)	(1.06)	4.75
	Total (i + ii + iii)	**7.75**	**8.51**	**10.61**

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

₹ in crore

Particulars	Gratuity Plan		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening balance of the present value of defined benefit obligation	**33.23**	**25.86**	**16.39**
Add : Current Service Cost	9.21	9.05	5.66
Add : Interest Cost	1.49	1.36	1.06
Add : Actuarial losses/(gains)			
i) Actuarial (gains)/losses arising from changes in financial assumptions	(2.67)	1.46	1.66
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	(0.75)	-
iii) Actuarial (gains)/losses arising from changes in experience adjustments	1.08	(1.96)	2.38
Less : Benefits paid	(3.79)	(1.84)	(1.77)
Add : Past service cost	-	-	-
Add : Liability assumed/(settled)*	0.75	0.05	0.48
Closing balance of the present value of defined benefit obligation	**39.30**	**33.23**	**25.86**

Note : 34 Disclosure pursuant to Ind AS 19 "Employee Benefits"

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in crore

Particulars	Gratuity Plan		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening balance of the fair value of the plan assets	**24.31**	**14.79**	**11.70**
Add : interest income of plan assets	0.96	0.84	0.84
Add/(less) : Actuarial gains/(losses)			
Difference between actual return on plan assets and interest income	0.40	(0.19)	(0.71)
Add : Contribution by the employer	9.65	10.71	4.73
Less : Benefits paid	(3.79)	(1.84)	(1.77)
Add: Assets acquired/(settled)*	-	-	-
Closing balance of the fair value of the plan assets	**31.53**	**24.31**	**14.79**

(e) The fair value of major categories of plan assets are as follows:

₹ in crore

Sr. No	Particulars	Gratuity Plan		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Government of India Securities	1.38	1.99	1.99
2	Insurer managed funds - unquoted	23.29	17.74	7.30
3	Others debt instruments	1.55	1.89	2.55
4	Others - unquoted	5.32	2.69	2.96
	Total plan assets	**31.54**	**24.31**	**14.79**

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Gratuity Plan		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Discount rate	5.90%	4.65%	5.60%
2	Salary escalation rate	9.00%	9.00%	9.00%

(A) **Discount rate:**
The discount rate based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

(B) **Salary escalation rate:**
The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

(g) Attrition Rate:
The attrition rate varies from 6% to 31% for FY 2021-22, 6% to 31% for FY 2021-22 and 5% to 25% for FY 2019-20 for various age groups.

(h) Mortality:
Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

(i) Sensitivity Analysis:
One percentage point change in actuarial assumption would have the following effects on the defined benefit obligation:

₹ in crore

Sr. No.	Particulars	Gratuity Plan					
		Effect of 1% Increase			Effect of 1% Decrease		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Impact of change in discount rate	(1.91)	(1.80)	(1.35)	2.11	2.00	1.49
2	Impact of change salary escalation rate	2.02	1.90	1.43	(1.88)	(1.75)	(1.32)

Note : 34 Disclosure pursuant to Ind AS 19 "Employee Benefits"

(iii) Defined Benefits Provident Fund Plan

In respect of the contribution by the employer and employee to the provident fund trust constituted by the ultimate parent company, in terms of the guidance note issued by the Institution of Actuarial of India for the measurement of provident fund liabilities, the actuary engaged by the Company has provide the following information in this regards:

(a) The amounts recognised in Balance Sheet are as follows:

₹ in crore

	Particulars	Provident Fund Plan		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
A)	**Present Value of Defined Benefit Obligation**			
	- Wholly funded	15.15	14.60	14.32
	- Wholly unfunded	-	-	-
		15.15	**14.60**	**14.32**
	Assets acquired on acquisition			
	Less : Fair Value of plan assets	(16.30)	(15.95)	(15.18)
	Add : Amount not recognised as an asset	-	-	-
	Amount to be recognised as liability or (asset)	**(1.15)**	**(1.35)**	**(0.86)**
B)	**Amounts reflected in Balance Sheet**			
	Liabilities	-	-	-
	Assets	(1.15)	(1.35)	(0.86)
	Net liability/(asset)	**(1.15)**	**(1.35)**	**(0.86)**

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

₹ in crore

Sr. No.	Particulars	Provident Fund Plan		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Current Service Cost	-	-	-
2	Interest Cost	1.20	1.18	1.25
3	Interest Income on Plan Assets	-	-	-
4	Expected return on Plan Assets	(1.20)	(1.18)	(1.25)
5	Actuarial losses/(gains)	(0.58)	(0.47)	(0.76)
6	Actuarial gain/(loss) not recognised in Books	0.58	0.47	0.76
	Total (1 to 6)	**-**	**-**	**-**
i	Amount included in "employee benefits expenses"	-	-	-
ii	Amount included in as part of "finance cost'	-	-	-
iii	Amount included as part of "Other Comprehensive income"	-	-	-
	Total (i + ii + iii)	**-**	**-**	**-**

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

₹ in crore

Particulars	Provident Fund Plan		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening balance of the present value of defined benefit obligation	14.60	14.32	15.72
Add : Assets acquired on acquisition	-	-	-
Add : Current Service Cost	-	-	-
Add : Interest Cost	1.20	1.18	1.25
Add : Actuarial (gains)/losses			
i) Actuarial (gains)/losses arising from changes in financial assumptions	-	-	-
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	-
iii) Actuarial (gains)/losses arising from changes in experience adjustments	-	-	-
Less : Benefits paid	(1.76)	(0.91)	(2.65)
Add : Contribution by the employer	0.77	(0.02)	
Add : Liability assumed/(settled)*	0.34	0.03	
Closing balance of the present value of defined benefit obligation	**15.15**	**14.60**	**14.32**

Note : 34 Disclosure pursuant to Ind AS 19 "Employee Benefits"

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in crore

Particulars	Provident Fund Plan		
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Opening balance of the fair value of the plan assets	15.95	15.18	15.82
Add : Assets acquired on acquisition	-	-	-
Add : interest income of plan assets	1.20	1.18	1.25
Add/(less) : Actuarial gains/(losses)			
Difference between actual return on plan assets and interest income	0.58	0.47	0.76
Add : Contribution by the employer	-	-	-
Add/(less) : Contribution by plan participants	-	-	-
Less : Benefits paid	(1.76)	(0.91)	(2.65)
Add: Assets acquired/(settled)*	0.34	0.03	-
Closing balance of plan assets	**16.31**	**15.95**	**15.18**

(e) The fair value of major categories of plan assets are as follows:

₹ in crore

Sr. No.	Particulars	Provident Fund Plan		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Government of India Securities	7.38	7.23	7.12
2	Corporate Bonds	4.97	4.69	4.38
3	Special Deposit Scheme	0.54	0.59	0.65
4	Public Sector Unit Bond	1.69	2.01	2.44
5	Others	1.73	1.43	0.59
	Total plan assets	**16.31**	**15.95**	**15.18**

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Provident Fund Plan		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Discount rate for the term of the obligation	7.05%	6.44%	5.60%
2	Average historic yield on the investment portfolio	8.64%	8.85%	8.81%
3	Discount rate for the remaining term to maturity of the investment portfolio	6.85%	6.60%	6.60%
4	Future derived return on assets	8.84%	8.69%	7.81%
5	Guaranteed rate of return	8.10%	8.25%	8.25%

(A) **Discount rate:**
The discount rate is based on the prevailing market yields of Indian government securities as at the valuation date for the estimated term of the obligations.

(B) **Average historic yield on the investment portfolio:**
The average rate of return earned on the investment portfolio of provident fund in the previous three years.

(C) **Expected investment return:**
Expected investment return is determined by adding the yield spread to the discount rate for a term of the obligation, where yield spread is the difference between the average historic yield on the investment portfolio & discount rate for the remaining term to maturity of the investment portfolio.

(D) **Guaranteed rate of return:**
The Regional Provident Fund Commissioner has not yet declared the interest rate for its own subscribers for the FY 2021-2022, FY 2020-21 and FY 2019-20.
However, in view of the fall in equity values as at 31 March 2022 and fall in the returns on fixed income instruments, we are of the view that going forward the future guaranteed rate is unlikely to be in excess of 8.10 % for FY 2021-22 , 8.25% p.a. for FY 2020-21 and FY 2019-20 8.25% p.a

*On account of business combination or inter group transfer

Note : 35 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 - Leases

Transition Disclosure :
Reconcilation of operating lease commitments as at March 31, 2019 (under Ind AS 17) to the opening lease liability as at April 1, 2019 (under Ind AS 116)

₹ in crore

Particulars	April 1, 2019		
	Total Impact	External Impact	Within Group
Opening retained earning impact as on April 1, 2019			
Lease liability on transition date (A)	28.09	28.09	-
Right-of-Use assets as on transition date (net off accumulated depreciation)	25.12	25.12	-
Gross impact	**(2.97)**	**(2.97)**	-
Deferred tax	(0.75)	(0.75)	-
Opening retained earning impact (Net)	**(2.22)**	**(2.22)**	-
Profit & loss charge for existing leases			
As per Ind AS 17 (old standard)	9.71	9.71	-
Interest expense - As per Ind AS 116	2.49	2.49	-
Depreciation - As per Ind AS 116	7.80	7.80	-
Profit before tax Impact	**(0.58)**	**(0.58)**	-
Reconciliation of operating lease commitments as at March 31, 2019 with lease liability as on April 1, 2019			
1. Existing Operating lease rental commitment (Present value for outstanding lease term for existing operating lease)	3.71	2.37	1.34
2. Lease commitments pertaining to short term leases	-	-	-
3. Lease commitments pertaining to low value leases	(2.66)	(1.32)	(1.34)
4. Impact of discounting of lease payments under Ind AS 116	(4.63)	(4.63)	-
5. Extension and termination options reasonably certain to be	28.82	28.82	-
6. Commitments relating to leases previously classified as finar	-	-	-
Lease liability on transition date (1 + 2 + 3 + 4 + 5 + 6) (B)	25.24	25.24	-

Note : Transition disclosure is only applicable for FY 2019-20 as it was applicable with effect from 1st April 2019

I) Company as Lessee

a) Operating Lease

i) The company has taken various assets on lease such as, plant and machinery, buildings, office premises, vehicles. Generally, leases are renewed only on mutual consent and at a prevalent market price.

ii) Details with respect to right of use assets:-

₹ in crore

Class of Assets	Opening balance	Addition during the year	Derecognize during the year	Depreciation for the year	Closing balance
As at March 2022	29.79	21.28	4.08	14.63	32.36
As at March 2021	32.54	11.04	3.41	10.38	29.79
As at March 2020	25.12	17.23	-	9.81	32.54

iii) Details with respect to lease liabilities

₹ in crore

Particulars	2021-22	2020-21	2019-20
Opening Lease liability	34.05	36.34	28.08
Add: Additions during the year	21.28	11.04	17.23
Add: Interest accrued during the year	5.69	3.05	3.12
Less: Interest paid during the year	(5.69)	(3.05)	(3.12)
Less: Sale off	0.00	(3.72)	0.00
Less: Principal Repayment during the year	(19.80)	(9.61)	(8.97)
Closing Lease liability	**35.53**	**34.05**	**36.34**

iv) Interest expense on lease liabilities for F.Y. 2021-22 is ₹ 5.69 crore, for F.Y. 2020-21 is ₹ 3.05 crore and for F.Y. 2019-20 is ₹ 3.12 crore

v) Expense relating to leases for which underlying asset is of low value for F.Y. 2021-22 is ₹ 6.16 crore, for F.Y. 2020-21 is ₹ 22.17 crore and for F.Y. 2019-20 is ₹ 14.01 crore.

vi) Expense related to short-term leases for F.Y. 2021-22 is ₹ 43.50 crore, for F.Y. 2020-21 is ₹ 34.26 crore and for F.Y. 2019-20 is ₹ 29.23 crore.

vii) Expense related to variable lease payments for F.Y. 2021-22 is Nil, for F.Y. 2020-21 is Nil and for F.Y. 2019-20 is Nil.

viii) Income from sub-leasing of right of use assets for F.Y. 2021-22 is ₹ 1.70 crore, for F.Y. 2020-21 is ₹ 3.02 crore and for F.Y. 2019-20 is ₹ 6.20 crore.

b) Finance Lease : Not Applicable

Note : 35 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 - Leases

II) Company as Lessor

a) Finance Lease

i) The Company has given on finance leases certain items of plant and equipment. The leases have a primary period that is fixed and noncancellable and a secondary period. There are no exceptional/restrictive covenants in the lease agreement. There are no significant risks associated with rights that the Company retains in underlying assets.

ii) Maturity analysis of minimum undiscounted lease receivables and the present value of minimum lease payments receivable is as under:

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Receivable not later than 1 year	4.85	20.70	25.42
Receivable later than 1 year but not later than 2 year	0.01	4.85	20.70
Receivable later than 2 year but not later than 3 year	-	0.01	4.85
Receivable later than 3 year but not later than 4 year	-	-	0.01
Receivable later than 4 year but not later than 5 year	-	-	-
Receivable later than 5 years	-	-	-
Gross investment in lease	**4.86**	**25.56**	**50.98**
Less: Unearned finance income	0.23	2.05	6.26
Present value of minimum lease payment receivable	**4.63**	**23.51**	**44.72**

iii) Finance lease income on net investment in lease recognised in statement of Profit & loss during the F.Y. 2021-22 is ₹ 1.50 crore, for F.Y. 2020-21 is ₹ 3.84 crore and for F.Y. 2019-20 is ₹ 6.47 crore.

iv) Finance lease income relating to variable lease payments not depending on index/rate - NIL

v) Changes in carrying amount of net investment in finance lease

₹ in crore

Particulars	Current	Non Current	Total
Opening value of Lease Receivables as on April 1, 2019	**29.20**	**50.98**	**80.18**
Add: Finance lease income recognised in P&L	6.47	-	6.47
Less: Lease rental received (cash payment)	(35.67)	-	(35.67)
Add/Less: Change on account of any other factors	25.42	(25.42)	-
Opening value of Lease Receivables as on April 1, 2020	**25.42**	**25.56**	**50.98**
Add: Finance lease income recognised in P&L	3.84	-	3.84
Less: Lease rental received (cash payment)	(29.26)	-	(29.26)
Add/Less: Change on account of any other factors	20.70	(20.70)	-
Opening value of Lease Receivables as on April 1, 2021	**20.70**	**4.86**	**25.56**
Add: Finance lease income recognised in P&L	1.50	-	1.50
Less: Lease rental received (cash payment)	(22.20)	-	(22.20)
Add/Less: Change on account of any other factors	4.85	(4.85)	-
Closing value of Lease Receivables as on March 31, 2022	**4.85**	**0.01**	**4.86**

b) Operating Lease :

i) The company has given certain assets under operating lease. There are no significant risks associated with rights that the Company retains in underlying assets. Leases are renewed only on mutual consent and at a prevalent market price.

ii) Maturity analysis of undiscounted lease receivables:

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Receivable not later than 1 year	0.16	0.46	1.42
Receivable later than 1 year but not later than 2 year	-	0.23	0.46
Receivable later than 2 year but not later than 3 year	-	-	0.23
Receivable later than 3 year but not later than 4 year	-	-	-
Receivable later than 4 year but not later than 5 year	-	-	-
Receivable later than 5 years	-	-	-
Total	**0.16**	**0.69**	**2.11**

iii) Lease income recognised in Profit & Loss account (Other than variable lease payment) for F.Y. 2021-22 is ₹ 0.23 crore, for F.Y. 2020-21 is ₹ 0.68 crore and for F.Y. 2019-20 is ₹ 2.57 crore.

iv) Lease income relating to variable lease payments not depending on index/rate : Nil

Note : 36 Corporate Social Responsibility (CSR)

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year is ₹ 16.34 crore (FY 2020-21: ₹ 17.05 crore, FY 2019-20: ₹ 21.03 crore).

(a) The amount recognised as expense in the Statement of Profit and Loss on CSR related activities during F.Y. 2021-22 is ₹ 5.48 crore, during F.Y. 2020-21 is ₹ 11.78 crore and during F.Y. 2019-20 is ₹ 21.03 Crore (Refer note no. 32 of financial statements), which comprises of:

₹ in crore

Particulars	2021-22			2020-21			2019-20		
	In cash	Set off from previous	Total	In cash	Set off from previous	Total	In cash	Set off from previous years	Total
(a) Amount spent during the year on:									
(i) Construction/ acquisition of any asset	-	-	-	0.38	-	0.38	-	-	-
(ii) On purposes other than (i) above	5.41	10.93	16.34	-	16.67	16.67	21.03	-	21.03

(b) Amount of surplus to be carried forward in subsequent years for Set off :

₹ in crore

Particulars	Amount spent in excess of requirements as per Companies Act, 2013 available for set off in subsequent years	Actual amounts spent during the year	Amounts to be spent in FY as requirements of Companies Act, 2013	Surplus carried forward to be set off in subsequent years
FY 2020-21	18.95	11.78	17.05	13.68
FY 2021-22#	10.93	5.48	16.34	0.07

Opening excess amounting to ₹ 2.75 crore pertaining to PM Cares fund cannot be utilized as per Government clarification and hence reduced from opening balance of ₹ 13.68 crores.

(c) **Nature of CSR activities during the financial year 2021-22**

The payment for the CSR activities are done for Digital Financial Literacy & Entrepreneurship Development and also for disaster management activities

Nature of CSR activities during the financial year 2020-21

(i) Digital Sakhi - Promoting gender equality, empowering women for reducing inequalities faced by socially and economically backward groups, Rural Development programme

(ii) Integrated Water Resource Management (IWRM) - eradicating extreme hunger and poverty, ensuring environmental sustainability, Rural Development programme

Nature of CSR activities during the financial year 2019-20

The payment for the CSR activities are done for Digital Financial Literacy, Entrepreneurship Development, Integrated Water Resource Management and also for disaster management activities

Note : 37 Pursuant to the Employees Stock Options Scheme established by the holding company (i.e. L&T Finance Holdings Limited), stock options have been granted to the employees of the Company. Total cost incurred by the holding company in respect of options granted to employees of the company amounts, recovery of the same and future period expense details are following:

₹ in crore

Particulars	Total cost incurred by holding company (i.e. L&T Finance Holdings Limited)	Expense recovered by holding company till end of financial year	Expenses charged to Statement of Profit and Loss for the year	Remaining expenses to be recovered in future year
(A)	(B)	(C)	(D)	(E = B-C)
As at March 31, 2022	258.69	202.52	13.79	56.17
As at March 31, 2021	232.30	188.74	41.64	43.56
As at March 31, 2020	241.74	147.10	61.18	94.64

Note : 38 Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings Per Share"

₹ in crore

Particulars		2021-22	2020-21	2019-20
Basic Earning Per Share				
Profit after tax as per statement of profit and loss (₹ in crore)	A	807.98	1.36	700.76
Weighted average number of equity shares outstanding during the year (Nos.)	B	2,68,41,72,360	2,68,41,72,360	2,68,41,72,360
Basic Earning Per Share (₹)	**A/B**	**3.01**	**0.01**	**2.61**
Diluted Earning Per Share				
Profit after tax as per statement of profit and loss (₹ in crore)	A	807.98	1.36	700.76
Weighted average number of equity shares outstanding (Nos.)	B	2,68,41,72,360	2,68,41,72,360	2,68,41,72,360
Diluted Earning Per Share (₹)	**A/B**	**3.01**	**0.01**	**2.61**
Face value of shares (₹)		**10.00**	**10.00**	**10.00**

Note : 39 Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Contingent Liabilities:			
a) Claim against the Company not acknowledged as debt:			
- Income Tax matter in dispute*	8.66	8.66	8.66
- Sales tax/ VAT / Service Tax matter in dispute*	525.03	516.18	499.27
- Legal matter in dispute*	1.46	2.17	2.28
b) Bank Guarantees	125.29	181.54	253.99
c) Other money for which the Company is contingently liable Liability towards Letter of Credit(net of margin money)	403.88	158.62	1,851.07
Commitments			
a) Estimated amount of contracts remaining to be executed on capital account and not provided for#	16.29	11.22	93.74
b) Undisbursed Commitment	1,026.95	1,010.35	1,364.53

Note:

*In respect of disputes, the company is hopeful of succeeding in appeals and does not expect any significant liabilities to materialise.

Figures reported above are excluding GST

Note : 40 Frauds committed against the company:

₹ in crore

Particulars	2021-22	2020-21	2019-20
No. of cases of fraud which occurred during the year	149.00	286.00	163.00
Amount involved	2.73	193.29	4.26
Amount recovered	0.67	0.14	1.77
Amount provided/loss*	1.80	193.29	4.26

*Net of recoveries.

Note : 41 The Company has invoked pledge of equity shares and Non-convertible debentures ("NCD") in the following companies, pledged with the Company as collateral by the borrowers and these shares and NCD are being held by the Company as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding.

Sr. No.	Name of Company	Quantity held as bailee		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Automobile Corporation Of Goa Limited	-	8,784	8,784
2	Bajaj Holdings And Investment Private Limited	-	20,220	20,220
3	Future Retail Limited	16,53,117	-	-
4	Kinetic Engineering Limited	-	17,556	17,556
5	Motherson Sumi Systems Limited	-	91,125	91,125
6	Munjal Showa Limited	-	25,000	25,000
7	NTPC Limited	-	19,000	19,000
8	Reliance Capital Limited	-	4,500	4,500
9	State Bank Of India	-	10,000	10,000
10	Tata Consultancy Services Limited	-	220	220
11	Tata Motors Limited	-	31,814	31,814
12	Tata Steel Limited	4,79,272	71,89,089	71,89,089
13	Saumya Mining Limited	5,13,012	5,13,012	5,13,012
14	NTPC Limited - NCD	-	16,300	16,300
15	Punj Lloyd Limited	5	5	5
16	GHCL Limited	70,000	70,000	70,000
17	Golden Tobacco Limited	10,000	10,000	10,000
18	Hindusthan National Glass & Industries Limited	34,04,499	34,04,499	34,04,499
19	Sterling International Enterprises Limited	2,17,309	2,17,309	2,17,309
20	Tulip Telecom Limited	14,01,762	14,01,762	14,01,762
21	Hanjer Biotech Energies Private Limited	3,25,096	3,25,096	3,25,096
22	VMC Systems Limited	7,17,736	1,79,608	1,79,608
23	KSK Energy Ventures Limited	3,08,446	3,08,446	3,08,446
24	Soma Enterprises Limited	24,47,655	24,46,155	-
25	Gwalior Bypass Project Limited	21,287	-	-
26	KSK Electricity Financing India Pvt Ltd	2,000	-	-
27	Avantha Holdings Limited	4,500	-	-
28	Ace Urban Developers Private Limited	15,250	-	-
29	Valdel Projects Corporation Pvt Ltd	1,532	-	-
30	KSK Mahanadi Power Company Limited	-	-	5,96,052

Note : 42 Expenditure in foreign currency:

₹ in crore

Particulars	2021-22	2020-21	2019-20
Professional Fees	0.21	11.65	5.54
License Fees	6.05	2.96	5.92
Business Promotion Expenses	-	-	0.02
Finance Cost	59.68	77.25	94.04
Others	-	0.11	0.76

Note : 43 Dues to micro enterprises and small enterprises:

₹ in crore

Sr. No.	Particulars	2021-22	2020-21	2019-20
i	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-	-
ii.	the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-	-
iii.	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-	-
iv.	the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-	-
v.	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-	-

footnote: The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company. Based on the information available with the Company, as at the year end, there are no dues to micro and small Enterprises that are reportable under the MSMED Act, 2006 for FY 2019-20, FY 2020-21 and FY 2021-22.

Note : 44 Relationship with Struck Off Companies

(a) Amount outstanding as at March 31, 2022:

Sr. No.	Name of Struck off company	Nature of transactions with struck off company	Balance outstanding (Gross) (₹ in crore)	Balance outstanding (Net) (₹ in crore)	Relationship with the struck off company, if any, to be disclosed
1	Earl Grey Hotels Private Limited	Vendor	-	-	NA
2	Inmech Engineering Private Limited	Receivable	0*	0*	NA

* less than 1 lakh

(b) Amount outstanding as at March 31, 2021:

Sr. No.	Name of Struck off company	Nature of transactions with struck off company	Balance outstanding (Gross) (₹ in crore)	Balance outstanding (Net) (₹ in crore)	Relationship with the struck off company, if any, to be disclosed
1	Earl Grey Hotels Private Limited	Vendor	-	-	NA
2	Inmech Engineering Private Limited	Receivable	0*	0*	NA

* less than 1 lakh

(c) Amount outstanding as at March 31, 2020:

Sr. No.	Name of Struck off company	Nature of transactions with struck off company	Balance outstanding (Gross) (₹ in crore)	Balance outstanding (Net) (₹ in crore)	Relationship with the struck off company, if any, to be disclosed
1	Earl Grey Hotels Private Limited	Vendor	-	-	NA
2	Inmech Engineering Private Limited	Receivable	0*	0*	NA

* less than 1 lakh

Note : Previous year numbers are taken for struck off companies as on date.

Note : 45

A Amalgamation of L&T Infrastructure Finance Company Limited ("LTIFC") and L&T Housing Finance Limited ("LTHF") with the Company during previous F.Y. 2020-21

1 L&T Infrastructure Finance Company Limited ("LTIFC"), L&T Housing Finance Limited ("LTHF") and the Company, wholly owned subsidiaries of L&T Finance Holdings Limited ("LTFH") wherein "LTHF" is HFC registered with NHB and "LTIFC" and the Company are NBFCs registered with RBI within the L&T Financial Services Group ("LTFS/Group). In order to consolidate the business of the lending entities for creation of a single larger unified entity , it was proposed that LTIFC and LTHF to be amalgamated with the Company. Amalgamation will lead to consolidation and help synergise integration of the businesses of transferor companies and the transferee company to enable better operational management, greater focus and simplification of group corporate structure.

The Board of directors of LTIFC, LTHF and the Company had approved the scheme of amalgamation by way of merger by absorption ("Scheme") of "LTIFC" and "LTHF" (together referred as Transferor Company) with the Company (Transferee Company) on March 20, 2020 effective from April 01, 2020 (Appointed date). Pursuant to receipt of necessary orders from National Company Law Tribunal (NCLT), Mumbai and Kolkata, sanctioning the scheme of amalgamation by way of merger by absorption of LTHF and LTIFC with the Company, under Sections 230 to 232 of the Companies Act, 2013, the Scheme became effective on April 12, 2021. On and from the Appointed Date, i.e., April 1, 2020, the Company has accounted for amalgamation as a common control business combination in accordance with Appendix C of the Indian Accounting Standard (Ind AS) 103 - "Business Combinations".

The figures for the previous financial year represent the figures of the Amalgamated Company from appointed date April 01, 2020.The financial statement of the amalgamating entities for the respective previous year were audited by the previous statutory auditors and are recasted to represent the financial statement of the amalgamated entity in accordance with Indian Accounting Standard 103.

2 The purchase consideration of ₹ 1,085.03 crore for acquisition of Transferor Company was settled by Transferee Company through issue of 108,50,34,161 (One hundered eight crores fifty lakhs thirty four thousand one hundred sixty one) equity shares of ₹ 10 each to the shareholder of LTIFC and LTHF as on the record date as stated in the Scheme as per following share exchange ratio.

a) 201 equity shares of face value of ₹ 10 each for every 100 equity shares of face value of ₹ 10 each held in L&T Housing Finance Limited pre merger

b) 50 equity shares of face value of ₹ 10 each for every 100 equity shares of face value of ₹ 10 each held in L&T Infrastructure Finance Company Limited pre merger

The amalgamation was accounted as a common control business combination in accordance with the accounting prescribed under "pooling of interest" method in Appendix C of the Indian Accounting Standard (Ind AS) 103 - "Business Combinations" and as per the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these financial statements and all assets, liabilities and reserves and income and expenditure of the Transferor Company stand transferred to and vested in the Transferee Company.

Consequent to the Scheme becoming effective, Assets net of liabilities and reserves of Transferor Company amounting to ₹ 1,670.67 crore as on the Appointed Date have been transferred to the Transferee Company at their respective carrying value. The balance amount of ₹ 585.64 crore has been credited in Capital Reserve on amalgamation.

Break down of the purchase consideration into net value of assets, liabilities and reserve transfer and capital reserve is as under:

₹ in crore

Particulars	LTIFC	LTHF	Total
I. Consideration paid for acquisition	**752.65**	**332.38**	**1,085.03**
II. Assets,Liabilities and Reserves transferred			
a. Assets acquired on appointed date	31,656.55	15,067.80	46,724.35
b. Liabilities transferred on appointed date	26,446.16	13,546.09	39,992.25
c. Reserves transferred on appointed date	3,705.09	1,356.34	5,061.43
Net Value (a-b-c)	**1,505.30**	**165.37**	**1,670.67**
III. Capital Reserve (II -I)	**752.65**	**(167.01)**	**585.64**

Note : 46 Disclosure pursuant to Ind AS 107 “Financial Instruments: Disclosures” and pursuant to Ind AS 1 “Presentation of financial statements”
Maturity profile of financial assets and financial liabilities

₹ in crore

Particular	March 31, 2022			March 31, 2021			March 31, 2020		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
ASSETS:									
Financial assets									
Cash and cash equivalents	4,233.83	-	4,233.83	4,312.83	-	4,312.83	5,258.30	-	5,258.30
Bank Balance other than (a) above	1,909.15	0.21	1,909.36	1,418.93	30.36	1,449.29	2,168.60	7.95	2,176.55
Derivative financial instruments	145.48	58.56	204.04	(6.02)	38.62	32.60	-	155.06	155.06
Receivables									
Trade receivables	5.24	-	5.24	23.00	-	23.00	46.67	-	46.67
Other receivables	56.43	-	56.43	65.63	-	65.63	26.41	-	26.41
Loans	41,607.88	35,921.18	77,529.06	40,660.59	37,933.05	78,593.64	41,018.06	41,683.76	82,701.82
Investments	2,877.85	6,426.10	9,303.95	2,576.29	5,850.72	8,427.01	946.26	4,557.65	5,503.91
Other financial assets	82.78		82.78	58.47	9.59	68.06	52.18	23.51	75.69
Non-financial assets									
Current tax assets (net)	-	616.56	616.56	-	516.65	516.65	-	674.81	674.81
Deferred tax assets (net)	-	1,398.06	1,398.06	-	1,584.36	1,584.36	-	1,417.42	1,417.42
Property, plant and equipment	-	19.41	19.41	-	22.56	22.56	-	36.31	36.31
Intangible assets under development	-	21.79	21.79	-	23.84	23.84	-	61.99	61.99
Goodwill	-	-	-	-	-	-	-	565.70	565.70
Other intangible assets	-	115.76	115.76	-	110.89	110.89	-	157.52	157.52
Right of use assets	-	32.36	32.36	-	29.79	29.79	-	32.54	32.54
Other non-financial assets	53.12	623.32	676.44	110.73	837.87	948.60	89.39	219.38	308.77
Total Assets	**50,971.76**	**45,233.31**	**96,205.07**	**49,220.45**	**46,988.30**	**96,208.75**	**49,605.87**	**49,593.60**	**99,199.47**
LIABILITIES :									
Financial liabilities									
Payables									
Trade payables	423.67	-	423.67	364.91	-	364.91	208.63	-	208.63
Other payables	6.49	-	6.49	5.07	-	5.07	0.83	-	0.83
Debt securities	17,442.53	17,223.08	34,665.61	14,544.12	22,686.36	37,230.48	13,707.45	20,603.46	34,310.91
Borrowings (other than debt securities)	26,701.20	13,655.20	40,356.40	21,339.21	17,318.90	38,658.11	19,574.90	25,760.46	45,335.36
Subordinated liabilities	600.37	2,697.22	3,297.59	331.38	3,170.21	3,501.59	120.27	3,183.65	3,303.92
Lease liabilities	13.18	22.35	35.53	9.90	24.15	34.05	9.93	26.41	36.34
Other financial liabilities	662.54	-	662.54	500.47	56.13	556.60	164.20	68.78	232.98
Non-financial liabilities									
Current tax liabilities (net)	155.55	-	155.55	170.44	-	170.44	99.26	-	99.26
Provisions	25.86	-	25.86	26.57	-	26.57	31.89	-	31.89
Other non-financial liabilities	51.36	-	51.36	39.70	-	39.70	4.77	-	4.77
Total liabilities	**46,082.76**	**33,597.84**	**79,680.60**	**37,331.77**	**43,255.75**	**80,587.52**	**33,922.13**	**49,642.76**	**83,564.89**

Note : 47 Disclosure pursuant to Ind AS 7 "Statement of Cash Flows"
Change in liabilities arising from financing activities:

₹ in crore

Particulars	As at April 1, 2021	Net Cash flows	Non - cash changes			As at March 31, 2022
			Changes in fair values	Exchange Difference	Others	
Debt securities	37,230.48	(2,114.35)	-	-	(450.52)	34,665.61
Borrowings (other than debt securities)	38,658.11	2,033.12	-	116.69	(451.52)	40,356.41
Subordinated liabilities	3,501.59	(200.00)	-	-	(4.00)	3,297.59
Total liabilities from financing activities	**79,390.18**	**(281.23)**	**-**	**116.69**	**(906.04)**	**78,319.61**

₹ in crore

Particulars	As at April 1, 2020	Net Cash flows	Non - cash changes			As at March 31, 2021
			Changes in fair values	Exchange Difference	Others	
Debt securities	34,310.91	3,161.39	-	-	(241.82)	37,230.48
Borrowings (other than debt securities)	45,335.36	(6,582.67)	-	162.89	(257.47)	38,658.11
Subordinated liabilities	3,303.92	186.00	-	-	11.67	3,501.59
Total liabilities from financing activities	**82,950.19**	**(3,235.28)**	**-**	**162.89**	**(487.62)**	**79,390.18**

₹ in crore

Particulars	As at April 1, 2019	Net Cash flows	Non - cash changes			As at March 31, 2020
			Changes in fair values	Exchange Difference	Others	
Debt securities	42,701.39	(8,605.46)	-	-	214.98	34,310.91
Borrowings (other than debt securities)	35,946.27	9,165.74	-	277.09	(53.74)	45,335.36
Subordinated liabilities	3,293.03	26.01	-	-	(15.12)	3,303.92
Total liabilities from financing activities	**81,940.69**	**586.29**	**-**	**277.09**	**146.12**	**82,950.19**

Footnote: Others include mainly amortisation of issue cost and changes in accrued interest.

Note 48: Risk Management

Basis

Great importance is attached to the identification, measurement and control of risks. All employees of the Company are responsible for the management of risk, with the ultimate accountability residing with the Board of Directors. The Board of Directors and its Risk Management Committee ensure that Management takes into consideration all the relevant risk factors which could lead to unexpected fluctuations in results or to a loss of capital employed. Recommendations for risk control measures are derived from the evaluation of the risk factors. Certain risks are also recognized as opportunities. The aim in such cases is to achieve an appropriate balance between the possible losses which might result and the potential gains. Risks which primarily represent loss potential are minimized. This helps in aligning the risk appetite to the Company's strategy to deliver sustainable, long term returns to its investors.

The risks are reviewed periodically every quarter.

Types of risk

As a lending non-banking financial company, the most important risks it is faced with are the following:

- Credit risk
- Market risk
- Capital risk

Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers or counterparties fail to fulfil their contractual obligations to the Company.

Credit risk arises mainly from wholesale and retail loans and advances and loan commitments arising from such lending activities; but could also arise from credit enhancement provided, such as financial guarantees and letters of credit. The Company is also exposed to other credit risks arising from investments in debt securities and exposures arising from its trading activities ("Trading Exposures") as well as settlement balances with market counterparties.

Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk. A centralised risk management function oversees the risk management framework, which periodically presents an overview of credit risk of portfolio to the Risk Management Committee.

Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time. Internal credit rating is used as an important tool to manage exposures of the Wholesale segment. Ratings provides a consistent and common scale for measurement of components of credit risk of a loan asset including the Probability of Default (PD) across products and sectors. Credit rating model takes into account critical success parameters relevant for each industry, competitive forces within the industry as well as regulatory issues while capturing financial parameters, management strengths, project parameters etc. of the borrower. These ratings are reviewed at least once annually.

Loans and advances (including loan commitments and guarantees)

The estimation of credit exposure for risk management purposes is complex, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring and of the associated loss ratios. The Company measures credit risk for each class of loan assets using inputs such as Probability of Default ("PD") and Loss Given Default ("LGD"). This is similar to the approach used for the purposes of measuring Expected Credit Loss ("ECL") under Ind AS 109.

Wholesale and retail portfolios are managed separately to reflect the differing nature of the assets; wholesale balances tend to be larger and are managed on an individual basis, while retail balances are greater in number but lesser in value and are, therefore, managed in aggregated segments.

Infrastructure Finance and Housing Real Estate

The Company uses internal credit risk grading (17 levels for loans which are not credit impaired and 1 level for loans considered to be credit impaired) that reflect its assessment of the PD of individual counterparties in respect of its Wholesale segment. The Company use internal rating models tailored to the various categories of counterparties. Borrower and loan specific information collected at the time of application (such as turnover and industry type for wholesale exposures) and judgement based on market intelligence on the sector or the specific borrower is used in assigning the rating. The Company's own internal ratings were benchmarked against the cumulative default rates for 1 year and 3 year periods sourced from by CRISIL for Stage 1 and Stage 2 loan assets.

The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between a AAA and A- rating grade is lower than the difference in the PD between a BBB and B- rating grade.

Management also assesses the impact of economic developments in key markets on specific customers, customer segments or portfolios. If changes in credit conditions are foreseen, mitigation action, including the revision of risk appetites or limits and tenors, as appropriate are taken.

Retail (Farm Equipment Finance, Two-Wheeler Loans, Micro Loans and Others) and Housing (Housing Loan and Loans against Property)

The Company has deployed standardised credit decision rules, as approved by the designated officials for the specific product. The rules are regularly monitored to ensure that the changes in the economic environment have been factored into the credit decision rules.

Trading Exposures

For debt securities in the trading portfolio, external rating agency credit grades and internal rating are used for evaluating the credit risk.

Expected Credit Loss ('ECL')

As required by the extant guidelines (notification dated March 30, 2016 issued by the Ministry of Corporate Affairs) the Company adopted IND AS (with effect from April 1, 2017) and has been preparing IND AS based financial statements for accounting period beginning from April 1, 2018 onwards.

As per RBI notification on acceptance of IND AS for regulatory reporting, the Company computes provision as per IND AS 109 as well as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). Where impairment allowance in aggregate for the Company under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning) for the Company, the difference is appropriated from net profit or loss after tax to a separate 'Impairment Reserve'. Any withdrawals from this reserve shall be done only with prior permission from the RBI.

ECL allowances recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability weighted basis, based on certain economic scenarios. The recognition and measurement of ECL involves use of significant judgement and estimation. Forward looking economic forecasts are used in developing the ECL estimates. Three scenarios sufficient to calculate unbiased ECL were used - representing the "most likely outcome" (the "Central" scenario) and two "less likely outcome" scenarios (the "Upside" and "Downside" scenarios). The Central scenario is based on the Company outlook of GDP growth, inflation, unemployment and interest rates for India and most relevant for the Company's loan portfolio. The Upside and Downside scenarios generated at the reporting dates are designed to cover cyclical changes and are updated during the year only if the economic conditions change significantly. The Upside scenario reflects improvement in rural disposable income on account of good monsoons. The Downside scenario reflects stress caused on account of COVID-19 pandemic.

Management oversees the estimation of ECL including:

i. setting requirements in policy, including key assumptions and the application of key judgements;
ii. the design and execution of models; and
iii. review of ECL results.

As required by Ind AS 109, a 'three-stage' model for impairment based on changes in credit quality since initial recognition was built as summarised below:

- A loan asset that is not credit-impaired, on initial recognition, is classified in 'Stage 1' and has its credit risk continuously monitored by Management.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the loan asset is moved to 'Stage 2' but is not yet deemed to be credit-impaired. (See note 1.8 for a description of how the Company determines when a significant increase in credit risk has occurred).
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. (See note 1.8 for a description of how the Company defines credit-impaired and default).

The following are additional considerations for each type of portfolio held by the Company:

Infrastructure Finance and Housing Real Estate

For wholesale business, the PD was determined based on the internal credit rating assigned to the borrower as explained above. Updated or new information/credit assessments for credit risk evaluation are incorporated on an ongoing basis. In addition, information about the creditworthiness of the borrower is updated every year from sources such as financial statements. This will determine the updated internal credit rating and PD. The internal ratings based PD has been benchmarked to the Cumulative Default Rates for 1 year and 3 year periods sourced from CRISIL.

The Exposure at Default ("EAD") is measured at the amortised cost as at the reporting date, after considering repayments of principal and interest received in advance -

The Company, in determining its Loss Given Default ("LGD") estimates, for Stage 3 loan assets as of the reporting date, has used cash flow estimates based on inputs provided by assigned business managers and external corroborating information including amounts realised on resolution of cases referred to the National Company Law Tribunal ("NCLT") under the Insolvency and Bankruptcy Code, 2016.

The Company has carried out a historical analysis of loss experience for all closed and live defaulted (Stage 3) borrowers over the previous 5 years for Infrastructure Finance business.

Retail (Farm Equipment Finance, Two-Wheeler Loans, Micro Loans and Others) and Housing (Housing Loan and Loans against Property)

Retail lending credit quality is determined on a collective basis based on a 12-month point in time ("PIT") probability weighted PD.

A centralised impairment model summarises the historical payment behaviour of the borrowers within a retail portfolio which data is used to build the PD estimates. For estimating PD, information on days-past-due and month-on-book (vintage) (for certain products) form key differentiating characteristics. The weighted average is determined (using count of customers as the weight) from quarterly snapshots.

For credit impaired loan assets LGD is computed based on actual history of loss (on settlement/repossession and disposal of security/ enforcement action) from the same historical quarterly snapshots. The loss divided by the principal outstanding at the time of default is the loss ratio for a credit impaired loan asset in a specific snapshot. The weighted average of loss ratios (using the principal outstanding in respect of such credit impaired loan assets in the corresponding snapshot as the weight) was used to determine the LGD ratio for credit impaired loan assets.

The PD and LGD ratio was used along with respective EAD adjustment factor to arrive at the ECL for all stages of loan assets.

Exposure at Default (EAD)

EAD is the amortised cost as at the period end, after considering repayments of principal and interest received in advance.

Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The Company's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

` in crore

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Financial assets									
Equity instruments (Subsidiary)	483.36	-		483.36	-		483.36	-	
Total financial assets at cost	**483.36**	-		**483.36**	-		**483.36**	-	
Cash and cash equivalent and other bank balances	6,143.19	-		5,762.12	-		7,434.85	-	
Loans and advances at amortised cost	54,775.28	-	Refer footnote below	55,715.97	-	Refer footnote below	57,824.18	-	Refer footnote below
Trade receivables	5.24	-		23.00	-		46.67	-	
Other receivables	56.43	-		65.63	-		26.41	-	
Other financial assets	82.78	-		68.06	-		75.69	-	
Total financial assets at amortised cost	**61,546.28**	**-**		**61,634.78**	**-**		**65,407.80**	-	
Financial assets at fair value through profit or loss	29,520.87	-		28,633.15	-		28,696.88	-	
Total financial instruments at fair value through profit or loss	**29,520.87**	-		**28,633.15**	-		**28,696.88**	-	
Derivative financial instruments	204.04	-		32.60	-		155.06	-	
Financial instruments at fair value through Other Comprehensive Income	2,053.50	-		2,188.17	-		1,201.31	-	
Total Financial instruments at fair value through Other Comprehensive Income	**2,257.54**	-		**2,220.77**	-		1,356.37	-	
Total on-balance sheet	**93,324.69**	-		**92,972.06**	-		**95,944.41**	-	
								-	
Off balance sheet								-	
Contingent liabilities	1,064.32	-		867.17	-		2615.27	-	
Other commitments	1,043.24	-		1,021.58	-		1,458.27	-	
Total off-balance sheet	**2,107.56**	-		**1,888.75**	-		**4,073.54**	-	
								-	
Total	**95,432.25**	-		**94,860.81**	-		**1,00,017.95**	-	

Footnote:

(i) Retail loans, other than unsecured loans aggregating ₹ 28,722.90 crore as of March 31, 2022, ₹ 27,140.74 crore as of March 31, 2021 and ₹ 26,156.79 crore as of March 31, 2020 are generally secured by a charge on the asset financed (farm equipment loans, two-wheeler loans, Home loans and loans against property). If the customer fails to pay, the Company would, as applicable, liquidate collateral and/or set off accounts. For most products, the Company obtains direct debit instructions or post-dated cheques from the customer. It is a criminal offence in India to issue a bad cheque.

(ii) Infrastructure Finance and Housing Real Estate loans are secured with current assets as well as immovable property and property, plant and equipment in some cases. However, collateral securing each individual loan may not be adequate in relation to the value of the loan. If the customer fails to pay, the Company would, as applicable, liquidate collateral and/or set off accounts. For most products, the Company obtains direct debit instructions or post-dated cheques from the customer. It is a criminal offence in India to issue a bad cheque

Of the unmitigated on balance sheet exposure, a significant portion relates to cash held with banks, settlement balances, and debt securities issued by governments all of which are considered to be lower risk.

Besides growth in the loan assets portfolio, increases in trading portfolio assets and financial assets at fair value through the Statement of Profit and Loss have also contributed to the increase in the Company's net exposure to credit risk. Investments in debt instruments are predominantly investment grade.

Where collateral has been obtained in the event of default, the Company does not, ordinarily, use such assets for its own operations and they are usually sold and off set against the outstanding loan assets.

The Company has invoked pledge of equity shares in the following companies, pledged with the Company as collateral by the borrowers and these shares are being held by the Company as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding

Sr. No.	Name of Company	Quantity held as bailee		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Automobile Corporation of Goa Limited	-	8,784	8,784
2	Bajaj Holdings and Investment Private Limited	-	20,220	20,220
3	Kinetic Engineering Limited	-	17,556	17,556
4	Motherson Sumi Systems Limited	-	91,125	91,125
5	Munjal Showa Limited	-	25,000	25,000
6	NTPC Limited	-	19,000	19,000
7	Reliance Capital Limited	-	4,500	4,500
8	State Bank Of India	-	10,000	10,000
9	Tata Consultancy Services Limited	-	220	220
10	Tata Motors Limited	-	31,814	31,814
11	Tata Steel Limited	479,272	71,89,089	71,89,089
12	Saumya Mining Limited	513,012	513,012	513,012
13	NTPC Limited - NCD	-	16,300	16,300
14	Punj Lloyd Limited	5	5	5
15	GHCL Limited	70,000	70,000	70,000
16	Golden Tobacco Limited	10,000	10,000	10,000
17	Hindusthan National Glass & Industries Limited	34,04,499	34,04,499	34,04,499
18	Sterling International Enterprises Limited	217,309	217,309	217,309
19	Tulip Telecom Limited	14,01,762	14,01,762	14,01,762
20	Hanjer Biotech Energies Private Limited	3,25,096	325,096	325,096
21	VMC Systems Ltd	717,736	179,608	179,608
22	KSK Energy Ventures Limited	308,446	308,446	308,446
23	Soma Enterprises Limited	24,47,655	24,46,155	-
24	Future Retail Limited	16,53,117	-	-
25	Gwalior Bypass Project Limited	21,287	-	-
26	KSK Electricity Financing India Pvt Ltd	2,000	-	-

27	Avantha Holdings Limited	4,500	-	-
28	Ace Urban Developers Private Limited	15,250	-	-
29	Valdel Projects Corporation Pvt Ltd	1,532	-	-
30	KSK Mahanadi Power Company Limited	-	-	5,96,052

Concentration of exposure

Concentrations of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in the same geographical areas or industry sectors so that their collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions. The Company has established a diversified borrower base and as at March 31, 2022. The Company has put in place a framework of Risk Limits, which are monitored on a quarterly basis to ensure that the overall portfolio is steered within the approved limits to minimize concentration risk. The Risk Limits cover risk of concentration to a particular geography, industry, Company/borrower or revenue counterparty of the borrowers etc. as are relevant to the respective product.

Market Risk Management

Liquidity Risk:

The risk that the Company is unable to service its contractual or contingent liabilities or that it does not have the adequate amount of funding and liquidity to support its committed disbursements.

Liquidity risk management in the Company is managed as per the guidelines of Board-approved Asset-Liability Management ('ALM') Policy. The ALM Policy provides the governance framework for the identification, measurement, monitoring and reporting of liquidity risk arising out of Company's lending and borrowing activities. The liquidity risk is measured in terms of structural liquidity gaps across various time-buckets and also by setting up limits on relevant liquidity stock ratios. Actual liquidity gaps against the Gap Limits are reported every month to the Asset Liability Management Committee ('ALCO'). Given the current market scenario, the Company has been maintaining positive cumulative liquidity gaps for all the time-buckets upto 1 year as a prudent risk management practice.

The Company also periodically undertakes liquidity stress testing under various liquidity stress scenarios. It maintains liquidity buffer for survival period of 30 days in the forms of High Quality Liquid Assets under 1-in-10 liquidity stress scenario, wherein hair-cut of 40% on undrawn bank lines and collection shortfall of 15% is assumed. To effectively manage the fallout of the COVID-19 pandemic related RBI measures on its funding and liquidity, the Company has been continuously maintaining higher level of liquidity buffer as a safeguard against any likely disruption in the funding and market liquidity.

Additionally, the Company has line of credit from the ultimate parent, Larsen & Toubro Limited.

Further, Reserve Bank of India has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019. As per the said guidelines, NBFC are required to publicly disclose the below information related to liquidity risk on a quarterly basis. Accordingly, the disclosure on liquidity risk as at March 31, 2022 is as under:

(i) Funding Concentration based on significant counterparty

Sr. No.	F.Y.	No. of Significant Counterparties	Amount (₹ crore)	% of Total Deposits	% of Total Liabilities
1	2021-22	21	51,274.12	N.A.	61.60%
2	2020-21	20	50,798.36	N.A.	60.97%
3	2019-20	26	53,646.79	N.A.	62.16%

Notes:

- A “Significant counterparty” is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs
- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines

(ii) Top 20 large deposits (amount in ₹ crore and % of total deposits) – Not Applicable

(iii) Top 10 borrowings:

F.Y.	Amount (₹ crore)	% of Total Borrowings
2021-22	38,631.40	50.21%
2020-21	36,013.19	46.64%
2019-20	35,169.94	43.65%

Note:

- Total Borrowing has been computed as Gross Total Debt basis extant regulatory ALM guidelines.

(iv) Funding Concentration based on significant instrument / product

Sr. No.	Name of the product	F.Y. 2021-22		F.Y. 2020-21		F.Y. 2019-20	
		Amount (₹ crore)	% Of Total Liabilities	Amount (₹ crore)	% Of Total Liabilities	Amount (₹ crore)	% Of Total Liabilities
1	Term Loans	18,767	23%	18,444	23%	25,105	29%
2	Private Non-Convertible Debentures	26,571	32%	28,104	34%	26,302	30%
3	Working Capital Bank Lines	16,451	20%	14,674	18%	16,099	19%
4	Commercial Papers	6,470	8%	5,936	7%	3,900	5%
5	Public Non-Convertible Debentures	3,908	5%	4,725	6%	5,246	6%
6	External Commercial Borrowings	3,760	5%	3,860	5%	3,014	3%
7	Inter Corporate Borrowings	1,018	1%	1,073	1%	816	1%
	Total	**76,945**	**92%**	**76,816**	**94%**	**80,482**	**93%**

Note:

- A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.

- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(v) Stock Ratios:

Sr. No.	Stock Ratio	FY 2021-22 %	FY 2020-21 %	FY 2019-20 %
1	Commercial papers as a % of total liabilities	8%	7%	5%
2	Commercial papers as a % of total assets	6%	6%	4%
3	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0%	0%	0%
4	Non-convertible debentures (original maturity of less than one year) as a % of total assets	0%	0%	0%
5	Other short-term liabilities as a % of total liabilities	29%	23%	22%
6	Other short-term liabilities as a % of total assets	24%	19%	19%

Note:

- Commercial Paper for stock ratio is the Gross outstanding (i.e. Maturity amount).
- Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial paper less Non-convertible debentures (Original maturity of less than one year), basis extant regulatory ALM guidelines.

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/approval/ratification.

(vii) Disclosure on Liquidity Coverage Ratio

RBI has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019. As per the said guidelines, LCR requirement shall be binding on all non-deposit taking systemically important NBFCs with asset size of ₹ 10,000 crore and above from December 1, 2020, with the minimum LCR to be 50%, progressively increasing, till it reaches the required level of 100%, by December 1, 2024, as per the time-line given below:

From	December 1, 2020	December 1, 2021	December 1, 2022	December 1, 2023	December 1, 2024
Minimum LCR	50%	60%	70%	85%	100%

LCR Disclosure		Q1-FY2022		Q2-FY2022		Q3-FY2022		Q4-FY2022		Q4-FY2021	
(Rs. in Crore)		Total Unweighted[1] Value	Total Weighted[2] Value	Total Unweighted[1] Value	Total Weighted[2] Value	Total Unweighted[1] Value	Total Weighted[2] Value	Total Unweighted[1] Value	Total Weighted[2] Value	Total Unweighted[1] Value	Total Weighted[2] Value
High Quality Liquid Assets											
1	**Total High Quality Liquid Assets (HQLA)**	**1,817.61**	**1,817.61**	**1,794.89**	**1,794.89**	**1,711.50**	**1,711.50**	**2,079.03**	**2,079.03**	**1,819.15**	**1,819.15**
	Cash in hand & Bank Balance	311.89	311.89	336.77	336.77	411.10	411.10	421.76	421.76	844.26	844.26
	Treasury Bills / G Sec (including Lending Under CBLO / TREPS Platform)	1,505.72	1,505.72	1,458.12	1,458.12	1,300.40	1,300.40	1,657.27	1,657.27	974.89	974.89
Cash Outflows											
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	3,566.37	4,101.33	3,938.07	4,528.78	1,923.33	2,211.83	2,004.13	2,304.74	2,552.39	2,935.25
4	Secured wholesale funding	767.39	882.50	1,233.27	1,418.26	891.59	1,025.32	1,472.21	1,693.05	618.95	711.79
5	Additional requirements, of which										
(i)	*Outflows related to derivative exposures and other collateral requirements*										
(ii)	*Outflows related to loss of funding on debt products*										
(iii)	*Credit and liquidity facilities*										
6	Other contractual funding obligations	520.97	599.11	721.16	829.34	831.56	956.29	956.86	1,100.38	807.85	929.03
7	Other contingent funding obligations	23.95	27.54	39.76	45.72	81.67	93.92	324.37	373.03	1.65	1.90
8	**TOTAL CASH OUTFLOWS**	**4,878.68**	**5,610.48**	**5,932.26**	**6,822.10**	**3,728.14**	**4,287.36**	**4,757.57**	**5,471.21**	**3,980.84**	**4,577.97**
Cash Inflows											
9	Secured lending	-	-	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	1,650.81	1,238.11	1,426.68	1,070.01	1,662.34	1,246.76	1,840.86	1,380.65	1,746.64	1,309.98
11	Other cash inflows[3]	21,121.68	15,841.26	17,848.06	13,386.04	18,393.59	13,795.19	14,934.39	11,200.79	13,800.76	10,350.57
12	**TOTAL CASH INFLOWS**	**22,772.48**	**17,079.36**	**19,274.73**	**14,456.05**	**20,055.93**	**15,041.95**	**16,775.25**	**12,581.43**	**15,547.40**	**11,660.55**
			Total Adjusted value		**Total Adjusted value**		**Total Adjusted value**		**Total Adjusted value**		**Total Adjusted value**
13	**TOTAL HQLA**		**1,817.61**		**1,794.89**		**1,711.50**		**2,079.03**		**1,819.15**
14	**TOTAL NET CASH OUTFLOWS OVER THE NEXT 30 DAYS** (Weighted value of Total Cash Outflows – Minimum of (Weighted value of Total Cash Inflows, 75% of Weighted value of Total Cash Outflows))		**1,402.62**		**1,705.52**		**1,071.84**		**1,367.80**		**1,144.49**
15	**LIQUIDITY COVERAGE RATIO (%)[4]**		**130%**		**105%**		**160%**		**152%**		**159%**

Notes:

1. Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows). Averages are calculated basis simple average of daily observations
2. Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow (75%) and outflow (115%)
3. Other cash inflows amongst others includes liquidity maintained in the form of Liquid Mutual funds, Fixed deposit placed with banks as well as available undrawn funding lines.
4. All of the HQLA, cash inflows and outflows are in rupee terms and there is no currency mismatch
5. The above LCR ratios are prepared on the baisis of RBI guidelines prescribed for liquidity risk management framework and same has been reported by management on quartely basis and same is relied upon by auditors

Foreign Exchange Rate Risk:

In the normal course of its business, the Company does not deal in foreign exchange in a significant way. Any significant foreign exchange exposure on account of foreign exchange borrowings is fully hedged to safeguard against exchange rate risk.

Interest Rate Risk:

Interest rate risk is the risk where changes in market interest rates affect the Company's financial position due to change in its Net Interest Income (NII). To mitigate interest rate risk, ALM Policy of the Company stipulates Interest Rate Sensitive Gaps for all the time-buckets. Interest Rate Sensitivity Statement is prepared every month and placed before ALCO. The Statement captures the Rate Sensitive Gaps i.e. the mismatch between the Rate Sensitive Assets and Liabilities, in various time buckets. The impact of different types of changes in the yield curve on the earnings for the entire Group of which the Company is a component are also measured every month and captured in the Risk Dashboard.

Security Prices:

The Company manages investment portfolios comprising of government securities, corporate bonds and debentures. To safeguard against the credit risk and interest rate risk in the investment portfolios, risk limits in the form of portfolio size limits, concentration limits and stop loss limit are stipulated. To provide early warning indicators, alarm limits have also been put in place. Reporting periodicity and escalation matrix upon the breach of alarm limits as well as risk limits have been clearly defined. The Company does not invest in Equity stocks and therefore is not exposure to equity price risk on this account.

Note: 48.1 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Expected credit loss - Loans at amortised cost:

₹ in crore

Particulars		As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
		Gross carrying amount	Expected Credit Loss	Carrying amount (net of impairment provision)	Gross carrying amount	Expected Credit Loss	Carrying amount (net of impairment provision)	Gross carrying amount	Expected Credit Loss	Carrying amount (net of impairment provision)
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	48,644.71	1,072.62	47,572.09	50,082.35	876.13	49,206.22	52,805.95	536.71	52,269.24
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	7,516.16	1,054.42	6,461.74	5,314.15	344.65	4,969.50	3,546.07	268.44	3,277.63
	Financial assets for which credit risk has increased significantly and credit-impaired	2,175.46	1,434.01	741.45	5,360.40	3,820.15	1,540.25	6,062.10	3,784.79	2,277.31
Total		**58,336.33**	**3,561.05**	**54,775.28**	**60,756.90**	**5,040.93**	**55,715.97**	**62,414.12**	**4,589.94**	**57,824.18**

Note: 48.2 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Reconciliation of loss allowance provision - Loans at amortised cost:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on March 31, 2019	**448.52**	**227.90**	**3,914.96**	**4,591.38**
New assets originated or purchased	339.44	34.94	77.01	451.39
Amount written off	-	-	(1,657.06)	(1,657.06)
Transfers to Stage 1	81.11	(73.77)	(7.34)	-
Transfers to Stage 2	(12.70)	15.34	(2.64)	-
Transfers to Stage 3	(40.96)	(118.59)	159.55	-
Impact on year end ECL of Exposure transferred between stages during the year	(68.33)	121.33	1,115.94	1,168.94
Increase/ (Decrease) provision on existing financial assets including recovery	(210.37)	61.29	184.37	35.29
ECL as on March 31, 2020	**536.71**	**268.44**	**3,784.79**	**4,589.94**
ECL as on March 31, 2020	**536.71**	**268.44**	**3,784.79**	**4,589.94**
New assets originated or purchased*	458.96	60.59	35.71	555.25
Amount written off	-	-	(2,230.13)	(2,230.13)
Transfers to Stage 1	43.35	(26.24)	(17.12)	-
Transfers to Stage 2	(29.15)	33.55	(4.41)	-
Transfers to Stage 3	(27.72)	(143.69)	171.41	-
Impact of changes in credit risk on account of stage movements	(42.17)	331.10	1,476.54	1,765.48
Increase/ (Decrease) provision on existing financial assets including recovery	(63.86)	(179.11)	603.36	360.39
ECL as on March 31, 2021	**876.13**	**344.65**	**3,820.15**	**5,040.93**
New assets originated or purchased*	856.54	21.53	44.39	922.46
Amount written off	-	-	(1,797.23)	(1,797.23)
Transfers to Stage 1	22.80	(7.99)	(14.81)	-
Transfers to Stage 2	(117.09)	130.03	(12.94)	-
Transfers to Stage 3	(34.35)	(7.28)	41.63	-
Impact of changes in credit risk on account of stage movements	(22.29)	225.08	961.18	1,163.97
Increase/ (Decrease) provision on existing financial assets including recovery	(509.12)	348.40	(1,608.36)	(1,769.08)
ECL as on March 31, 2022	**1,072.62**	**1,054.42**	**1,434.01**	**3,561.05**

(b) Reconciliation of Gross carrying amount - Loans at amortised cost:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on March 31, 2019	**54,251.54**	**2,828.11**	**6,272.00**	**63,351.65**
New assets originated or purchased	25,544.25	513.09	124.20	26,181.54
Amount written off	-	-	(1,728.12)	(1,728.12)
Transfers to Stage 1	734.85	(714.32)	(20.53)	-
Transfers to Stage 2	(2,124.65)	2,131.78	(7.13)	-
Transfers to Stage 3	(1,937.57)	(654.61)	2,592.18	-
Net recovery	(23,662.47)	(557.98)	(1,170.50)	(25,390.95)
Gross carrying amount as on March 31, 2020	**52,805.95**	**3,546.07**	**6,062.10**	**62,414.12**
Gross carrying amount as on March 31, 2020	**52,805.95**	**3,546.07**	**6,062.10**	**62,414.12**
New assets originated or purchased*	19,915.11	742.96	146.87	20,804.94
Amount written off	-	-	(2,241.94)	(2,241.94)
Transfers to Stage 1	278.34	(243.04)	(35.30)	-
Transfers to Stage 2	(2,876.80)	2,888.42	(11.62)	-
Transfers to Stage 3	(1,622.99)	(470.63)	2,093.62	-
Net recovery	(18,417.27)	(1,149.63)	(653.33)	(20,220.22)
Gross carrying amount as on March 31, 2021	**50,082.35**	**5,314.15**	**5,360.40**	**60,756.90**
New assets originated or purchased*	26,911.40	278.70	63.60	27,253.70
Amount written off	-	-	(1,846.58)	(1,846.58)
Transfers to Stage 1	224.60	(193.05)	(31.55)	-
Transfers to Stage 2	(3,263.47)	3,296.11	(32.64)	-
Transfers to Stage 3	(1,340.98)	(199.07)	1,540.05	-
Net recovery	(23,969.19)	(980.68)	(2,877.82)	(27,827.69)
Gross carrying amount as on March 31, 2022	**48,644.71**	**7,516.16**	**2,175.46**	**58,336.33**

* excludes assets originated or purchased and derecognised during the year

Note: 48.3 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

₹ in crore

Sr. No.		Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
I		**Measured at fair value through profit or loss (FVTPL):**			
	(i)	Investment in equity instruments	550.98	428.79	334.03
	(ii)	Investment in preference shares	-	0.68	3.73
	(iii)	Investment in bonds/debentures	413.46	509.31	602.05
	(iv)	Investment in mutual funds	665.94	400.07	5.02
	(v)	Investment in government securities	-	-	0.53
	(vi)	Investment in security receipt	4,886.23	4,114.87	2,498.67
	(vii)	Investment in units of fund	250.48	301.76	375.21
	(viii)	Loans	22,753.78	22,877.67	24,877.64
		Sub-total (I)	**29,520.87**	**28,633.15**	**28,696.88**
II		**Measured at amortised cost:**			
	(i)	Loans	54,775.28	55,715.97	57,824.18
	(ii)	Trade receivables	5.24	23.00	46.67
	(iii)	Other receivables	56.43	65.63	26.41
	(iv)	Other financial assets	82.78	68.06	75.69
	(v)	Cash and cash equivalents and bank balances	6,143.19	5,762.12	7,434.85
		Sub-total (II)	**61,062.92**	**61,634.78**	**65,407.80**
III		**Measured at fair value through other comprehensive income (FVTOCI):**			
	(i)	Investment in bonds/Debentures	729.31	720.57	1,161.67
	(ii)	Investment in government securities	1,323.28	1,466.66	-
	(iii)	Investment in equity instruments	-	-	31.61
	(iv)	Investment in pass through certificates	-	-	7.09
	(v)	Derivative financial instruments	204.04	32.60	155.06
	(vi)	Investment in units of fund	0.91	0.94	0.94
		Sub-total (III)	**2,257.54**	**2,220.77**	**1,356.37**
		Total (I+II+III)	**92,841.33**	**92,488.70**	**95,461.05**

(b) Category-wise classification for applicable financial liabilities:

₹ in crore

Sr. No.		Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
I		**Measured at fair value through profit or loss (FVTPL):**			
	(i)	Derivative Instruments not designated as cash flow hedges	-	-	-
		Sub-total (I)	**-**	**-**	
II		**Measured at amortised cost:**			
	(i)	Debt securities	34,665.61	37,230.48	34,310.91
	(ii)	Borrowings (other than debt securities)	40,356.41	38,658.11	45,335.36
	(iii)	Subordinated liabilities	3,297.59	3,501.59	3,303.92
	(iv)	Trade payables	423.67	364.91	208.63
	(v)	Other payables	6.49	5.07	0.83
	(vi)	Lease liabilities	35.53	34.05	36.34
	(vii)	Other financial liabilities	662.54	556.60	232.98
		Sub-total (II)	**79,447.84**	**80,350.81**	**83,428.97**
III		**Measured at fair value through other comprehensive income (FVTOCI):**	-	-	
		Sub-total (III)	**-**	**-**	**-**
		Total (I+II+III)	**79,447.84**	**80,350.81**	**83,428.97**

Note: 48.4 : Disclosure pursuant to Ind AS 107 “Financial Instruments: Disclosures“

(a) Fair value of financial assets and financial liabilities measured at amortised cost:

₹ in crore

Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:						
Loans	54,775.28	54,775.28	55,715.97	55,715.97	57,824.18	57,824.18
Total	**54,775.28**	**54,775.28**	**55,715.97**	**55,715.97**	**57,824.18**	**57,824.18**
Financial liabilities:						
Debt Securities	34,665.61	35,785.31	37,230.48	39,130.89	34,310.91	34,818.95
Borrowings (other than debt securities)	40,356.41	40,210.22	38,658.11	38,902.44	45,335.36	45,401.51
Subordinated liabilities	3,297.59	3,435.06	3,501.59	3,697.41	3,303.92	3,360.45
Lease liabilities	35.53	35.53	34.05	34.05	36.34	36.34
Total	**78,355.14**	**79,466.12**	**79,424.23**	**81,764.78**	**82,986.52**	**83,617.25**

The carrying amounts of cash & cash equivalents, bank balance, trade receivables, other receivables, other financial assets, trade payables, other payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

(b) Disclosure pursuant to Ind AS 113 “Fair Value Measurement” - Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:

₹ in crore

As at March 31, 2022	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	54,775.28	54,775.28	Discounted cashflow approach
Total financial assets	**-**	**-**	**54,775.28**	**54,775.28**	
Financial liabilities:					
Debt Securities	-	-	35,785.31	35,785.31	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	40,210.22	40,210.22	Discounted cashflow approach
Subordinated liabilities	-	-	3,435.06	3,435.06	Discounted cashflow approach
Lease liabilities	-	-	35.53	35.53	Discounted cashflow approach
Total financial liabilities	**-**	**-**	**79,466.12**	**79,466.12**	

₹ in crore

As at March 31, 2021	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	55,715.97	55,715.97	Discounted cashflow approach
Total financial assets	**-**	**-**	**55,715.97**	**55,715.97**	
Financial liabilities:					
Debt Securities	-	-	39,130.89	39,130.89	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	38,902.44	38,902.44	Discounted cashflow approach
Subordinated liabilities	-	-	3,697.41	3,697.41	Discounted cashflow approach
Lease liabilities	-	-	34.05	34.05	
Total financial liabilities	**-**	**-**	**81,764.78**	**81,764.78**	

₹ in crore

As at March 31, 2020	Level 1	Level 2	Level 3	Total	Valuation technique for level 3
Financial assets:					
Loans	-	-	57,824.18	57,824.18	Discounted cashflow approach
Investment in government securities	-	-	-	-	
Total financial assets	**-**	**-**	**57,824.18**	**57,824.18**	
Financial liabilities:					

Debt Securities	-	-	34,818.95	34,818.95	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	45,401.51	45,401.51	Discounted cashflow approach
Subordinated liabilities	-	-	3,360.45	3,360.45	Discounted cashflow approach
Lease liabilities	-	-	36.34	36.34	Discounted cashflow approach
Total financial liabilities	**-**	**-**	**83,617.25**	**83,617.25**	

Note: 48.5

Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

₹ in crore

Particulars	As at March 31, 2022				As at March 31, 2021				As at March 31, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets:												
Financial assets at fair value through profit and loss:												
Investments												
- Equity instruments	158.39	-	392.59	550.98	97.91	-	330.88	428.79	2.98	-	331.05	334.03
- Preference shares	-	-	-	-	-	-	0.68	0.68	-	-	3.73	3.73
- Government securities	-	-	-	-	-	-	-	-	-	0.53	-	0.53
- Bonds and debentures	-	-	413.46	413.46	-	-	509.31	509.31	-	-	602.05	602.05
- Mutual funds	665.94	-	-	665.94	400.07	-	-	400.07	5.02	-	-	5.02
- Security receipts	-	-	4,886.23	4,886.23	-	-	4,114.87	4,114.87	-	-	2,498.67	2,498.67
- Units of fund	-	-	250.48	250.48	-	-	301.76	301.76	-	-	375.21	375.21
								-				-
Loans	-	-	22,753.78	22,753.78	-	-	22,877.67	22,877.67	-	-	24,877.64	24,877.64
Sub total	**824.33**	**-**	**28,696.54**	**29,520.87**	**497.98**	**-**	**28,135.17**	**28,633.15**	**8.00**	**0.53**	**28,688.35**	**28,696.88**
Financial assets at fair value through other comprehensive income:												
Investments												
- Bonds and debentures	-	729.31	-	729.31	-	578.80	141.77	720.57	-	875.71	285.96	1,161.67
- Government securities	-	1,323.28	-	1,323.28	-	1,466.66	-	1,466.66	-	-	-	-
- Pass through certificates	-	-	-	-	-	-	-	-	-	-	7.09	7.09
- Equity instruments	-	-	-	-	-	-	-	-	31.61	-	-	31.61
- Investment in Units of Fund	-	0.91	-	0.91		0.94	-	0.94		0.94	-	0.94
												-
Derivative financial instruments	-	204.04	-	204.04	-	32.60	-	32.60	-	155.06	-	155.06
Sub total	**-**	**2,257.54**	**-**	**2,257.54**	**-**	**2,079.00**	**141.77**	**2,220.77**	**31.61**	**1,031.71**	**293.05**	**1,356.37**
Total Financial assets at fair value	**824.33**	**2,257.54**	**28,696.54**	**31,778.41**	**497.98**	**2,079.00**	**28,276.94**	**30,853.92**	**39.61**	**1,032.24**	**28,981.40**	**30,053.25**
Financial liabilities:												
Financial liabilities at fair value through profit and loss:	-	-	-	-	-	-	-	-	-	-	-	-
Total Financial liabilities at fair value	-	-	-	-	-	-	-	-	-	-	-	-

Note: 48.6 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table presents the changes in level 3 items for the year ended March 31, 2020, March 31, 2021 and March 31, 2022 : **₹ in crore**

Particulars	- Equity instruments	- Preference shares	- Bonds and debentures	- Pass Through Certificates	- Security Receipts	- Units of fund	Loans	Total
Balance as at April 1, 2019	**333.18**	**14.32**	**604.65**	**8.41**	**791.06**	**460.02**	**24,396.43**	**26,608.07**
Acquisitions	-	-	-	-	2,099.75	8.36	6,926.66	**9,034.77**
Transfer from Level 2 to Level 3	-	-	536.55	-	-	-	-	**536.55**
Deletions	-	(6.17)	(2.60)	(1.32)	(252.06)	(48.58)	(6,415.31)	**(6,726.04)**
Gains/(losses) recognised in profit or loss	(2.13)	(4.42)	-	-	(140.08)	(44.59)	(30.14)	**(221.36)**
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	-	**-**
Impairment recognised in profit or loss	-	-	(250.59)	-	-	-	-	**(250.59)**
As at March 31, 2020	**331.05**	**3.73**	**888.01**	**7.09**	**2,498.67**	**375.21**	**24,877.64**	**28,981.40**
Acquisitions	-	-	-	-	1,909.27	8.20	3,721.30	**5,638.77**
Transfer from Level 2 to Level 3	-	-	-	-	-	-	-	**-**
Deletions	-	(3.60)	(9.29)	-	(153.11)	(66.83)	(5,562.50)	**(5,795.33)**
Gains/(losses) recognised in profit or loss	(0.17)	0.55	(83.45)		(139.96)	(14.82)	(158.77)	**(396.62)**
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	-	**-**
Impairment recognised in profit or loss	-	-	(144.19)	(7.09)	-	-	-	**(151.28)**
As at March 31, 2021	**330.88**	**0.68**	**651.08**	**-**	**4,114.87**	**301.76**	**22,877.67**	**28,276.94**
Acquisitions	61.71	1.00	-	-	1,484.10	14.79	7,315.58	**8,877.18**
Transfer from Level 2 to Level 3	-	-	-	-	-	-	-	**-**
Deletions	-	(1.20)	(588.85)	(0.01)	(462.75)	(38.31)	(7,091.37)	**(8,182.49)**
Gains/(losses) recognised in profit or loss	-	(0.48)	(74.06)	-	(249.99)	(27.76)	(348.10)	**(700.39)**
Gains/(losses) recognised in other comprehensive income	-	-	30.52	-	-	-	-	**30.52**
Impairment recognised in profit or loss	-	-	394.77	0.01	-	-	-	**394.78**
As at March 31, 2022	**392.59**	**-**	**413.46**	**-**	**4,886.23**	**250.48**	**22,753.78**	**28,696.54**
Unrealised gains/(losses) recognised in profit and loss related to assets and liabilities held at the end of the reporting period								
As at March 31, 2020	**(2.13)**	**(4.42)**	**(250.59)**	**-**	**(140.08)**	**(44.59)**	**(30.14)**	**(471.95)**
As at March 31, 2021	**(0.17)**	**0.55**	**(227.64)**	**(7.09)**	**(139.96)**	**(14.82)**	**(158.77)**	**(547.90)**
As at March 31, 2022	**-**	**(0.48)**	**320.71**	**0.01**	**(249.99)**	**(27.76)**	**(348.10)**	**(305.61)**
Unrealised gains/(losses) recognised in Other Comprehensive Income related to assets and liabilities held at the end of the reporting period								
As at March 31, 2020	-	-	-	-	-	-	-	**-**
As at March 31, 2021	-	-	-	-	-	-	-	-
As at March 31, 2022	-	-	**30.52**	-	-	-	-	**30.52**

Note: 48.7 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

₹ in crore

Particulars	Fair value as at			Rates for Sensitivity	Impact of Increase in Rates on Total Comprehensive Income statement					
	March 31, 2022	March 31, 2021	March 31, 2020		March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021	March 31, 2020	March 31, 2020
					Favourable	Unfavourable	Favourable	Unfavourable	Favourable	Unfavourable
Investments										
- Equity instruments	392.59	330.88	331.05	5.00%	19.63	(19.63)	16.54	(16.54)	16.55	(16.55)
- Preference shares	-	0.68	3.73	5.00%	-	-	0.03	(0.03)	0.19	(0.19)
- Bonds and debentures	413.46	509.31	602.05	0.25%	1.03	(1.03)	1.27	(1.27)	1.51	(1.51)
- Pass Through Certificates	-	-	7.09	0.25%	-	-	-	-	0.02	(0.02)
- Security Receipts	4,886.23	4,114.87	2,498.67	5.00%	244.31	(244.31)	205.74	(205.74)	124.93	(124.93)
- Units of fund	250.48	301.76	375.21	5.00%	12.52	(12.52)	15.09	(15.09)	18.76	(18.76)
Loans	22,753.78	22,877.67	24,877.64	0.25%	56.88	(56.88)	57.19	(57.19)	62.19	(62.19)

Note: 48.8 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Liquidity risk management :

(a) Maturity profile of financial liabilities based on undiscounted cashflows

₹ in crore

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Within twelve month	After twelve month	Total	Within twelve month	After twelve month	Total	Within twelve month	After twelve month	Total
A. Non-derivative liabilities:									
Borrowings*	47,667.03	39,707.17	87,374.20	40,172.15	51,054.40	91,226.55	38,009.01	58,562.33	96,571.34
Trade payables	423.67	-	423.67	364.91	-	364.91	208.62	-	208.62
Other payables	6.49	-	6.49	5.07	-	5.07	0.83	-	0.83
Lease liabilities	13.18	22.35	35.53	9.90	24.15	34.05	9.93	26.41	36.34
Other financial liabilities	662.54	-	662.54	500.47	56.13	556.60	164.20	68.78	232.98
Total	**48,772.91**	**39,729.51**	**88,502.43**	**41,052.50**	**51,134.68**	**92,187.18**	**38,392.59**	**58,657.52**	**97,050.11**
B. Derivative liabilities:									
Currency swap	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

* Borrowings include debt securities,borrowings (other than debt securities)and subordinated liabilities and are net off offsetting respective derivative gain/loss but includes undiscounted future interest.

(b) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Undrawn backup lines	3,265.16	7,590.70	5,016.93
Line of credit from Ultimate Holding Company	1,800.00	2,000.00	2,000.00

Note 48.9 : Capital management

(i) Risk management

As an NBFC, the RBI requires us to maintain a minimum capital to risk weighted assets ratio (“CRAR”) consisting of Tier I and Tier II capital of 15% of our aggregate risk weighted assets. Further, the total of our Tier II capital cannot exceed 100% of our Tier I capital at any point of time. The capital management process of the Company ensures to maintain a healthy CRAR at all the times. Refer note 50.1 for the Company’s Capital ratios.

The Company’s objectives when managing capital are to

(a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) Maintain an optimal capital structure to reduce the cost of capital.

(c) The Company’s assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks - which include credit, liquidity and market.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by 'Total Equity’ (as shown in the balance sheet).

The Company’s gearing ratios were as follows:

₹ in crore

Particulars	**31 March 2022**	**31 March 2021**	**31 March 2020**
Net debt	74,085.77	75,077.35	77,691.89
Total Equity	16,491.23	15,621.23	15,634.59
Net debt to equity ratio	**4.49**	**4.81**	**4.97**

Debt-Equity Ratio as on 31 March 2022 is 4.93. (Total Debt is ₹ 78,319.60 crore and Networth is ₹ 15,876.71 crore)

(ii) There were no defaults/delay in repayment of loans or payment of interest. Further, there were no breaches of loan agreement during the year which enables the lender to demand accelerated repayment.

(iii) Dividends **₹ in crore**

Particulars	**31 March 2022**	**31 March 2021**	**31 March 2020**
(a) Equity shares			
Final dividend for the year ended March 31, 2022	-	-	-
Interim dividend for the year ended	-	-	221.11
(b) Dividends not recognised at the end of the reporting year	-	-	-

Disclosure pursuant to Ind AS 107 “Financial Instruments: Disclosures“

Note: 48.10 Market risk management :

(a) Foreign currency risk :

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Liability – External Commercial Borrowings & Terms loans from bank - FCNR	USD 43,50,00,000	USD 44,82,59,082	USD 43,50,00,000
Assets – Currency Swap Contracts	USD 43,50,00,000	USD 44,82,59,082	USD 43,50,00,000

(b) Interest rate risk :

The exposure of the Company’s borrowing to interest rate changes at the end of the reporting period are as follows:

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Variable rate borrowings	22,245.51	28,549.40	37,699.88
Fixed rate borrowings	54,698.80	48,666.81	42,781.73
Total borrowings	**76,944.31**	**77,216.22**	**80,481.61**

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

₹ in crore

Particulars	As at March 31, 2022			As at March 31, 2021			As at March 31, 2020		
	Weighted average interest rate	Balance	% of total borrowing	Weighted average interest rate	Balance	% of total borrowing	Weighted average interest rate	Balance	% of total borrowing
Variable rate borrowings	6.75%	22,245.51	28.91%	8.12%	28,549.40	36.97%	8.87%	37,699.88	46.84%
Interest rate swap at variable rate	-	-	-	-	-	-	-	-	-
Net exposure to cash flow interest raterisk	**6.75%**	**22,245.51**	**28.91%**	**8.12%**	**28,549.40**	**36.97%**	**8.87%**	**37,699.88**	**46.84%**

(c) Sensitivity :

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

₹ in crore

Particulars	Impact on profit after tax			Impact on other components of equity		
	FY 2021-22	FY 2020-21	FY 2019-20	31-Mar-22	31-Mar-21	31-Mar-20
Interest rates – increase by 25 basis points *	(33.66)	(41.38)	(41.91)	(33.66)	(41.38)	(41.91)
Interest rates – decrease by 25 basis points*	33.66	41.38	41.91	33.66	41.38	41.91

** Impact on P/L upto 1 year, holding all other variables constant*

Note: 48.11 Other disclosure pursuant to Ind AS 107 “Financial Instruments: Disclosures“

There is no financial asset that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities.

Note : 49 Disclosure pursuant to Ind AS 108 "Operating Segment"

The Company has identified operating segments based on performance assessment and resource allocation by the management. Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly attributable to each reportable segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocated. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. As the operations of the Company are carried out within India, there are no geographical segments.

Rural Finance comprises of Farm Equipment Finance, Two Wheeler Finance, Micro Loans and Consumer Finance.

Housing Finance comprises of Home Loans, Loan against Property and Real Estate Finance.

Infrastructure Finance comprises of Infrastructure business.

Defocused Finance comprises of Structured Corporate Loans, Debt Capital Market, Commercial Vehicle Finance, Construction Equipment Finance, Supply Chain Finance, SME term loans and Leases.

₹ in crore

Sr. No.	Particulars	Year ended		
		March 31, 2022	**March 31, 2021**	**March 31, 2020**
	Gross segment revenue from continuing operations			
a	Rural Finance	5,782.78	5,478.87	5,285.99
b	Housing Finance	2,645.86	3,291.43	3,400.52
c	Infrastructure Finance	2,414.95	3,183.29	3,375.99
d	Defocused Finance	213.99	395.72	685.48
	Revenue as per the statement of profit and loss	**11,057.58**	**12,349.31**	**12,747.98**
	Segment Result (Profit/(loss) before tax)			
a	Rural Finance	1,018.43	681.51	1,225.87
b	Housing Finance	72.54	607.64	873.94
c	Infrastructure Finance	303.44	265.94	712.61
d	Defocused Finance	(302.54)	(569.39)	(554.87)
e	Unallocated[1]	-	(653.46)	(653.47)
	Profit before tax	**1,091.87**	**332.24**	**1,604.08**

₹ in crore

Sr. No.	Particulars	As at		
		March 31, 2022	**March 31, 2021**	**March 31, 2020**
	Segment assets			
a	Rural Finance	35,406.73	31,192.76	28,491.28
b	Housing Finance	26,480.55	28,712.81	30,413.67
c	Infrastructure Finance	29,866.42	31,145.23	32,317.99
d	Defocused Finance	2,436.75	3,056.95	5,230.85
	Subtotal	**94,190.45**	**94,107.75**	**96,453.79**
e	Unallocated[2]	1,981.38	2,101.00	2,745.68
	Total assets	**96,171.83**	**96,208.75**	**99,199.47**
	Segment liabilities			
a	Rural Finance	29,892.93	26,940.03	24,613.00
b	Housing Finance	22,357.66	24,651.71	26,631.96
c	Infrastructure Finance	25,217.31	26,171.96	27,730.89
d	Defocused Finance	2,057.13	2,653.38	4,489.77
	Subtotal	**79,525.04**	**80,417.08**	**83,465.62**
e	Unallocated[3]	155.56	170.44	99.26
	Total liabilities	**79,680.60**	**80,587.52**	**83,564.88**

1 Unallocated represents goodwill and Distribution and customer network right amortization

2 Unallocated represents advance/tax deducted (net), deferred tax asset (net) and goodwill and Distribution and customer network right amortization

3 Unallocated represents tax liabilities

Note [50]

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/(income):

₹ in crore

Sr. No.	Particulars	2021-22	2020-21	2019-20
	Statement of Profit and Loss:			
(a)	Profit and Loss section:			
	(i) Current tax :			
	Current tax expense for the year	118.35	481.77	595.27
	Tax expense in respect of earlier years	-	-	-
		118.35	**481.77**	**595.27**
	(ii) Deferred Tax:			
	Tax expense on origination and reversal of temporary differences	165.54	(150.89)	(164.66)
	Effect on deferred tax balances due to the change in income tax rate (refer foot note 1)	-	-	472.71
		165.54	**(150.89)**	**308.05**
	Income tax expense reported in the statement of profit or loss[(i)+(ii)]	**283.89**	**330.88**	**903.32**
(b)	Other Comprehensive Income (OCI) Section:			
	(i) Items will not be reclassified to profit or loss in subsequent years:			
	(A) Current tax expense/(income):	-	-	-
	(B) Deferred tax expense/(income):			
	On re-measurement of defined benefit plans	0.50	0.27	(1.20)
		0.50	**0.27**	**(1.20)**
	(ii) Items that will be reclassified to profit or loss in subsequent years:			
	(A) Current tax expense/(income):	-	-	-
		0.00	0.00	0.00
	(B) Deferred tax expense/(income):			
	On gains and loss on hedging instruments in a cash flow hedge	13.22	(0.74)	(33.48)
		13.22	**(0.74)**	**(33.48)**
	Income tax expense reported in the other comprehensive income [(i)+(ii)]	**13.72**	**(0.47)**	**(34.68)**
(c)	**Other directly reported in balance sheet through reserve:**			
	Current tax (assets)/ liabilities		-	-
	-Merger related expense	(3.89)		
	Deferred tax (assets)/ liabilities			
	-Merger related expense	3.89	(15.58)	
	-Transition impact of Ind-AS 116	-		(0.75)
	Income tax expense reported directly in balance sheet	**-**	**(15.58)**	**(0.75)**

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India: **₹ in crore**

Sr. No.	Particulars		2021-22	2020-21	2019-20
(a)	**Profit before tax**		1,091.87	332.24	1604.08
(b)	Corporate tax rate as per Income tax Act, 1961		25.168%	25.168%	25.168%
(c)	Tax on accounting profit	(c)=(a)*(b)	274.80	83.62	403.71
(d)	(i) Tax on Income exempt from tax				
	(A) Deduction of Special reserve u/s 36(1)(viii) of the Income Tax Act, 1961		(4.93)	(27.16)	(19.65)
	(B) Deduction u/s 80JJA of the Income Tax Act ,1961		(8.26)	(16.76)	(10.24)
	(ii) Tax on Income which are taxed at different rates		-	-	(9.17)
	(iii) Tax on non deductible expenses:				
	(A) Corporate Social Responsibility (CSR) expenses		1.38	2.96	2.87
	(B) Provision for dimunition in value of investments		(96.86)	63.34	70.62
	(C) Share issue expense		-	-	0.25
	(iv) Tax effect of losses/timing differences of current year on which no deferred tax benefit is recognised		117.76		-
	(v) Capital gain set-off against carried forward capital losses		-	-	(5.58)
	(vi) Tax effect on various other Items		-	(0.36)	(2.20)
	Total effect of tax adjustments [(i) to (vi)]		9.09	22.02	26.90
(e)	**Tax expense (before one-time deferred tax impact)**	(e)=(c)+(d)	**283.89**	**105.64**	**430.61**
(f)	**Effective tax rate (before one-time deferred tax impact)**	(f)=(e)/(a)	**26.00%**	**31.80%**	**26.84%**
(g)	Effect on deferred tax due to change in Income tax rate (refer footnote)		-	-	472.71
(h)	Tax impact due to amendment in tax regulations		-	225.24	-
(i)	**Tax expense recognised during the year**	**(i)=(e) + (g) + (h)**	**283.89**	**330.88**	**903.32**
(j)	**Effective tax Rate**	(j)=(i)/(a)	26.00%	99.59%	56.31%

footnote: Taxation Laws (Amendment) Ordinance 2019, has inserted section 115BAA in the Income Tax Act, 1961, providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/ incentives. The option is exercised by the Company for assessment year (AY) 2020-21 and subsequent AYs. Consequently, the opening deferred tax asset (net) for FY 2019-20 has been measured at the lower rate, with a one-time corresponding charge of ₹472.71 crore to the Statement of Profit and Loss. Once exercised, such an option cannot be withdrawn for the same or subsequent AYs.

(c) (i) Unused tax losses and unused tax credits for which no deferred tax asset is recognised in Balance sheet

₹ in Crores

Particulars	**As at 31-3-2022**		**As at 31-3-2021**		***As at 31-3-2020***	
	₹ in crore	**Expiry year**	**₹ in crore**	**Expiry year**	**₹ in crore**	***Expiry year***
Tax losses (Business loss and unabsorbed depreciation)						
- Amount of losses having expiry	-		-		-	
- Amount of losses having no expiry	-		-		-	
Tax losses (Capital loss)	467.89	AY 2030-31	-		-	
Total	**467.89**	**-**	**-**		**-**	

(c) (ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet

₹ in Crores

Sr. No.	**Particulars**	**As at 31-3-2022**	**As at 31-3-2021**	**As at 31-3-2020**
(a)	Towards provision for diminution in value of investments	374.77	795.98	544.33
	Total	**374.77**	**795.98**	**544.33**

(d) Major components of Deferred Tax Liabilities and Deferred Tax Assets:

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at March 31, 2019	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities/ (assets) as at March 31, 2020
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	120.10	(68.27)	-	-	51.83
-Unamortised borrowing cost	6.17	(2.97)	-	-	3.20
-Deduction under Section 36 (1) (viia)	32.99	(4.84)	-	-	28.15
-Other items giving rise to temporary differences	0.19	(0.30)	-	-	(0.11)
Net deferred tax liabilities	**159.45**	**(76.38)**	**-**	**-**	**83.07**

Particulars	Deferred tax liabilities/ (assets) as at March 31, 2019	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities/ (assets) as at March 31, 2020
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss	(1,643.89)	431.20	-	-	(1,212.69)
-Provision on trade receivables	-	(2.21)	-	-	(2.21)
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(19.22)	10.31	-	-	(8.91)
-Fair value of investments	(78.50)	(9.64)	-	-	(88.14)
-Defined benefit obligation (Gratuity and Leave encashment)	(8.74)	2.02	(1.20)	-	(7.92)
-Amortisation of expenditure incurred for amalgamation	(3.96)	2.53	-	-	(1.43)
-Fair valuation of derivative financial instrument	-	-	(33.48)	-	(33.48)
-Impact on account of Ind AS 116 – Leases	-	(0.21)	-	(0.75)	(0.96)
-Liability for expenses	(12.93)	1.35	-	-	(11.58)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(82.25)	(50.92)	-	-	(133.17)
Net Deferred tax (assets)	**(1,849.49)**	**384.43**	**(34.68)**	**(0.75)**	**(1,500.49)**
Net deferred tax liability/(assets)	**(1,690.04)**	**308.05**	**(34.68)**	**(0.75)**	**(1,417.42)**

(d) Major components of Deferred Tax Liabilities and Deferred Tax Assets:

₹ in Crores

Particulars	Deferred tax liabilities/(assets) as at 01-04-2020	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities/(assets) as at 31-3-2021
Deferred tax liabilities:					-
Interest income recognised on Stage 3 Loans	51.83	(8.07)	-	-	43.76
Unamortised Borrowing Cost	3.20	(0.85)	-	-	2.35
-Deduction under Secion 36(1)(viia)	28.15	(0.43)	-	-	27.72
Net Deferred tax liabilities:	**83.18**	**(9.35)**	**-**	**-**	**73.83**
Particulars	**Deferred tax liabilities/(assets) as at 01-04-2020**	**Charge/(credit) to Statement of Profit and Loss**	**Charge/(credit) to Other comprehensive income**	**Retained Earnings**	**Deferred tax liabilities/(assets) as at 31-3-2021**
Deferred tax (assets):					
-Provision on Loans assets based on Expected Credit loss	(1,212.69)	(146.29)	-	-	(1,358.98)
- Provision on trade receivables	(2.21)	1.34			(0.87)
- Amortisation of Processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(8.91)	3.37	-	-	(5.54)
-Fair value of investments	(88.14)	(35.22)	-	-	(123.36)
- Defined benefit obligation (Gratuity and Leave encashment)	(7.92)	0.52	0.27	-	(7.13)
- Amortisation of expenditure incurred for amalgamation	(1.43)	2.78	-	(15.58)	(14.23)
- Fair valuation of derivative financial instrument	(33.48)	-	(0.74)	-	(34.22)
- Impact on account of Ind AS 116 – Leases	(0.96)	(0.15)	-	-	(1.11)
- Liability for expenses	(11.58)	(12.78)	-		(24.36)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(133.17)	46.26	-	-	(86.91)
-Other items giving rise to temporary differences	(0.11)	(1.37)	-	-	(1.48)
Net Deferred tax (assets):	**(1,500.60)**	**(141.54)**	**(0.47)**	**(15.58)**	**(1,658.19)**
Net deferred tax liability/(assets)	**(1,417.42)**	**(150.89)**	**(0.47)**	**(15.58)**	**(1,584.36)**

(d) Major components of Deferred Tax Liabilities and Deferred Tax Assets:

₹ in Crores

Particulars	Deferred tax liabilities/(assets) as at 01-04-2021	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Retained Earnings	Deferred tax liabilities/(assets) as at 31-3-2022
Deferred tax liabilities:					-
Interest income recognised on Stage 3 Loans	43.76	(21.65)	-	-	22.11
Unamortised Borrowing Cost	2.35	(1.29)	-	-	1.06
-Deduction under Secion 36(1)(viia)	27.72	(27.72)	-	-	(0.00)
Deferred tax liabilities:	**73.83**	**(50.66)**	**-**	**-**	**23.17**
Particulars	**Deferred tax liabilities/(assets) as at 01-04-2021**	**Charge/(credit) to Statement of Profit and Loss**	**Charge/(credit) to Other comprehensive income**	**Retained Earnings**	**Deferred tax liabilities/(assets) as at 31-3-2022**
Deferred tax (assets):					
-Provision on Loans assets based on Expected Credit loss	(1,358.98)	284.84	-	-	(1,074.14)
- Provision on trade receivables	(0.87)	1.59			0.72
- Amortisation of Processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(5.54)	1.88	-	-	(3.66)
-Fair value of investments	(123.36)	(62.91)	-	-	(186.27)
- Defined benefit obligation (Gratuity and Leave encashment)	(7.13)	(0.11)	0.50	-	(6.74)
- Amortisation of expenditure incurred for amalgamation	(14.23)	(2.98)	-	3.90	(13.31)
- Fair valuation of derivative financial instrument	(34.22)	-	13.22	-	(21.00)
- Impact on account of Ind AS 116 – Leases	(1.11)	(2.65)	-	-	(3.76)
- Liability for expenses	(24.36)	(6.07)	-	-	(30.43)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(86.91)	2.61	-	-	(84.30)
-Unutilised MAT credit	-	-	-	-	-
-Other items giving rise to temporary differences	(1.48)	-	-	-	(1.48)
Deferred tax (assets):	**(1,658.19)**	**216.19**	**13.72**	**3.90**	**(1,424.37)**
Net deferred tax liability/(assets)	**(1,584.36)**	**165.53**	**13.72**	**3.90**	**(1,401.21)**

L&T Finance Limited
Reformatted standalone notes forming part of the financial statements

Note: 51 **The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by Reserve Bank of India vide circular no. RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended (the "RBI Master Directions").**

The disclosures as required by the RBI Master Directions has been prepared as per Indian Accounting Standards as mentioned in RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

The figures for the year ended Mar 31, 2021 and Mar 31, 2022 under the disclosure as required in RBI Master Directions represents the figures of the Amalgamated Company from the appointed date April 01, 2020. The figures for the year ended Mar 31, 2020 are same as disclosed in the previous year audited financial Statement of the company, hence figures for the ended March 31, 2022 and March 31, 21 are not comparable with figures for the ended March 31,2020.

51.1 Capital :

₹ in crore

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
i)	CRAR (%)	20.77%	20.54%	18.31%
ii)	CRAR - Tier I Capital (%)	17.86%	17.00%	15.87%
iii)	CRAR - Tier II Capital (%)	2.91%	3.54%	2.44%
iv)	Amount of subordinated debt raised as Tier-II capital* *(Repaid during the year ₹ 200 crore , previous year ₹ 186.00 crore)#*	2,893.20	2,891.88	885.88
v)	Amount raised by issue of Perpetual Debt Instruments *(Raised during the year ₹ Nil, previous year ₹ Nil)*	404.39	609.71	255.87
vi)	Percentage of the amount of Perpetual Debt Instruments of the amount of its Tier I Capital	2.73%	4.38%	3.36%

* Discounted value of ₹ 1412.72 crore for FY 21-22 ,₹ 1,909.25 crore for FY 20-21 and ₹ 637.29 crore for FY 19-20 considered for Tier II capital against the book value of ₹ 2893.20 crore for FY 2021-22, ₹2891.88 crore for FY 2020-21 and ₹ 885.88 crore for the FY 2019-20.

\# Subordinated debt balance as at March 31, 2021 includes amount of ₹ 1,808.76 crore transferred from erstwhile L&T Infrastructure Finance Company Limited and erstwhile L&T Housing Finance Limited on amalgamation.

& Perpetual Debt Instruments balance as at March 31, 2021 includes amount of ₹ 353.41 crore transferred from erstwhile L&T Infrastructure Finance Company Limited and erstwhile L&T Housing Finance Limited on amalgamation

51.2 Investments :

₹ in crore

	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(1)	**Value of Investments**			
	(i) Gross Value of Investments			
	(a) In India	9,311.02	8,828.86	3,328.04
	(b) Outside India		-	
	(ii) Provisions for Depreciation*			
	(a) In India	7.07	401.85	250.59
	(b) Outside India		-	
	(iii) Net Value of Investments			
	(a) In India	9,303.95	8,427.01	3,077.45
	(b) Outside India	-	-	-
(2)	**Movement of provisions held towards depreciation on investments***			
	(i) Opening balance	401.85	250.59	-
	(ii) Add : Provisions made during the year		151.26	250.59
	(iii) Less : Write-off / write-back of excess provisions during the year	(394.78)	-	-
	(iv) Closing balance	7.07	401.85	250.59

*Provision for depreciation on Investments includes provision towards impairment of financial instruments.

51.3 Derivatives :

I) Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

₹ in crore

	Particulars	2021-22	2020-21	2019-20
(i)	The notional principal of swap agreements	3,014.34	3,114.34	2,588.58
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	204.04	32.60	141.74
(iii)	Collateral required by the NBFC upon entering into swaps		-	-
(iv)	Concentration of credit risk arising from the swaps		-	-
(v)	The fair value of the swap book	204.04	32.60	141.74

II) Exchange Traded Interest Rate (IR) Derivatives: The Company has not traded in Interest Rate Derivative during the financial year ended March 31,2022 (FY 2020-21: NIL, FY 2019-20: NIL).

III) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company has a Treasury Risk Management Policy approved by the Assets Liability Committee and the Board. This policy provides the framework for managing various risks including interest rate risk and currency risk. The policy provides for use of derivative instruments in managing the risks.

The Company has sourced External Commercial Borrowing and Term loan from bank - FCNR in foreign currency. The same has been hedged as required by RBI.

Quantitative Disclosures **₹ in crore**

Particulars		2021-22	
		Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional principal amount)	3,014.34	-
(ii)	Market to Market position	204.04	-
	(a) Asset (+)	204.04	-
	(b) Liability (-)	-	-
(iii)	Credit exposure	-	-
(iv)	Unhedged exposure	-	-

Quantitative Disclosures **₹ in crore**

Particulars		2020-21	
		Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional principal amount)	3,114.34	-
(ii)	Market to Market position	32.60	-
	(a) Asset (+)	44.07	-
	(b) Liability (-)	(11.47)	-
(iii)	Credit exposure	129.85	-
(iv)	Unhedged exposure	-	-

51.4 Securitisation:

I) The information on securitisation of the Company as an originator in respect of outstanding amount of securitised assets is given below:

₹ in crore

	Particulars	No. / Amount	
		As at March 31, 2021	As at March 31, 2020
1	No of SPVs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	-	-
2	Total amount of securitised assets as per books of the SPEs	-	-
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	-	-
	a) Off-balance sheet exposures	-	-
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures	-	-
	First loss	-	-
	Others	-	-
4	Amount of exposures to securitisation transactions other than MRR	-	-
	a) Off-balance sheet exposures	-	-
	i) Exposure to own securitisations	-	-
	First loss	-	-
	Loss	-	-
	ii) Exposure to third party securitisations	-	-
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures	-	-
	i) Exposure to own securitisations	-	-
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations	-	-
	First loss	-	-
	Others	-	-

₹ in crore

	Particulars	No. / Amount
		As at March 31, 2022
1	No of SPVs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	-
2	Total amount of securitised assets as per books of the SPEs	-
3	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	-
	a) Off-balance sheet exposures	-
	First loss	-
	Others	-
	b) On-balance sheet exposures	-
	First loss	-
	Others	-
4	Amount of exposures to securitisation transactions other than MRR	-
	a) Off-balance sheet exposures	-
	i) Exposure to own securitisations	-
	First loss	-
	Loss	-
	ii) Exposure to third party securitisations	-
	First loss	-
	Others	-
	b) On-balance sheet exposures	-
	i) Exposure to own securitisations	-
	First loss	-
	Others	-
	ii) Exposure to third party securitisations	-
	First loss	-
	Others	-
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	-
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.	-
	(a) Amount paid	-
	(b) Repayment received	-
	(c) Outstanding amount	-
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-
10	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	-

II) Details of securitisation transactions undertaken by applicable NBFCs

There are no securitisation transactions during the FY 2021-22, FY 2020-21 and FY 2019-20. hence relevant disclosure is not applicable.

III) Details of Assignment transactions undertaken by applicable NBFCs

There are no assignment transactions during the FY 2021-22, FY 2020-21 and FY 2019-20. hence relevant disclosure is not applicable.

IV) Details of non-performing financial assets purchased/sold from/to NBFCs: During the FY 2021-22, FY 2020-21 and FY 2019-20 no non-performing financial assets has been purchased/sold from/to other NBFCs.

V) Disclosure of financials assets sold to securitisation company pursuant to RBI circular no RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021:

a) Asset sold to ARCs

₹ in crore

Sr No	Particulars	2020-21	2019-20
1	No. of accounts sold	1,767	534
2	Aggregate value (net of provisions) of accounts sold to SC/RC (₹ crores)	2,121.90	1,672.57
3	Aggregate consideration (₹ crore)	2,168.20	1,634.94
4	Additional consideration realized in respect of accounts transferred in earlier years (₹ crore)	-	-
5	Aggregate Gain/(Loss) over net book value (₹ crores)	46.30	(37.63)

a) Asset sold to ARCs

₹ in crore

Sr No	Particulars	2021-22	
		NPA	SMA
1	No. of accounts sold	534	29
2	Aggregate principal outstanding of loans transferred (₹ crores)	3,031.77	156.88
3	Weighted average residual tenor of the loans transferred (months)	47.23	84.21
4	Net book value of loans transferred (at the time of transfer) (₹ crores)	1,555.90	172.23
5	Aggregate consideration (₹ crore)	1,574.52	171.48
6	Additional consideration realized in respect of accounts transferred in earlier years (₹ crores)	-	-

b) The company has not transferred any loan to other than ARCs FY 2021-22: NIL, FY 2020-21: NIL.

c) The company has not acquired any stressed assets during the FY 2021-22: NIL, FY 2020-21: NIL.

d) During the FY 2021-22 provisions of ₹ 2,188.69 crore (FY 2020-21- ₹384.03 crores) reversed to the profit and loss account on accounts of sale of stressed loans.

e) Security Receipts (SRs) rating for the transactions during the period:

Particulars	2021-22	
	Rating Agency	Rating
Phoenix Trust-FY22-7#	NA	NA
ARCIL-CPS-I-Trust#	Brickworks ratings	BWRR2-(100%)
ACRE 109 TRUST#	Brickworks ratings	RR1-(100%-150%)
Phoenix Trust-FY22-16#	NA	NA
Arcil-AST- IX Trust	Brickworks ratings	BWRR1 (100%)
ARCIL-CPS-I-Trust	Brickworks ratings	BWRR2 (100%)
ARCIL-AST-065-I-Trust	Brickworks ratings	BWRR2 (0%)
CFMARC Trust 67	Infomerics Valuation And Rating	IVR RR1 (100-150%)
CFMARC Trust 73	Infomerics Valuation And Rating	IVR RR1 (100-150%)
CFMARC Trust 74	Infomerics Valuation And Rating	IVR RR1 (100-150%)
CFMARC Trust 76	Infomerics Valuation And Rating	IVR RR1 (100-150%)
PEGASUS GROUP THIRTY EIGHT TRUST 1	ICRA	RR2-(100%)

* The ratings of ARC trusts will be available subsequently as ratings of these trusts is a half yearly assessment process.
# These transactions were done during the financial year 2021-22.
The above disclosure was applicable from with effect from FY 2021-22. Hence details for FY 2020-21 and FY 2019-20 is not provided

f) The company has not acquired/transferred any loans which were "not in default" during the FY 2021-22 and FY 2020-21.

51.5 Exposures

(I) Exposure to Real Estate Sector

₹ in crore

	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
	(a) Direct Exposure			
(i)	**Residential Mortgages -**			
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	7,854.56	7,414.99	273.16
(ii)	**Commercial Real Estate -**			
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	14,018.41	16,935.91	9,495.86
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -			
	a. Residential	3,720.82	3,697.89	-
	b. Commercial Real Estate	217.16	178.65	1,066.06
	Total Direct Exposure to Real Estate Sector (a)	**25,810.95**	**28,227.44**	**10,835.08**
	(b) Indirect Exposure			
	a. Fund Based and non-fund based exposures on NHB / HFCs	-	536.55	536.55
	b. Any other	43.18	43.97	
	Total Indirect Exposure to Real Estate Sector (b)	**43.18**	**580.52**	**536.55**
	Total Exposure to Real Estate Sector (a+b)	**25,854.13**	**28,807.96**	**11,371.63**

Footnote:
1. Undisbursed commitments are considered as NIL on account of conditions precedent to disbursements.
2. Loan against property is entirely clubbed in Commercial Real Estate exposure.

(II) Exposure to Capital Market

₹ in crore

	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	1,762.01	1,753.59	377.09
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	508.44	1,385.20
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds/ convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	173.83	
(vii)	bridge loans to companies against expected equity flows / issues;	-	-	
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	299.26	275.20	137.78
	Total Exposure to Capital Market	**2,061.27**	**2,711.06**	**1,900.07**

(III) Details of financing of parent company products: FY 2021-22 : Nil, FY 2020-21 : NIL and FY 2019-20: NIL

(IV) Single Borrower Limit (SBL) or Group Borrower Limit (GBL) as prescribed by the RBI.

The company has not exceeded the Single Borrower Limit (SBL) or Group Borrower Limit (GBL) as prescribed by the RBI based on the net owned funds as on March 31, 2021 and March 31, 2020 computed post giving effect of Merger mentioned in Note 45.

(V) Unsecured Advances (net off provision):

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Term loans	12,875.85	12,516.15	12,753.23
Debentures	-	76.44	255.57
Personal Loans	2,256.95	705.63	152.39
Total	**15,132.80**	**13,298.22**	**13,161.19**

Note : There are no advances outstanding as on 31st March 2022 against which intangible securities has been taken as collateral. (FY 2020-21: Nil, FY 2019-20: Nil)

51.6 Miscellaneous

(I) Registration obtained from other financial sector regulators : No registration has been obtained from other financial sector regulators.

(II) Penalties imposed by RBI and other regulators : No penalties have been imposed by RBI or other regulators during the FY 2021-22, FY 2020-21 and FY 2019-20.

(III) Ratings assigned by credit rating agencies and migration of ratings during the year

Particular		2021-2022				2020-2021*				2019-2020			
		CRISIL	CARE	ICRA	IRRA	CRISIL	CARE	ICRA	IRRA	CRISIL	CARE	ICRA	IRA
(i)	Commercial Paper	CRISIL A1+	CARE A1+	ICRA A1+	Not Rated	CRISIL A1+	CARE A1+	ICRA A1+	Not Rated	CRISIL A1+	CARE A1+	ICRA A1+	Not Rated
(ii)	Non-Convertible Debentures	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	IND AAA (Stable)	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)
(iii)	Long term Bank facilities	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	IND AAA (Stable)	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	Not Rated
(iv)	Subordinate Debts	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	IND AAA (Stable)	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)	Not Rated	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)
(v)	Perpetual Debt	Not Rated	CARE AA+ (Stable)	ICRA AA+ (Stable)	Not Rated	Not Rated	CARE AA+ (Stable)	ICRA AA+ (Negative)	Not Rated	Not Rated	CARE AA+ (Stable)	ICRA AA+ (Negative)	Not Rated
(vi)	Non-Convertible Debentures(Public Issue)	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	IND AAA (Stable)	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)
(vii)	Principal Protected Market-Linked Debenture	Not Rated	CARE PP-MLD AAA (Stable)	PP-MLD ICRA AAA (Stable)	IND PP-MLD AAA emr/(Stable)	Not Rated	CARE PP-MLD AAA (Stable)	PP-MLD ICRA AAA (Negative)	IND PP-MLD AAA emr/(Stable)	Not Rated	CARE PP-MLD AAA (Stable)	PP-MLD ICRA AAA (Negative)	Not Rated

*Credit ratings are based on ratings assigned by credit ratings agencies as a result of merger as mentioned in note 45, obtained after approval of scheme .

(V) Postponements of revenue recognition: FY 2021-22: NIL (FY 2020-21 : NIL, FY 2019-20: NIL)

51.7 Provisions and Contingencies :

(I) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

₹ in crore

Particulars	2020-2021*	2019-2020
Provision for depreciation on investments	151.26	250.59
Provision on loan assets*	451.00	669.94
Provision on trade receivable	(16.41)	8.77
Provision made towards Income tax		
Current Tax	481.77	507.92
Deferred Tax (included impact of change in the rate on opening deferred tax)	(150.89)	(60.25)
Other provision and contingencies (with details)		
Loss on foreclosure of loans	2,626.54	1,069.71

* Provision on loan assets and Provision for depreciation on Investments is considered as allowance for impairment loss on financial instruments.

₹ in crore

Particulars	2021-2022
Provision for depreciation on investments	(394.77)
Provision towards NPA	(2,386.13)

Provision made towards Income tax	283.89
Other Provision and Contingencies (with details)**	3,836.45
Provision for Standard Assets	906.25

* Provision on loan assets and Provision for depreciation on Investments is considered as allowance for impairment loss on financial instruments.

** Includes loans written off/foreclosure during the year and provision on trade receivables

(II) **Drawn down from reserves:** No draw down from reserves during the FY 2021-22, FY 2020-21 and FY 2019-20.

51.8 Concentration of Advances, Exposures and NPAs

(I) Concentration of Advances

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Total Advances to twenty largest borrowers	17,583.66	14,591.22	9,321.67
Percentage of advances to twenty largest borrowers to total advances of the Company	21.50%	17.37%	20.07%

(II) Concentration of Exposures

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Total Exposure to twenty largest borrowers / customers#	20,740.26	17,664.02	10,622.73
Percentage of total exposure to twenty largest borrowers / customers to total exposure of the Company on borrowers / customers #	23.32%	19.31%	20.96%

Undisbursed commitments are considered as NIL on account of conditions precedent to disbursements.

(III) Concentration of NPA

₹ in crore

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Total Exposure to top four NPA accounts	1,076.43	1,050.57	1,087.12

(IV) Sector-wise NPAs

	Particulars	Percentage to Total Advances in that Sector		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
1	Agriculture & allied activities	3.85%	3.37%	4.51%
2	MSME	0.00%	0.00%	0.00%
3	Corporate borrowers	5.10%	8.77%	10.17%
4	Services	0.00%	0.00%	0.00%
5	Unsecured personal loans	1.46%	2.62%	0.09%
6	Auto loans	4.82%	5.26%	5.15%
7	Other personal loans	3.74%	3.59%	3.03%

51.9 Movement of NPAs

₹ in crore

	Particulars	2021-22	2020-21	2019-20
(i)	Net NPAs to Net Advances (%)	2.10%	1.93%	2.61%
(ii)	Movement of NPAs (Gross)			
	(a) Opening balance	5,365.65	2,991.12	1,845.98
	(b) Transferred of erstwhile L&T Infrastructure Finance Company Limited and erstwhile L&T Housing Finance Limited on amalgamation	-	3,071.00	-
	(c) Additions during the year	4,121.13	2,657.83	2,787.38
	(d) Reductions during the year	5,944.19	3,354.30	1,642.24
	(e) Closing balance	3,542.59	5,365.65	2,991.12
(iii)	Movement of Net NPAs			
	(a) Opening balance	1,545.05	1,164.99	607.25
	(b) Transferred of erstwhile L&T Infrastructure Finance Company Limited and erstwhile L&T Housing Finance Limited on amalgamation	-	1,112.32	-
	(c) Additions during the year	1,809.75	65.65	1,100.76
	(d) Reductions during the year	1,677.08	797.91	543.02
	(e) Closing balance	1,677.72	1,545.05	1,164.99
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)	-		
	(a) Opening balance	3,820.60	1,826.13	1,238.73
	(b) Transferred of erstwhile L&T Infrastructure Finance Company Limited and erstwhile L&T Housing Finance Limited on amalgamation	-	1,958.68	-
	(c) Provisions made during the year	2,311.38	2,592.18	1,686.62
	(d) Write-off / write-back of excess provisions	4,267.11	2,556.39	1,099.22
	(e) Closing balance	1,864.87	3,820.60	1,826.13

Note: Above numbers are based on quarterly movement.

51.10 Disclosure of customer complaints

	Particulars	2021-22	2020-21	F.Y. 2019-20
(i)	No. of complaints pending at the beginning of the year	40	23	26
(ii)	Transferred of erstwhile L&T Infrastructure Finance Company Limited and erstwhile L&T Housing Finance Limited on amalgamation	-	2	-
(iii)	No. of complaints received during the year	610	1,610	1,552
(iv)	No. of complaints redressed during the year	649	1,595	1,555
(v)	No. of complaints pending at the end of the year	1	40	23

51.11 Resolution of stressed assets

During the year ended March 31, 2022, the Company has not implemented resolution plan under the prudential framework for stressed assets issued by RBI vide circular no RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019.

51.12 Disclosure on Resolution Framework – 1.0: Resolution Framework for COVID-19-related Stress in terms of RBI circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 ("Resolution Framework – 1.0"):

Format B:

(₹ in crore)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year 30th Sept, 2022***	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Of (A) amount paid by borrowers during half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year 31st March, 2022***
	(A)	(B)	(C)	(D)	(D)	(E)
Personal Loans	2,020.71	7.26	-	124.53	124.53	2,027.35
Corporate persons*/**	748.78	4.44	-	6.88	6.88	769.48
Of which, MSMEs	-	-	-	-		
Others	-	-	-	-		
Total	**2,769.49**	**11.70**	-	**131.41**	**131.41**	**2,796.83**

**As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.*

** includes restructuring implemented during the quarter ended June 2021 and September 21 under the Resolution Framework 1.0 and 2.0

*** includes additional disbursement post implementation and interest accrued.

Format B:

(₹ in crore)

Type of borrower	Number of accounts where resolution plan has been implemented under this window	exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
	(A)	(B)	(C)	(D)	(E)
Personal Loans	1,010.00	285.06	-	-	13.47
Corporate persons*/**	9.00	285.05	-	-	19.81
Of which, MSMEs	-	-	-	-	
Others	-	-	-	-	
Total	**1,019.00**	**570.11**	-	**-**	**33.28**

**As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.*

As per "Resolution Framework for COVID-19-related Stress" Resolution may be invoked not later than December 31, 2020 and must be implemented within 180 days from the date of invocation. As on March 31, 2021, resolution is invoked for four customer having exposure of ₹ 542.43 crore but not implemented till March 31, 2021

51.13 Disclosures on the Scheme for Sustainable Structuring of Stressed Assets (S4A), in terms of RBI circular DBR.No.BP.BC.33/21.04.132/2016-17 dated November 10, 2016

₹ in crore

Year	No. of accounts where S4A has been applied	Aggregate amount outstanding	Amount outstanding		Provision Held
			In Part A	In Part B	
	Classified as Standard				
FY 2019-20	-	-	-	-	-
FY 2020-21	-	-	-	-	-
	Classified as NPA				
FY 2019-20	1.00	16.13	-	16.13	9.15
FY 2020-21*	2.00	249.53	134.96	114.58	194.67

*Included cases transferred from erstwhile L&T Infrastructure Finance Company Limited and erstwhile L&THousing Finance Limited on amalgamation

51.14 Disclosures on COVID19 Regulatory Package - Asset Classification and Provisioning, in terms of RBI circular RBI/2019-20/220/DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020 ("RBI Circular")

₹ in crore

Period	Respective amounts in SMA/overdue categories, where the moratorium/ deferment was extended, in terms of paragraph 2 and 3 of RBI Circular	Respective amount where asset classification benefits is extended	Provisions made in terms of paragraph 5 of RBI Circular	Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6 of RBI Circular
FY 2020-21	4,826.69	4,826.69	482.67	482.67
FY 2019-20	2,409.80	2,409.80	120.49	NA

As required under Para 2 of the RBI Circular, in respect of all accounts classified as standard as on February 29, 2020, even if overdue, the moratorium period, wherever granted, shall be excluded by the lending institutions from the number of days past-due for the purpose of asset classification under the Income Recognition and Asset Classification norms ("IRAC norms")
However certain accounts which were Non Performing Assets as on February 29, 2020 as per IRAC norms and become standard due to subsequent receipt of instalments, are also covered in above criteria and consequently, the provisions of para 2 and para 5 of the RBI circular are applied on such accounts.
Further certain accounts can be excluded where subsequent receipt of all the instalments that had fallen due prior to February 29, 2020 resulted in the 'updated' number of days past-due as on February 29, 2020 to zero. Consequently, the provisions of para 2 and para 5 of the RBI circular are not required to be applied on such accounts.

51.15 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

₹ in crore

March 31, 2022	1-7 Days	8-14 Days	15 days to 30/31 days (One month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	**-**
Advances (gross)	1,275.47	508.45	514.76	2,237.36	3,190.66	7,011.02	17,568.87	21,586.94	10,544.37	17,114.75	**81,552.64**
Investments (net)	-	665.94	1,296.87	-	-	-	906.09	-	-	6,408.64	**9,277.54**
Borrowings*	544.99	1,447.07	459.00	1,907.19	2,395.93	6,210.39	14,250.74	38,836.15	6,108.42	4,784.43	**76,944.31**
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	**-**
Foreign Currency liabilities*	-	-	-	-	1,037.70	686.33	425.76	864.55	-	-	**3,014.34**

* Including ECB and FCNR loan

₹ in crore

March 31, 2021	1 day to 30/31 days (One month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	**-**
Advances (gross)	1,986.45	2,007.30	2,611.52	6,124.56	16,155.56	20,908.96	11,482.12	21,568.73	**82,845.20**
Investments (net)	1,866.73	-	-	-	685.13		556.35	5,318.79	**8,427.00**
Borrowings*	2,072.00	1,976.67	2,241.06	4,289.80	10,630.90	42,317.42	8,318.74	5,369.64	**77,216.23**
Foreign Currency assets	-	-	-	-	-	-	-	-	**-**
Foreign Currency liabilities*	-	-	100.00	-	-	2,149.79	864.55	-	**3,114.34**

* Including ECB loan and FCNR loan

₹ in crore

March 31, 2020	1 day to 30/31 days (One month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	**-**
Advances (gross)	308.71	365.90	2,556.10	4,722.18	10,223.29	15,564.18	7,071.18	5,055.57	**45,867.11**
Investments (gross)	35.10	-	-	-	819.29	-	-	2,630.11	**3,484.50**
Borrowings*	1,120.00	2,021.64	1,711.97	1,782.10	4,927.12	23,243.05	5,334.73	2,266.04	**42,406.65**
Foreign Currency assets	-	-	-	-	-	-	-	-	**-**
Foreign Currency liabilities*	-	-	-	-	-	1,724.03	864.55	-	**2,588.58**

* Including ECB loan

footnote: The above bucketing has been arrived at based on the extant regulatory guidelines and the policy approved by the Board of Directors at its meeting held on March 25, 2021 for FY 2021-22 & FY 2020-21 and March, 20, 2020 for FY 2019-20 and relied upon by the auditors.

L&T Finance Limited
Reformatted standalone notes forming part of the financial statements

Note : 51.16

Disclosures on Implementation of Indian Accounting Standards, in terms of RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

March 31, 2022

₹ in crore

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS as on March 31, 2022*	Loss Allowances (Provisions) as required under Ind AS 109 as on March 31, 2022*	Net Carrying Amount as on March 31, 2022	Provisions required as per IRACP norms as on March 31, 2022	Difference between Ind AS 109 provisions and IRACP norms as on March 31, 2022
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	65,573.59	1,185.89	64,387.70	266.79	919.10
	Stage 2	12,682.61	1,217.58	11,465.03	867.45	350.14
Subtotal of Performing Assets		**78,256.20**	**2,403.47**	**75,852.73**	**1,134.24**	**1,269.24**
Non-Performing Assets (NPA)						
Substandard	Stage 3	3,154.18	1,526.36	1,627.82	293.02	1,233.34
Doubtful - up to 1 year	Stage 3	217.61	166.85	50.76	89.26	77.59
1 to 3 years	Stage 3	168.70	147.72	20.97	40.46	107.26
More than 3 years	Stage 3	2.09	2.09	-	1.40	0.68
Subtotal of Non-Performing Assets		**3,542.58**	**1,843.02**	**1,699.56**	**424.15**	**1,418.87**
Loss	Stage 3	-	-	-	-	-
Subtotal		**81,798.78**	**4,246.49**	**77,552.29**	**1,558.39**	**2,688.11**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
Non fund base exposure	Stage 1	473.17	1.38	471.79	-	1.38
	Stage 2	-	-	-	-	-
	Stage 3	56.00	21.84	34.16	-	21.84
Subtotal		**529.17**	**23.23**	**505.94**	**-**	**23.22**
Total	**Stage 1**	**66,046.75**	**1,187.27**	**64,859.49**	**266.79**	**920.48**
	Stage 2	**12,682.61**	**1,217.58**	**11,465.03**	**867.45**	**350.14**
	Stage 3	**3,598.58**	**1,864.87**	**1,733.71**	**424.15**	**1,440.71**
	Total	**82,327.95**	**4,269.72**	**78,058.23**	**1,558.38**	**2,711.33**

* includes loans classified as Fair value through Profit & Loss (FVTPL).

L&T Finance Limited

Reformatted standalone notes forming part of the financial statements

Note : 51.16

Disclosures on Implementation of Indian Accounting Standards, in terms of RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

March 31, 2021

₹ in crore

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS as on March 31, 2021*	Loss Allowances (Provisions) as required under Ind AS 109 as on March 31, 2021*	Net Carrying Amount as on March 31, 2021	Provisions required as per IRACP norms as on 31, 2021	Difference between Ind AS 109 provisions and IRACP norms as on 31, 2021
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	71,379.55	1,158.03	70,221.52	285.81	872.22
	Stage 2	7,249.94	421.56	6,828.38	134.56	287.00
Subtotal of Performing Assets		**78,629.49**	**1,579.59**	**77,049.90**	**420.37**	**1,159.22**
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,552.51	990.50	562.01	145.74	844.76
Doubtful - up to 1 year	Stage 3	639.60	293.59	346.01	111.50	182.09
1 to 3 years	Stage 3	2,264.89	1,691.27	573.62	1,171.28	519.99
More than 3 years	Stage 3	908.65	823.40	85.25	567.21	256.19
Subtotal of Non-Performing Assets		**5,365.65**	**3,798.76**	**1,566.89**	**1,995.73**	**1,803.03**
Loss	Stage 3	-	-	-	-	-
Subtotal		**83,995.14**	**5,378.35**	**78,616.79**	**2,416.10**	**2,962.25**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
Non fund base exposure	Stage 1	284.17	1.31	282.86	-	1.31
	Stage 2	-	-	-	-	-
	Stage 3	56.00	21.84	34.16	-	21.84
Subtotal		**340.17**	**23.15**	**317.02**	**-**	**23.15**
Total	**Stage 1**	**71,663.72**	**1,159.34**	**70,504.38**	**285.81**	**873.53**
	Stage 2	**7,249.94**	**421.56**	**6,828.38**	**134.56**	**287.00**
	Stage 3	**5,421.65**	**3,820.60**	**1,601.05**	**1,995.73**	**1,824.87**
	Total	**84,335.31**	**5,401.50**	**78,933.81**	**2,416.10**	**2,985.40**

* includes loans classified as Fair value through Profit & Loss (FVTPL).

Footnote: As per para 2(b) of RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020, Where impairment allowance under Ind AS 109 is lower than the provisioning required under Income Recognition, Asset Classification and Provisioning (IRACP) (including standard asset provisioning), NBFCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. However total IND AS 109 impairment allowance is higher by ` 2,985.40 crore as compare to IRACP, hence appropriation to impairment reserve is not required.

Note 51.16

Disclosures on Implementation of Indian Accounting Standards, in terms of RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

₹ in crore

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS as on March 31, 2020*	Loss Allowances (Provisions) as required under Ind AS 109 as on March 31, 2020*	Net Carrying Amount as on March 31, 2020	Provisions required as per IRACP norms as on 31, 2020	Difference between Ind AS 109 provisions and IRACP norms as on 31, 2020
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	41,027.94	554.41	40,473.53	247.67	306.74
	Stage 2	2,433.61	177.80	2,255.81	42.39	135.41
Subtotal of Performing Assets		**43,461.55**	**732.21**	**42,729.34**	**290.06**	**442.15**
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,124.52	1,132.31	992.21	283.05	849.26
Doubtful - up to 1 year	Stage 3	291.33	211.79	79.54	156.18	55.61
1 to 3 years	Stage 3	504.84	412.85	91.99	328.33	84.52
More than 3 years	Stage 3	70.43	69.18	1.25	51.60	17.58
Subtotal of Non-Performing Assets		**2,991.12**	**1,826.13**	**1,164.99**	**819.16**	**1,006.97**
Loss	Stage 3	-	-	-	-	-
Subtotal		**46,452.67**	**2,558.34**	**43,894.33**	**1,109.22**	**1,449.12**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
Non fund base exposure	Stage 1	842.32	3.11	839.21	-	3.11
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**842.32**	**3.11**	**839.21**	**-**	**3.11**
Total	**Stage 1**	**41,870.26**	**557.52**	**41,312.74**	**247.67**	**309.85**
	Stage 2	**2,433.61**	**177.80**	**2,255.81**	**42.39**	**135.41**
	Stage 3	**2,991.12**	**1,826.13**	**1,164.99**	**819.16**	**1,006.97**
	Total	**47,294.99**	**2,561.45**	**44,733.54**	**1,109.22**	**1,452.23**

51.17 Details of restructured accounts as on March 31, 2020

₹ in crore

Type of Restructuring			Under CDR Mechanism					Others					Total				
Asset Classification			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1, 2019	No. of borrowers	-	-	1	-	1	1,981	340	149	-	2,470	1,981	340	150	-	2,471
		Amount outstanding Restructured facility only	-	-	17.03	-	17.03	68.48	36.00	83.05	-	187.53	68.48	36.00	100.08	-	204.56
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	6.58	-	6.58	10.00	9.88	52.88	-	72.76	10.00	9.88	59.46	-	79.34
2	Movement in balance for accounts appearing under opening balance	No. of borrowers	-	-	1	-	1	1,981	340	149	-	2,470	1,981	340	150	-	2,471
		Amount outstanding Restructured facility only	-	-	(17.03)	-	(17.03)	(17.98)	(32.13)	0.63	-	(49.48)	(17.98)	(32.13)	(16.40)	-	(66.51)
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	(6.58)	-	(6.58)	0.47	(7.29)	1.33	-	(5.49)	0.47	(7.29)	(5.25)	-	(12.07)
3	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	32	(31)	(1)	-	-	32	(31)	(1)	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	0.55	(0.54)	(0.01)	-	-	0.55	(0.54)	(0.01)	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	0.01	(0.01)	-	-	-	0.01	(0.01)	-	-	-
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	(237)	150	87	-	-	(237)	150	87	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	(29.67)	27.43	2.24	-	-	(29.67)	27.43	2.24	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	(10.32)	8.08	2.24	-	-	(10.32)	8.08	2.24	-	-
7	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Restructured Accounts as on March 31, 2020	No. of borrowers	-	-	-	-	-	1,296	294	170	-	1,760	1,296	294	170	-	1,760
		Amount outstanding Restructured facility only	-	-	-	-	-	21.38	30.76	85.91	-	138.05	21.38	30.76	85.91	-	138.05
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	0.16	10.66	56.45	-	67.27	0.16	10.66	56.45	-	67.27

Note: Asset classification is as required under Master Direction - Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended, as asset classification is not defined under Indian Accounting Standards.

51.17 Details of restructured accounts as on March 31, 2021

₹ in crore

Type of Restructuring			Under CDR Mechanism					Others					Total				
Asset Classification			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1, 2020	No. of borrowers	-	-	-	-	-	1,296	294	170	-	1,760	1,296	294	170	-	1,760
		Amount outstanding Restructured facility only	-	-	-	-	-	21.38	30.76	85.91	-	138.05	21.38	30.76	85.91	-	138.05
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	0.16	10.66	56.45	-	67.27	0.16	10.66	56.45	-	67.27
2	Transferred of erstwhile L&T Infrastructure Finance Company Limited and erstwhile L&T Housing Finance Limited on amalgamation	No. of borrowers	-	-	4	-	4	2	1	4	-	7.00	2.00	1.00	8.00	-	11.00
		Amount outstanding Restructured facility only	-	-	542.21	-	542.21	99.36	-	279.57	-	378.93	99.36	-	821.78	-	921.14
		Amount outstanding other facility	-	-	18.40	-	18.40	24.32	3.75	206.91	-	234.99	24.32	3.75	225.31	-	253.38
		Provision thereon	-	-	414.65	-	414.65	13.33	1.59	164.83	-	179.75	13.33	1.59	579.47	-	594.39
3	Movement in balance for accounts appearing under opening balance	No. of borrowers	-	-	4	-	4	1,298.00	294.00	175.00	-	1,767	1,298	294	179	-	1,771
		Amount outstanding Restructured facility only	-	-	14.72	-	14.72	(6.01)	(1.81)	19.31	-	11.49	(6.01)	(1.81)	34.03	-	26.21
		Amount outstanding other facility	-	-	0.44	-	0.44	0.73	-	2.48	-	3.21	0.73	-	2.92	-	3.65
		Provision thereon	-	-	119.07	-	119.07	2.84	(0.59)	80.08	-	82.33	2.84	(0.59)	199.15	-	201.40
4	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	433	1	-	-	434.00	433.00	1	-	-	434.00
		Amount outstanding Restructured facility only	-	-	-	-	-	1,605.94	40.68	-	-	1,646.62	1,606	41	-	-	1,646.62
		Amount outstanding other facility	-	-	-	-	-	336.22	-	-	-	336.22	336	-	-	-	336.22
		Provision thereon	-	-	-	-	-	142.63	4.59	-	-	147.21	143	5	-	-	147.22
5	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	47	(47)	-	-	-	47	(47)	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	0.62	(0.62)	-	-	-	0.62	(0.62)	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	(79)	54	25	-	-	(79)	54	25	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	(1.29)	(26.20)	27.49	-	-	(1.29)	(26.20)	27.49	-	-
		Amount outstanding other facility	-	-	-	-	-	-	(3.75)	3.75	-	-	-	(3.75)	3.75	-	-
		Provision thereon	-	-	-	-	-	(0.56)	(10.63)	11.19	-	-	(0.56)	(10.63)	11.19	-	-
8	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	83.00	-	83.00	-	-	83	-	83.00
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	(2.83)	-	(2.83)	-	-	(2.83)	-	(2.83)
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	(2.76)	-	(2.76)	-	-	(2.76)	-	(2.76)
9	Restructured Accounts as on March 31, 2021	No. of borrowers	-	-	4	-	4	1,200	123	50	-	1,373	1,200	123	54	-	1,377
		Amount outstanding Restructured facility only	-	-	556.93	-	556.93	1,720.00	42.81	409.45	-	2,172.26	1,720.00	42.81	966.38	-	2,729.19
		Amount outstanding other facility	-	-	18.84	-	18.84	361.28	-	213.15	-	574.43	361.28	-	231.98	-	593.26
		Provision thereon	-	-	533.72	-	533.72	158.40	5.62	309.79	-	473.81	158.40	5.62	843.51	-	1,007.53

Note: Asset classification is as required under Master Direction - Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended, as asset classification is not defined under Indian Accounting Standards.

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Note : 51.18

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of paragraph 19 of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended)

Liabilities Side:

1. **Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**

₹ in crore

	Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a)	Debentures :						
	- Secured	28,327.60	-	31,380.80	-	14,062.08	-
	- Unsecured	3,297.59	-	3,501.59	-	1,141.75	-
	(Other than falling within the meaning of Public Deposits)*						
(b)	Deferred Credits						
(c)	Term Loans	18,746.60	-	18,818.59	-	13,748.49	-
(d)	Inter-Corporate Loans and borrowings	1,037.59	-	1,075.53	-	887.37	-
(e)	Commercial Paper (Net off unexpired discounting charges)	6,338.01	-	5,849.68	-	2,419.79	-
(f)	Public Deposits	-	-	-	-	-	-
(g)	Other Loans						
	i) Foreign Currency Loan	-	-	99.81	-	-	-
	ii) External commercial borrowings	4,121.00	-	3,989.00	-	2,874.92	-
	iii) Bank Overdraft, Cash credit & Working Capital Demand Loan	16,451.21	-	14,675.18	-	8,118.05	-
	iv) Corporate Bond Repo and Collateralized Borrowing and Lending Obligation	-	-	-	-	-	-

*** Refer footnote 1 below**

2. **Break-up of 1(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**

₹ in crore

	Particulars	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a)	In the form of Unsecured debentures	-	-	-	-	-	-
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-	-	-
(c)	Other public deposits	-	-	-	-	-	-

*** Refer footnote 1 below**

Assets Side:

3. **Break-up of Loans and Advances including bills receivables [Other than those included in (4) below] :**

₹ in crore

	Particulars	Amount Outstanding		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(a)	Secured (net of provision)	62,396.27	65,295.42	30,730.03
(b)	Unsecured (net of provision)	15,132.79	13,298.22	13,161.19

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4. Break-up of Leased Assets and Stock on Hire and hypothecation loans counting towards Asset Finance Company (AFC) activities

₹ in crore

Particulars		Amount Outstanding		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(i)	Lease assets including lease rentals under sundry debtors :			
	(a) Financial Lease	-	-	-
	(b) Operating Lease (net of provision)	-	-	-
(ii)	Stock on hire including hire charges under sundry debtors :			
	(a) Assets on Hire	-	-	-
	(b) Repossessed Assets	-	-	-
(iii)	Other loans counting towards AFC activities :			
	(a) Loans where assets have been repossessed	-	-	-
	(b) Loans other than (a) above	-	-	-

5. Break-up of Investments (net off diminution) :

₹ in crore

Particulars		Amount Outstanding		
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
Current Investments				
1	**Quoted**			
	(i) Shares :			
	(a) Equity	158.39	97.91	2.05
	(b) Preference	-	-	-
	(ii) Debentures and Bonds	729.31	578.80	-
	(iii) Units of Mutual Funds	665.94	400.07	-
	(iv) Government Securities	-	-	-
2	**Unquoted**			
	(i) Shares :			
	(a) Equity		-	
	(b) Preference	-	0.68	0.68
	(ii) Debentures and Bonds	-	31.23	858.90
	(iii) Units of Mutual Funds	-	-	5.02
	(iv) Government Securities	1,323.28	1,466.66	-
	(v) Investment in Units/Pass Through Certificates	0.91	0.94	7.09
Long Term Investments				
1	**Quoted**			
	(i) Shares :			
	(a) Equity	-	-	31.61
	(b) Preference	-	-	-
	(ii) Debentures and Bonds	-	-	-
	(iii) Units of Mutual Funds	-	-	-
	(iv) Government Securities	-	-	-
	(v) Others	-	-	-
2	**Unquoted**			
	(i) Shares :			
	(a) Equity	875.95	814.24	176.50
	(b) Preference	-	-	
	(ii) Debentures and Bonds	413.46	619.85	338.46
	(iii) Units of Mutual Funds	-	-	-
	(iv) Government Securities	-	-	-
	(v) Others :			
	(a) Security receipts	4,886.23	4,114.87	1,555.62
	(b) Investment in Units/Pass Through Certificates/Venture Capital Fund	250.48	301.76	101.52

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6. Borrower group-wise classification of assets financed as in (3) and (4) above (see footnote 2 below) :

₹ in crore

	Category	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
		Secured (net of provision)	Unsecured (net of provision)	Secured (net of provision)	Unsecured (net of provision)	Secured (net of provision)	Unsecured (net of provision)
1	Related Parties **						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
2	Other than related parties	62,396.27	15,132.79	65,295.42	13,298.22	30,730.03	13,161.19
	Total	**62,396.27**	**15,132.79**	**65,295.42**	**13,298.22**	**30,730.03**	**13,161.19**

** **As per Indian Accounting Standard issued by MCA (Please see footnote 3)**

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

₹ in crore

	Category	As at March 31, 2022		As at March 31, 2021		As at March 31, 2020	
		Market value/Breakup Value/ Fair Value / NAV	Book Value (Net of Provision)	Market value/Breakup Value/ Fair Value / NAV	Book Value (Net of Provision)	Market value/Breakup Value/ Fair Value / NAV	Book Value (Net of Provision)
1	Related Parties**						
	(a) Subsidiaries	702.64	702.64	723.76	723.76	-	-
	(b) Companies in the same group			-	-	-	-
	(c) Other related parties			-	-	176.50	176.50
2	Other than related parties	8,608.38	8,601.31	8,105.10	7,703.25	3,151.54	2,900.95
	Total	**9,311.02**	**9,303.95**	**8,828.86**	**8,427.01**	**3,328.04**	**3,077.45**

** **As per Indian Accounting Standard issued by MCA (Please see footnote 3)**

8. Other Information

₹ in crore

	Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
(i)	Gross Non-Performing Assets	3,542.59	5,365.65	2,991.12
	(a) Related parties	-	-	-
	(b) Other than related parties	3,542.59	5,365.65	2,991.12
(ii)	Net Non-Performing Assets	1,677.72	1,545.05	1,164.99
	(a) Related parties	-	-	-
	(b) Other than related parties	1,677.72	1,545.05	1,164.99
(iii)	Assets acquired in satisfaction of debt (Gross)	1,368.97	1,581.97	102.40

Footnotes:

1. As defined in point xxvii of paragraph 3 of Chapter -II of these Directions.
2. Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
3. All Indian Accounting Standards issued by MCA are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt.

Note : 52 The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of amendments dated March 24, 2021 in Schedule III to the Companies Act 2013 with effect from 1st day of April, 2021:-

(a) There is no proceeding initiated or pending against the company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(b) The company is not declared wilful defaulter by any bank or financial Institution or any other lenders.

(c) Being a systemically important non-banking financial company registered with the Reserve Bank of India as per Reserve Bank of India Act, 1934 (2 of 1934), the provisions prescribed under clause (87) of section 2 of the companies Act 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the company.

(d) There is a scheme of arrangements which has been approved during the FY 20-21 by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

(e) There is no transaction that has not been recorded in the books of accounts and surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(f) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(g) The Company has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(h) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(i) The Company has not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Company shall :
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(j) There are no creation or satisfaction of charges as at 31st March, 2022 pending with ROC beyond the statutory period.

Note : 53 **Estimation uncertainty relating to COVID-19 global health pandemic:**
In assessing the recoverability of loans, receivables, intangible assets and investments, the Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. However, the going concern assumption will not get impacted by the COVID-19 pandemic.

Note : 54 **Moratorium in accordance with the Reserve Bank of India (RBI) guidelines (FY 2019-20):**
The outbreak of Covid-19 pandemic across the globe & India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, the Company has proposed to offer a moratorium of three months on the payment of instalments falling due between March 1, 2020 and May 31, 2020 to eligible borrowers. For all such accounts classified as standard and overdue as on February 29, 2020, where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the policy).

Note : 55 **Reversal of interest accrued during the period of Moratorium (FY 2020-21):**

As required by the Reserve Bank of India (RBI) vide its circular number RBI/2021-22/17 dated April 7, 2021, the Board of Directors of the Company has approved a policy to refund / adjust the 'interest on interest' charged to the borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020 in conformity with the Judgement of the Hon. Supreme Court of India in the case of 'Small Scale Industrial Manufacturers Associationvs Union of India & Others'. Based on the methodology for calculation of the amount to be refunded /adjusted, as advised by the Indian Banks Association (IBA), the Company has reversed such interest-on-interest income charged to the customer, that it had accrued during the aforesaid period.

Note : 56 Previous year figures have been regrouped/reclassified whenever necessary, to make them comparable with the current year figures.

Note : 57 As authorised by the Board vide Board Resolution dated March 28, 2022 the Committee of Director has approved the above standalone reformatted financial statements on September 16,2022

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Srividya Vaidison
Partner
Membership No: 207132

Place : Mumbai
Date : September 16, 2022

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place : Mumbai
Date : September 16, 2022

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Keshav Loyalka
Head Accounts
Chief Financial Officer

Apurva Rathod
Company Secretary

Place : Mumbai
Date : September 16, 2022

Deloitte
Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th -32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai – 400 013
Maharashtra, India

Tele: + 91 22 6185 4000
Fax: +91 22 6185 4001

INDEPENDENT AUDITOR'S REPORT
To The Members of L&T Finance Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **L&T Finance Limited** ("the Parent" referred to as "the Group") which includes the Group's share of profit in its associate, which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

As more fully described in note 48 to the consolidated financial statements, to assess the recoverability of certain assets, the Company has considered internal and external information upto the date of the consolidated financial statements in respect of the current and estimated future global economic indicators consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Sr. No.</th><th>Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>1</td><td>Allowances for Expected Credit Losses:

(Refer Note 1, 6, 47.1 and 47.2 to the financial statements)

As at March 31, 2020, loan assets aggregated ₹46,452.67 crore, constituting 84% of the Company's total assets. Of these, loan assets aggregating ₹35,112.10 crore are measured at amortised cost. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement.

As part of our risk assessment, we determined that the allowance for ECL on loan assets (including undisbursed commitments) has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.

The elements of estimating ECL which involved increased level of audit focus are the following:

• Qualitative and quantitative factors used in staging the loan assets measured at amortised cost.

• Basis used for estimating Probabilities of Default ("PD"),</td><td>Principal audit procedures:

We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models (including policies for sale out of amortised cost business model). We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost.

Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Audit Committee of the Board of Directors

Our audit procedures related to the allowance for ECL included the following, among others:

• Testing the design and effectiveness of internal controls over the:
– completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied.
– Completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and</td></tr>
</table>

	• Basis used for estimating Loss Given Default ("LGD") • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions. Adjustments to model driven ECL results to address emerging trends.	– computation of the ECL including methodology used to determine macro economic overlays and adjustments to the output of the ECL Model. • Also, for a sample of ECL on loan assets tested: – we tested the input data such as ratings and period of default and other related information used in estimating the PD; – we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD. – we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We also tested the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the [information included in the Directors' report including annexures to Directors' report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard**Error! Bookmark not defined.**.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit on the separate financial statements we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on March 31, 2020 taken on record by the Board of Directors of the Company and the report of the statutory auditors of the associate company, none of the directors of the Group and its associate company are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and associate company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate.

ii) The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its associate company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 20046930AAAABW4025)

Mumbai, May 29, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of **L&T Finance Limited** (hereinafter referred to as "Parent"), which includes internal financial controls over financial reporting of its associate company as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its associate company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its associate company, which is company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, and its associate company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent and its associate company, which is company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 20046930AAAABW4025)

Mumbai, May 29, 2020

L&T Finance Limited

IND-AS Financial Statements
March 31, 2020

L&T Finance Limited
Balance Sheet as at March 31, 2020

₹ in crore

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A.	**ASSETS:**			
1.	**Financial assets**			
	(a) Cash and cash equivalents	2	2,717.76	1,530.51
	(b) Bank balance other than (a) above	3	684.56	30.57
	(c) Derivative financial instruments	4	141.74	7.20
	(d) Receivables	5		
	(i) Trade receivables		18.85	11.50
	(ii) Other receivables		35.83	18.95
	(e) Loans	6	43,891.22	47,113.67
	(f) Investments	7	3,077.45	4,684.30
	(g) Other financial assets	8	66.41	107.54
			50,633.82	**53,504.24**
2.	**Non-financial assets**			
	(a) Current tax assets (net)		194.76	77.78
	(b) Deferred tax assets (net)		819.01	727.21
	(c) Property, plant and equipment	9	35.31	49.34
	(d) Intangible assets under development	10	44.56	18.48
	(e) Goodwill	10	565.70	1,131.41
	(f) Other Intangible assets	10	134.67	214.71
	(g) Right of use assets		25.95	-
	(h) Other non-financial assets	11	122.94	113.55
			1,942.90	**2,332.48**
	Total Assets		**52,576.72**	**55,836.72**
B.	**LIABILITIES AND EQUITY :**			
1.	**LIABILITIES**			
a.	**Financial liabilities**			
	(a) Payables	12		
	(i) Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		31.40	86.03
	(ii) Other payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	13.11
	(b) Debt securities	13	16,481.87	23,071.60
	(c) Borrowings (other than debt securities)	14	25,628.83	22,139.86
	(d) Subordinated liabilities	15	1,141.75	1,124.42
	(e) Lease liabilities		29.29	-
	(f) Other financial liabilities	16	243.85	406.66
			43,556.99	**46,841.68**
b.	**Non-financial liabilities**			
	(a) Current tax liabilities (net)		95.43	20.51
	(b) Provisions	17	28.17	21.74
	(c) Other non-financial liabilities	18	2.54	52.36
			126.14	**94.61**
2.	**Equity**			
	(a) Equity share capital	19	1,599.14	1,599.14
	(b) Other equity	20	7,294.45	7,301.29
			8,893.59	**8,900.43**
	Total Liabilities and Equity		**52,576.72**	**55,836.72**
	Significant accounting policies	1		
	See accompanying notes forming part of the financial statements	2 to 53		

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

For and on behalf of the board of directors of
L&T Finance Limited

Rupen K. Bhatt
Partner

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 29, 2020

Place : Mumbai
Date : May 14, 2020

L&T Finance Limited
Statement of Profit and Loss for the year ended March 31, 2020

₹ in crore

	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
	Revenue from operations			
(i)	Interest income	21	8,184.41	7,011.72
(ii)	Rental income	22	9.04	18.84
(iii)	Fees and commission income	23	210.10	152.25
(iv)	Net gain on fair value changes	24	42.56	-
I	**Total revenue from operations**		**8,446.11**	**7,182.81**
II	**Other income**	25	234.19	199.78
III	**Total income (I + II)**		**8,680.30**	**7,382.59**
	Expenses			
(i)	Finance costs	26	3,767.85	3,327.92
(ii)	Net loss on fair value changes	24	-	8.62
(iii)	Net loss on derecognition of financial instruments under amortised cost category	27	231.32	324.97
(iv)	Impairment on financial instruments	28	1,767.69	637.06
(v)	Employee benefits expenses	29	766.08	548.31
(vi)	Depreciation, amortisation and impairment	30	701.21	690.93
(vii)	Other expenses	31	632.19	541.70
IV	**Total expenses (IV)**		**7,866.34**	**6,079.51**
V	**Profit before tax (III - IV)**		**813.96**	**1,303.08**
VI	**Tax expense**			
	(1) Current tax		507.92	488.47
	(2) Deferred tax		(263.65)	(31.35)
VII	**Profit before impact of change in the rate on opening deferred tax (V-VI)**		**569.69**	**845.96**
VIII	**Impact of change in the rate on opening deferred tax (Refer note 46)**		203.40	-
IX	**Profit for the year (VII - VIII)**		**366.29**	**845.96**
X	**Other comprehensive income**			
A.	(i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans		(4.49)	(1.54)
	b) Change in fair value of equity instruments measured at fair value through other comprehensive income		(56.16)	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		1.13	0.54
	Subtotal (A)		**(59.52)**	**(1.00)**
B.	(i) Items that will be reclassified to profit or loss			
	a) Change in fair value of debt instruments measured at fair value through other comprehensive income		(1.47)	(0.37)
	b) The effective portion of gains and loss on hedging instruments in a cash flow hedge		(118.11)	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		29.73	-
	Subtotal (B)		**(89.85)**	**(0.37)**
	Total other comprehensive income (A+B)		**(149.37)**	**(1.37)**
XI	**Total comprehensive income for the year (IX+X)**		**216.92**	**844.59**
XII	**Earnings per equity share:**	37		
	Basic earnings per equity share (₹)		2.29	5.29
	Diluted earnings per equity share (₹)		2.29	5.29
	Significant accounting policies	1		
	See accompanying notes forming part of the financial statements	2 to 53		

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

For and on behalf of the board of directors of L&T Finance Limited

Rupen K. Bhatt
Partner

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 29, 2020

Place : Mumbai
Date : May 14, 2020

L&T Finance Limited
Statement of Cash Flow for the year ended March 31, 2020

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
A. Cash flows from operating activities :		
Profit before tax for the year	813.96	1,303.08
Adjustments for:		
Net loss on sale of property, plant and equipment	2.66	7.62
Net (gain)/Loan arising on financial assets (investments) measured at fair value through profit or loss	(104.38)	(47.91)
Net loss on derecognition of financial instruments under amortised cost category	231.32	324.97
Impairment on financial instruments	1,767.69	637.06
Net (gain)/Loan arising on financial assets (Loans) measured at fair value through profit or loss	61.82	63.81
Depreciation, amortisation and impairment	701.21	690.93
Operating profit before working capital changes	**3,474.28**	**2,979.56**
Changes in working capital		
Adjustments for increase/(decrease) in operating liabilities		
Other financial liabilities	(6.62)	(43.71)
Lease liabilities	29.29	-
Provisions	1.94	9.91
Trade and other payables	(67.74)	(24.33)
Other non-financial liabilities	(10.41)	(21.18)
Adjustments for (increase)/decrease in operating assets		
Other non-financial assets	(41.00)	(11.46)
Right of use assets	(33.75)	-
Other financial assets	83.00	(109.46)
Trade and other receivables	(33.00)	(16.21)
Cash generated from operations	**3,395.99**	**2,763.12**
Direct taxes refund/(paid) (net)	(549.98)	(380.16)
Loans disbursed (net of repayments)	1,420.98	(9,943.66)
Net cash used in operating activities (A)	**4,266.99**	**(7,560.70)**
B. Cash flows from investing activities :		
Change in other bank balance not available for immediate use	(653.99)	13.33
Purchase of property, plant and equipment	(9.55)	(21.35)
Proceeds from sale of property, plant and equipment	3.56	11.30
Purchase of intangible assets	(54.22)	(46.15)
Purchase of investments	(1,433.30)	(2,761.95)
Proceeds on sale of investments	2,823.91	659.01
Net cash (used in)/generated from by investing activities (B)	**676.41**	**(2,145.81)**
C. Cash flows from financing activities		
Proceeds from borrowings	15,977.40	17,822.06
Repayment of borrowings	(19,280.51)	(6,933.70)
Dividend paid	(375.80)	-
Additional tax on dividend	(77.24)	-
Net cash (used in)/generated from financing activities (C)	**(3,756.15)**	**10,888.36**
Net increase in cash and cash equivalents (A+B+C)	**1,187.25**	**1,181.85**
Cash and cash equivalents at beginning of the year	1,530.51	348.66
Cash and cash equivalents at the end of the year	2,717.76	1,530.51
Net increase in cash and cash equivalents	**1,187.25**	**1,181.85**

L&T Finance Limited
Statement of Cash Flow for the year ended March 31, 2020

Notes:

1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 ”Statement of Cash Flows” as specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2. Purchase of fixed assets represents additions to property, plant and equipment and other intangible assets adjusted for movement of (a) capital-work-in-progress for property, plant and equipment and (b) intangible assets under development during the year.

3. Net cash used in investing activity exclude investments aggregating to ₹ Nil crore (Previous period ₹2.25 crore) acquired against claims.

4. Net cash used in operating activity is determined after adjusting the following:

		Year ended March 31, 2020	Year ended March 31, 2019
Interest received		7,775.74	6,760.36
Interest paid		3,688.66	3,286.92
Significant accounting policies	1		
See accompanying notes forming part of the financial statements	2 to 53		

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

For and on behalf of the board of directors of L&T Finance Limited

Rupen K. Bhatt
Partner

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 29, 2020

Place : Mumbai
Date : May 14, 2020

L&T Finance Limited
Statement of Changes in Equity for the year ended March 31, 2020

A. Equity share capital

₹ in crore

Particulars	Number of Shares	Equity share capital
Issued, subscribed and fully paid up equity shares outstanding at April 1, 2018	1,59,91,38,199	1,599.14
Changes in equity share capital during the year		
Issue of equity shares	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year March 31, 2019	**1,59,91,38,199**	**1,599.14**
Changes in equity share capital during the year		
Issue of equity shares	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year March 31, 2020	**1,59,91,38,199**	**1,599.14**

B. Other equity

₹ in crore

Particulars	Reserves and Surplus								Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total
	Capital redemption reserve	Debenture redemption reserve	Securities premium	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act , 1934	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Retained earnings				
Balance at April 1, 2018	3.20	97.61	6,903.72	0.24	584.40	23.57	(538.06)	(386.64)	-	-	-	**6,688.04**
Profit for the year	-	-	-	-	-	-	-	845.96	-	-	-	**845.96**
Actuarial loss on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	(1.00)	-	-	-	**(1.00)**
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	(0.37)	-	-	**(0.37)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**844.96**	**(0.37)**	**-**	**-**	**844.59**
Payment of interim dividends (₹ 1.20 per share)	-	-	-	-	-	-	-	(191.90)	-	-	-	**(191.90)**
Tax on interim dividend	-	-	-	-	-	-	-	(39.44)	-	-	-	**(39.44)**
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	169.19	-	-	(169.19)	-	-	-	**-**
Transfer to debenture redemption reserve	-	16.58	-	-	-	-	-	(16.58)	-	-	-	**-**
Transfer to general reserve	-	(0.01)	-	0.01	-	-	-	-	-	-	-	**-**
Transfer to amalgamation adjustment account	-	*(0.00)	-	-	-	-	*0.00	-	-	-	-	**-**
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	21.36	-	(21.36)	-	-	-	**-**
Balance at March 31, 2019	**3.20**	**114.18**	**6,903.72**	**0.25**	**753.59**	**44.93**	**(538.06)**	**19.85**	**(0.37)**	**-**	**-**	**7,301.29**

L&T Finance Limited
Statement of Changes in Equity for the year ended March 31, 2020

₹ in crore

Particulars	Reserves and Surplus								Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total
	Capital redemption reserve	Debenture redemption reserve	Securities premium	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act , 1934	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Retained earnings				
Balance at April 1, 2019	**3.20**	**114.18**	**6,903.72**	**0.25**	**753.59**	**44.93**	**(538.06)**	**19.85**	**(0.37)**	**-**	**-**	**7,301.29**
Profit for the year	-	-	-	-	-	-	-	366.29	-	-	-	**366.29**
Actuarial loss on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	(3.36)	-	-	-	**(3.36)**
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	(1.47)	(56.16)	(88.38)	**(146.01)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**362.93**	**(1.47)**	**(56.16)**	**(88.38)**	**216.92**
Transition impact of Ind-AS 116	-	-	-	-	-	-	-	(2.06)	-	-	-	**(2.06)**
Payment of interim dividends (₹ 1.15 per share)	-	-	-	-	-	-	-	(183.90)	-	-	-	**(183.90)**
Tax on interim dividend	-	-	-	-	-	-	-	(37.80)	-	-	-	**(37.80)**
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	73.26	-	-	(73.26)	-	-	-	**-**
Transfer to general reserve	-	(34.27)	-	34.27	-	-	-	-	-	-	-	**-**
Transfer to amalgamation adjustment account	-	(74.76)	-	-	-	-	74.76	-	-	-	-	**-**
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	27.52	-	(27.52)	-	-	-	**-**
Balance at March 31, 2020	**3.20**	**5.15**	**6,903.72**	**34.52**	**826.85**	**72.45**	**(463.30)**	**58.24**	**(1.84)**	**(56.16)**	**(88.38)**	**7,294.45**

***Amount less than ₹ 1 lakh**

Significant accounting policies	1
See accompanying notes forming part of the financial statements	2 to 53

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Rupen K. Bhatt
Partner

Place : Mumbai
Date : May 29, 2020

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 14, 2020

1. Significant Accounting Policies:

1.1. Statement of compliance:

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

1.2. Basis of preparation:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at reporting date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

1.3. Presentation of financial statements:

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees in Crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupee to two decimal places.

1.4. Investments in associates:

Investment in equity instrument issued by associate company is measured at cost less impairment.

1.5. Financial instruments:

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

(i) Financial assets

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Company's business model for managing the asset. For an asset to be classified and measured at amortised cost, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

The Company has more than one business model for managing its financial instruments which reflect how the Company manages its financial assets in order to generate cash flows. The Company's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Company considers all relevant information available when making the business model assessment. However, this assessment is performed on the basis of scenarios that the Company expects to occur and not to occur, such as so-called 'worst case' or 'stress case' scenarios. The Company takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Company's financial assets.

The Company considers sale of financial assets measured at amortised cost portfolio as consistent with a business model whose objective is to hold financial assets in order to collect contractual cash flows if these sales are

- due to an increase in the assets' credit risk or
- due to other reasons such as sales made to manage credit concentration risk (without an increase in the assets' credit risk) and are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent).

In addition, the Company also considers sale of such financial assets as consistent with the objective of holding financial assets in order to collect contractual cash flows if the sale is made close to the maturity of the financial assets and the proceeds from sale approximate the collection of the remaining contractual cash flows.

(a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

(c) Debt instruments at amortised cost or at FVTOCI

For an asset to be classified and measured at FVTOCI, the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

(d) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the Group irrevocably elects on initial recognition of financial asset on an asset-by-asset basis to present subsequent changes in fair value in other comprehensive income.

(e) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and
- either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Sale from amortised cost portfolio will be regarded as consistent with a business model whose objective is to hold financial assets in order to collect contractual cash flows if these sales are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent). In addition, sale of assets may be consistent with the objective of holding financial assets in order to collect contractual cash flows if the sale is made close to the maturity of the financial assets and the proceeds from sale approximate the collection of the remaining contractual cash flows.

(ii) Financial liabilities

(a) Financial liabilities, including derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher.

All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

(b) A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

1.6. Write off:

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

1.7. Impairment:

The Company recognises loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Debt investment securities;
- Trade and other receivable;
- Lease receivables;
- Irrevocable loan commitments issued; and
- Financial guarantee contracts issued.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost or FVTOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default (see below) includes unlikeliness to pay indicators and a back-stop if amounts are overdue for more than 90 days.

Significant increase in credit risk

The Company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

As a back-stop when loan asset not being a corporate loans becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL in respect of all retail assets. In respect of the corporate loan assets, shifting to Stage 2 has been rebutted using historical evidence from own portfolio to a threshold of 60 days past due, which is reviewed annually.

For the purpose of counting of day past due for the assessment of significant increase in credit risk, the special dispensations to any class of assets in accordance with COVID19 Regulatory Package notified by the Reserve Bank of India (RBI) has been applied by the company.

Purchased or originated credit-impaired (POCI) financial assets

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Company recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in profit or loss. A favourable change for such assets creates an impairment gain.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Company considers the following as constituting an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Company; or
- the borrower is unlikely to pay its credit obligations to the Company in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. For the purpose of counting of day past due for the assessment of default, the special dispensations to any class of assets in accordance with COVID19 Regulatory Package notified by the Reserve Bank of India (RBI) has been applied by the company.

When assessing if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Company Law Tribunal, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Company uses a variety of sources of information to assess default which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument

With the exception of POCI financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition (and consequently to credit impaired financial assets). For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset’s EIR.

- for financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Company expects to receive from the holder, the debtor or any other party.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics.

1.8. Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Company assesses whether this modification results in derecognition. In accordance with the Company's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI,
- Change in currency or change of counterparty,
- The extent of change in interest rates, maturity, covenants.

If these do not clearly indicate a substantial modification, then;

(a) In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

(b) When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
- the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain/loss allocated to it that had been recognised in OCI is recognised in profit or loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

1.9. Presentation of allowance for ECL in the Balance Sheet

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognised in Balance Sheet as the carrying amount is at fair value.

1.10. Derivative financial instruments :

The Group enters into swap contracts and other derivative financial instruments to hedge its exposure to foreign exchange and interest rates. The Company does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

Cash flow hedges: In case of transaction related hedges, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

1.11. Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

(i) Interest and dividend income

Interest income for all financial instruments except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL) are recognised in ‘Interest income’ in the profit or loss account using the effective interest method (EIR).

The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Dividend income is recognised when the Company’s right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

(ii) Fee and commission income:

Fee and commission income and expense include fees other than those that are an integral part of EIR. The fees included in the Company statement of profit and loss include among other things fees charged for servicing a loan, non-utilisation fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement and loan advisory fees.

Fee and commission expenses with regards to services are accounted for as the services are received.

(iii) Net gain or fair value change:

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in “Net gains or fair value changes” under revenue from operations and if there is a net loss the same is disclosed “Expenses”, in the statement of profit and loss.

(iv) Other operational revenue:

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

1.12. Borrowing costs:

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.13. Property, plant and equipment (PPE):

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes all direct cost related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

Land and buildings held for use are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land)) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets held under finance leases are depreciated over the shorter of lease term and their useful life on the same basis as owned assets. However, when there is no reasonable certainty that the Company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the Company for similar assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

1.14. Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Direct expenses and administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognised in profit or loss when the asset is derecognised.

1.15. Impairment of tangible and intangible assets other than goodwill

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (the smallest identifiable Company of assets that generates independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit), except for allocated goodwill, is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

1.16. Employee benefits:

(i) Short term employee benefits:

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(ii) Post-employment benefits:

(a) Defined contribution plans: The Company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(b) Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the Company, the post-retirement medical care plan and the Parent Company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(iii) Long term employee benefits:

The obligation recognised in respect of long term benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii) (b) above.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

1.17. Leases:

a. The Company as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation /impairment losses.

The right-of-use assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- Low value leases; and
- Leases which are short-term.

b. The Company as a lessor, classifies leases as either operating lease or finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease. Accordingly, the Company recognises lease payments as income on a straight-line basis in case of assets given on operating leases. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

c. Transition Disclosure:

The Company has applied Ind AS 116 "Leases" ("Standard") effective April 1, 2019 (Initial application date). Ind AS 116 supersedes Ind AS 17 "Leases". The Standard sets out the principles for recognition, measurement, presentation and disclosure of leases. The Standard has brought major changes with respect to lease accounting for the lessee. It requires a lessee to account for right-of-use asset and lease liability for all the leases without lease classification into operating and finance lease.

Under modified retrospective method of transition, the Company has applied the Standard retrospectively and recognised the cumulative effect of initially applying the Standard as an adjustment to the opening balance of retained earnings at the date of initial application (refer note 34). Accordingly, the figures of the previous year have not been restated.

The Company has availed of following practical expedients as on the transition date as provided by the Standard:

- Leases for which the lease term ends within 12 months of the date of initial application are accounted in the same way as short-term leases.
- The Company has not reassessed whether a contract is or contains a lease at the date of initial application and instead applied the Standard to those contracts that were previously identified as leases under Ind AS 17.
- The Company has excluded initial direct costs from the measurement of the right of use asset at the date of initial application.

1.18. Cash and bank balances:

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

1.19. Securities premium account:

(i) Securities premium includes:
- The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.
- The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

1.20. Share-based payment arrangements:

The stock options granted to employees by the holding company's (i.e. L&T Finance Holdings Limited) Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. The cost incurred by the holding company, in respect of options granted to employees of the Company, is being recovered by holding company and it is charged to the Statement of Profit and Loss of the Company over the period of vesting.

1.21. Accounting and reporting of information for Operating Segments:

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. Segment accounting policies are in line with the accounting policies of the Company.

1.22. Foreign currencies:

(i) The functional currency and presentation currency of the Company is Indian Rupee. Functional currency of the Company and foreign operations has been determined based on the primary economic environment in which the Company and its foreign operations operate considering the currency in which funds are generated, spent and retained.

(ii) Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the prevailing closing spot rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

(iii) Financial statements of foreign operations whose functional currency is different than Indian Rupees are translated into Indian Rupees as follows:

A. assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;

B. income and expenses for each income statement are translated at average exchange rates; and

C. all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations.

1.23. Taxation:

Current Tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unutilised tax credits which mainly relate to minimum alternate tax are recognised to the extent it is probable of such unutilised tax credits will get realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

1.24. Provisions, contingent liabilities and contingent assets:

Provisions are recognised only when:

(i) an Company entity has a present obligation (legal or constructive) as a result of a past event; and

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

a. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b. a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

1.25. Commitment

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

(a) estimated amount of contracts remaining to be executed on capital account and not provided for;

(b) uncalled liability on shares and other investments partly paid;

(c) funding related commitment to associate companies; and

(d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.26. Statement of cash flows

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the profit before tax for the effects of:

(i) changes during the period in operating receivables and payables transactions of a non-cash nature;

(ii) non-cash items such as depreciation, provisions, deferred taxes, unrealised gains and losses; and

(iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

1.27. Earnings per share:

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

1.28. Key source of estimation :

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, expected credit loss on loan books, future obligations in respect of retirement benefit plans, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

1.29. Operating cycle for current and non-current classification :

Based on the nature of products / activities of the Company entities and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

L&T Finance Limited
Notes forming part of the financial statements

Note 2 : Cash and cash equivalents ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	0.20	28.46
Balances with banks in current accounts#	547.37	1,499.46
Cheques, drafts on hand	-	2.59
Bank deposit with original maturity less than three months	2,170.19	-
Total cash and cash equivalents	**2,717.76**	**1,530.51**

includes ₹4.44 crore (PY : 4.65 Crore) towards unutilised funds raised through public issue.

Note 3 : Bank balance other than note 2 above ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Earmarked balances with banks	1.39	0.89
Balances with banks to the extent held as margin money or security against borrowing, guarantees, other commitments	683.17	29.68
Total bank balance other than note 2 above	**684.56**	**30.57**

Note 4 : Derivative financial instruments

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Part I		
(i) Currency derivatives:		
Notional Amounts		
-Currency swaps	2,588.58	100.00
Fair value assets		
-Currency swaps	141.74	7.20
Fair value liabilities		
-Currency swaps	-	-
Total derivative financial instruments	**141.74**	**7.20**

Part II

Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
(ii) Cash flow hedging:		
Notional Amounts		
- Currency derivatives	2,588.58	-
Fair Value Assets		
- Currency derivatives	141.74	-
Fair Value Liabilities		
- Currency derivatives	-	-
Total Derivative Financial Instruments	**141.74**	**-**

Note: The company has not designated any derivatives as hedging instruments as at March 31, 2019.

Note 5 : Receivables

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Trade receivables		
(a) Receivables considered good - secured	-	0.30
(b) Receivables considered good - unsecured	12.18	11.20
(c) Receivables - credit impaired		
Receivables	15.44	-
Impairment loss allowance	(8.77)	-
Total trade receivables (i)	**18.85**	**11.50**
(ii) Other receivables		
(a) Receivables considered good - unsecured	15.63	7.32
(b) Receivables from related parties (refer note : 32)	20.20	11.63
Total other receivables (ii)	**35.83**	**18.95**
Total receivables (i+ii)	**54.68**	**30.45**

Note 6 : Loans

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(A)		
(i) At amortised cost		
- Bills purchased and bills discounted	87.22	295.60
- Loans repayable on demand	31.41	238.08
- Term loans	34,019.09	34,656.85
- Leasing	45.48	72.61
- Debentures (refer note 6(i))	928.90	1,308.11
Total gross loans at amortised cost	**35,112.10**	**36,571.25**
Less: Impairment loss allowance	(2,412.79)	(1,742.85)
Total net loans at amortised cost (i)	**32,699.31**	**34,828.40**
(ii) At fair value through profit or Loss		
- Loans repayable on demand	-	69.32
- Term loans	10,990.25	11,952.17
- Debentures (refer note 6(i))	350.32	350.62
Total gross loans at fair value through profit or loss	**11,340.57**	**12,372.11**
Less: Impact on fair value changes	(148.66)	(86.84)
Total net loans at fair value through profit or loss (ii)	**11,191.91**	**12,285.27**
Total net loans (A) = (i)+(ii)	**43,891.22**	**47,113.67**

L&T Finance Limited
Notes forming part of the financial statements

Note 6 : Loans ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(B)		
(i) At amortised cost		
-Secured by tangible assets	20,754.72	22,150.16
-Unsecured	14,357.38	14,421.09
Total gross loans at amortised cost	**35,112.10**	**36,571.25**
Less: Impairment loss allowance	(2,412.79)	(1,742.85)
Total net loans at amortised cost (i)	**32,699.31**	**34,828.40**
(ii) At fair value through profit or loss:		
-Secured by tangible assets	11,340.57	12,372.11
-Unsecured	-	-
Total gross loans at fair value through profit or loss	**11,340.57**	**12,372.11**
Less: Impact on fair value changes	(148.66)	(86.84)
Total net loans at fair value through profit or loss (ii)	**11,191.91**	**12,285.27**
Total net loans (B) = (i)+(ii)	**43,891.22**	**47,113.67**
(C)		
(I) Loans in India		
(i) At amortised cost		
- Public sector	-	-
- Others	35,112.10	36,571.25
Total gross loans at amortised cost	**35,112.10**	**36,571.25**
Less: Impairment loss allowance	(2,412.79)	(1,742.85)
Total net loans in India at amortised cost (i)	**32,699.31**	**34,828.40**
(ii) At fair value through profit or loss:		
- Public sector	-	-
- Others	11,340.57	12,372.11
Total gross loans at fair value through profit or loss	**11,340.57**	**12,372.11**
Less: Impact on fair value changes	(148.66)	(86.84)
Total net loans at fair value through profit or loss (ii)	**11,191.91**	**12,285.27**
Total net loans in India (C)(I) = (i)+(ii)	**43,891.22**	**47,113.67**
(II) Loans outside India		
(i) At amortised cost	-	-
Less: Impairment loss allowance	-	-
Total net loans outside India at amortised cost (i)	**-**	**-**
(b) At fair value through profit or loss:	-	-
Less: Impact on fair value changes	-	-
Total net loans at fair value through profit or loss (b)	**-**	**-**
Total net loans outside India (C)(I) = (i)+(ii)	**-**	**-**
Total net loans (C) = (I)+(II)	**43,891.22**	**47,113.67**

L&T Finance Limited
Notes forming part of the financial statements

Note: 6(i) Following are the details of debentures in the nature of Loan:

Name of Company	As at March 31, 2020			As at March 31, 2019		
	Nos.	Face Value	₹ in crore	Nos.	Face Value	₹ in crore
Debenture - Secured						
Avantha Holding Limited	-	-	-	2,250	10,00,000	308.55
Diamond Power Infrastructure Limited	3,000	83,441	28.78	3,000	83,441	27.89
Oriental Nagpur Betul Highway Limited	3,094	1,00,000	30.71	3,094	1,00,000	30.68
Regen Infrastructure And Services Private Limited	2,794	8,48,862	248.13	2,794	8,83,341	245.15
Renew Akshay Urja Private Limited	180	9,93,902	17.89	180	9,96,341	17.94
SINTEX-BAPL Limited	-	-	-	27,000	1,00,000	282.46
SP Jammu Udhampur Highway Limited	2,950	10,00,000	307.30	2,950	10,00,000	312.17
GB Global Limied (erstwhile Mandhana Industries Limited)	200	5,73,234	14.58	200	6,00,000	14.17
Karvy Solar Power Limited	-	-	-	2,000	96,500	19.27
New Era Enviro Ventures (Mahabubnagar) Private Limited	-	-	-	1,600	95,700	15.31
Pennar Renewables Private Limited	3,800	91,200	34.49	3,800	95,700	36.34
Premier Photovoltiac Medak Private Limited	-	-	-	2,600	95,700	24.84
Debenture - Unsecured						
Avantha Holding Limited	4,500	8,06,359	582.59	2,250	10,00,000	309.22
Bhoruka Power Holdings Private Limited	1,00,000	1,000	14.74	1,00,000	1,000	14.74
Total Debenture			**1,279.22**			**1,658.73**

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
A. Investments in fully paid equity shares						
(a) Associate (at cost)						
(i) Unquoted						
L&T Infra Debt Fund Limited	10.00	13,86,52,953	176.50	10.00	13,86,52,953	176.50
(b) Other equity shares						
(i) Quoted						
(a) Investments carried at fair value through profit or loss						
Integrated Digital Info Services Limited	10.00	3,83,334	-	10.00	3,83,334	-
Elque Polyesters Limited	10.00	1,94,300	-	10.00	1,94,300	-
Monnet Industries Limited	10.00	5,640	-	10.00	5,640	-
Monnet Ispat And Energy Limited	10.00	992	-	10.00	992	-
Monnet Project Developers Limited	10.00	11,280	-	10.00	11,280	-
Bhushan Steel Limited	2.00	3,67,119	0.60	2.00	3,67,119	1.08
Jaihind Projects Limited	10.00	24,797	-	10.00	24,797	-
Diamond Power Infrastructure Limited	10.00	28,89,921	-	10.00	28,89,921	-
3I Infotech Limited	10.00	24,26,383	0.32	10.00	24,26,383	0.93
Gol Offshore Limited	10.00	15,52,907	-	10.00	15,52,907	-
SVOGL Oil Gas and Exploration Services Limited	10.00	19,40,514	-	10.00	19,40,514	-
Glodyne Technoserve Limited	6.00	3,19,262	-	6.00	3,19,262	-
MIC Electronics Limited	2.00	53,84,616	-	2.00	53,84,616	-
Usher Agro Limited	10.00	3,35,344	-	10.00	3,35,344	-
Amara Raja Batteries Limited	-	-	-	1.00	2,728	0.20
Hindusthan National Glass & Industries Ltd	2.00	4,09,674	1.13	2.00	4,12,808	3.40
(b) Investment carried at fair value through other comprehensive income						
CG Power and Industrial Solutions Limited	10.00	6,26,00,000	31.61	-	-	-
(ii) Unquoted						
(a) Investments carried at fair value through profit or loss						
Grameen Capital India Private Limited	10.00	21,26,000	-	10.00	21,26,000	2.13
Alpha Micro Finance Consultants Private Limited	10.00	2,00,000	-	10.00	2,00,000	-
Metropoli Overseas Limited	10.00	99,400	-	10.00	99,400	-
Anil Chemicals and Industries Limited	10.00	40,000	-	10.00	40,000	-
VMC Systems Limited	10.00	7,33,611	-	10.00	7,33,611	-
Saumya Mining Limited	10.00	10,77,986	-	10.00	10,77,986	-
Total investment in equity shares (A)			**210.16**			**184.24**
B. Investments in debt securities						
(a) Investment carried at fair value through profit or loss						
Bhoruka Power Corporation Limited	1,00,000.00	3,800	52.50	1,00,000.00	3,800	52.50
Soma Enterprises Limited	10.00	1,45,53,210	6.98	10.00	1,45,53,210	6.98
(b) Investment carried at fair value through other comprehensive income						
TATA AIG General Insurance Company Limited	10,00,000.00	310	32.25	10,00,000.00	310	31.50
U. P. Power Corporation Limited	10,00,000.00	301	32.25	10,00,000.00	301	30.61
Axis Bank	-	-	-	10,00,000.00	500	50.83
Union Bank of India	-	-	-	10,00,000.00	780	77.92
Cholamandlam MS General Insurance Company Limited	10,00,000.00	418	44.84	10,00,000.00	418	43.91
Dewan Housing Finance Corporation Limited	10,00,000.00	2,496	241.45	10,00,000.00	2,746	272.26
Dewan Housing Finance Corporation Limited	1,000.00	27,50,000	295.10	1,000.00	27,50,000	286.62
State Bank of India	-	-	-	10,00,000.00	4,100	418.65
The South Indian Bank Limited	1,00,000.00	38,759	416.20	1,00,000.00	38,759	407.19
Kotak Mahindra Bank Limited	-	-	-	5.00	5,00,00,000	27.59
Power Finance Corporation Limited	-	-	-	10,00,000.00	1,213	163.19
Power Finance Corporation Limited	-	-	-	1,000.00	1,00,000	12.89
ECL Finance Limited	-	-	-	10,00,000.00	900	96.49
ECL Finance Limited	1,000.00	30,00,000	326.38	1,000.00	30,00,000	323.47
Total investment in debt securities (B)			**1,447.95**			**2,302.60**

L&T Finance Limited
Notes forming part of the financial statements

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
C. Investments in mutual funds						
(a) Investment carried at fair value through profit or loss						
Canara Robeco Liquid fund - Direct Growth	1,000.00	21,004.04	5.02	-	-	-
L&T banking and PSU debt fund DP - Growth	-	-	-	10.00	2,38,50,695	40.09
Total investment in mutual funds (C)			**5.02**			**40.09**
D. Investments in fully paid preference shares (Unquoted)						
(a) Investment carried at fair value through profit or loss						
Grameen Capital India Private Limited	10.00	38,74,000	-	10.00	38,74,000	3.87
3I Infotech Limited	5.00	38,96,954	0.68	5.00	38,96,954	0.68
10% SEW Vizag Coal Terminal Private Limited	10.00	40,91,423	-	10.00	40,91,423	-
Total investment in preference shares (D)			**0.68**			**4.55**
E. Investments in government securities						
(a) Investment carried at amortised cost						
12% National Saving Certificate 2002	-	-	*0.00	-	-	*0.00
Government of India	-	-	-	100.00	16,55,00,000	1,643.54
(b) Investment carried at fair value through other comprehensive income						
Rural Electrification Corporation Limited	-	-	-	10,00,000.00	240	32.29
National Highways Authority of India	-	-	-	10,00,000.00	50	5.33
Total investment in government securities (E)			**-**			**1,681.16**
F. Investment in other securities						
(a) Investment carried at fair value through profit or loss						
KKR India debt Opportunities Fund II	1,000.00	13,56,565	101.32	1,000.00	17,76,074	177.61
KKR India debt Opportunities Fund III	1,000.00	21,226	0.20	1,000.00	61,640	6.16
Total investment in other securities (F)			**101.52**			**183.77**
G. Investment in pass through certificates						
(a) Investment carried at fair value through other comprehensive income						
Goldstein IFMR Capital	43.00	8,57,170	2.45	43.00	8,57,170	2.91
Smith IFMR Capital	4.00	1,20,96,782	3.30	4.00	1,20,96,782	3.85
Syme IFMR Capital	1.00	1,42,10,515	1.12	1.00	1,42,10,515	1.42
Moses IFMR Capital	1.00	22,50,000	0.22	1.00	22,50,000	0.23
Total investment in pass through certificate (G)			**7.09**			**8.41**

L&T Finance Limited
Notes forming part of the financial statements

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Face value (₹)	**Quantity (No.)**	**Net carrying value**	**Face value (₹)**	**Quantity (No.)**	**Net carrying value**
H. Investment in security receipts						
(a) Investment carried at fair value through profit or loss						
Phoenix ARF Scheme 6	1,000.00	9,843	-	1,000.00	9,843	0.25
Phoenix ARF Scheme 9	1.00	6,612	*0.00	1.00	6,612	*0.00
Phoenix ARF Scheme 11	1.00	44,208	*0.00	1.00	44,208	*0.00
Phoenix ARF Scheme 13	5.00	27,404	0.01	5.00	27,404	0.01
Phoenix ARF Scheme 14	1,000.00	34,882	2.61	1,000.00	34,882	2.61
Phoenix Trust FY19-6	899.00	12,49,500	112.33	903.00	12,49,500	112.83
JM Financial Asset Reconstruction Company Private Limited (Series I - JMFARC-IRIS December 2016 - Trust)	1,000.00	6,885	-	1,000.00	6,885	-
EARC Trust SC - 258 - Series I	551.40	6,46,510	1.78	932.90	6,46,510	27.14
JMFARC LTF June 2017 Trust	710.67	2,97,500	9.71	748.14	2,97,500	22.21
JMFARC LTF June 2017 Trust	710.67	4,80,849	17.95	748.14	4,80,849	35.89
Suraksha ARC - 024 Trust	1,000.00	7,85,400	78.54	1,000.00	7,85,400	78.54
Phoenix Trust FY 20-4	522.00	8,16,000	42.60	-	-	-
Omkara PS10/2019-20 Trust	1,000.00	3,48,500	23.91	-	-	-
EARC TRUST SC 367	999.91	1,02,27,115	1,021.13	-	-	-
ARCIL-CPS-062-I-Trust	1,000	13,55,750	135.58	-	-	-
Suraksha ARC - 037 Trust	1,000.00	1,10,71,25,000	109.47	-	-	-
Total investment in security receipts (H)			**1,555.62**			**279.48**
Total investments (I)			**3,328.04**			**4,684.30**
(i) Investments outside India			-			-
(ii) Investments in India			3,328.04			4,684.30
Total Investments (II)			**3,328.04**			**4,684.30**
Less: Allowance for Impairment loss (III)						
Investment carried at fair value through other comprehensive income			**250.59**			**-**
Net total investment (IV)= (I)-(III)			**3,077.45**			**4,684.30**

***Amount less than ₹ 1 lakh**

Note 8 : Other financials assets

₹ in crore

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Security deposit	62.69	76.97
Other advances	3.27	3.26
Receivable on sale of Investment	-	14.92
Margin money deposits	0.45	12.15
Accrued interest on fixed deposit	-	0.24
Total other financials assets	**66.41**	**107.54**

L&T Finance Limited

Notes forming part of the financial statements

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	For the year	Disposals	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Buildings : Owned	0.38	-	-	0.38	0.02	0.01	-	0.03	**0.35**	**0.36**
Lease hold renovation : Owned	14.17	0.55	3.65	11.07	8.53	2.57	3.38	7.72	**3.35**	**5.64**
Plant and equipments : Lease out	11.84	-	5.14	6.70	4.92	1.58	2.77	3.73	**2.97**	**6.92**
Computers : Owned	32.97	6.27	-	39.24	12.62	9.53	-	22.15	**17.09**	**20.35**
Furniture and fixtures										
Owned	8.16	1.73	0.01	9.88	4.54	1.76	0.01	6.29	3.59	3.62
Leased out	4.74	-	-	4.74	3.00	0.56	-	3.56	1.18	1.74
Sub total - Furniture and fittings	**12.90**	**1.73**	**0.01**	**14.62**	**7.54**	**2.32**	**0.01**	**9.85**	**4.77**	**5.36**
Office equipment										
Owned	5.93	2.48	0.21	8.20	3.11	1.79	0.14	4.76	3.44	2.82
Leased out	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub total - Office equipment	**5.94**	**2.48**	**0.21**	**8.21**	**3.11**	**1.79**	**0.14**	**4.76**	**3.45**	**2.83**
Vehicles										
Owned	1.20	0.68	-	1.88	0.50	0.38	-	0.88	1.00	0.70
Leased out	11.06	-	6.69	4.37	3.88	1.34	3.18	2.04	2.33	7.18
Sub total - Vehicles	**12.26**	**0.68**	**6.69**	**6.25**	**4.38**	**1.72**	**3.18**	**2.92**	**3.33**	**7.88**
Total	**90.46**	**11.71**	**15.70**	**86.47**	**41.12**	**19.52**	**9.48**	**51.16**	**35.31**	**49.34**

L&T Finance Limited
Notes forming part of the financial statements

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Buildings : Owned	0.38	-	-	0.38	0.01	0.01	-	0.02	**0.36**	**0.37**
Lease hold renovation : Owned	12.53	1.64	-	14.17	4.33	4.20	-	8.53	**5.64**	**8.20**
Plant and equipments : Lease out	25.81	-	13.97	11.84	5.06	4.93	5.07	4.92	**6.92**	**20.75**
Computers										
Owned	19.76	14.01	0.80	32.97	6.10	7.14	0.62	12.62	20.35	13.66
Leased out	0.74	-	0.74	-	0.55	0.10	0.65	-	-	0.19
Sub total - Computers	**20.50**	**14.01**	**1.54**	**32.97**	**6.65**	**7.24**	**1.27**	**12.62**	**20.35**	**13.85**
Furniture and fixtures										
Owned	6.40	1.81	0.05	8.16	2.15	2.41	0.02	4.54	3.62	4.25
Leased out	7.95	-	3.21	4.74	2.08	1.51	0.59	3.00	1.74	5.87
Sub total - Furniture and fittings	**14.35**	**1.81**	**3.26**	**12.90**	**4.23**	**3.92**	**0.61**	**7.54**	**5.36**	**10.12**
Office equipment										
Owned	4.26	1.80	0.13	5.93	1.44	1.75	0.08	3.11	2.82	2.82
Leased out	0.45	-	0.44	0.01	0.31	0.05	0.36	-	0.01	0.14
Sub total - Office equipment	**4.71**	**1.80**	**0.57**	**5.94**	**1.75**	**1.80**	**0.44**	**3.11**	**2.83**	**2.96**
Vehicles										
Owned	1.20	-	-	1.20	0.21	0.29	-	0.50	0.70	0.99
Leased out	21.65	-	10.59	11.06	4.36	3.14	3.62	3.88	7.18	17.29
Sub total - Vehicles	**22.85**	**-**	**10.59**	**12.26**	**4.57**	**3.43**	**3.62**	**4.38**	**7.88**	**18.28**
Total	**101.13**	**19.26**	**29.93**	**90.46**	**26.60**	**25.53**	**11.01**	**41.12**	**49.34**	**74.53**

L&T Finance Limited
Notes forming part of the financial statements

Note 10 : Other intangible assets, Goodwill and Intangible assets under development

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	For the year	Disposals	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Other intangible assets										
Specialised software	77.22	28.14	-	105.36	38.03	20.42	-	58.45	46.91	39.19
Distribution and customer network rights (refer footnote)	438.80	-	-	438.80	263.28	87.76	-	351.04	87.76	175.52
(a) Total other intangible assets	**516.02**	**28.14**	**-**	**544.16**	**301.31**	**108.18**	**-**	**409.49**	**134.67**	**214.71**
(b) Goodwill (refer footnote)	**2,828.51**	**-**	**-**	**2,828.51**	**1,697.10**	**565.71**	**-**	**2,262.81**	**565.70**	**1,131.41**
(c) Intangible assets under development									**44.56**	**18.48**

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Other intangible assets										
Specialised software	40.35	36.90	0.03	77.22	26.09	11.94	0.00	38.03	39.19	14.26
Distribution and customer network rights (refer footnote)	438.80	-	-	438.80	175.52	87.76	-	263.28	175.52	263.28
(a) Total other intangible assets	**479.15**	**36.90**	**0.03**	**516.02**	**201.61**	**99.70**	**-**	**301.31**	**214.71**	**277.54**
(b) Goodwill (refer footnote)	**2,828.51**	**-**	**-**	**2,828.51**	**1,131.40**	**565.70**	**-**	**1,697.10**	**1,131.41**	**1,697.11**
(c) Intangible assets under development									**18.48**	**9.23**

Footnote:

Pursuant to the Orders of Honorable Calcutta High Court and the National Company Law Tribunal, Mumbai Bench (the" Honorable Courts"), the erstwhile L&T Finance Limited (U65990MH1994PLC083147) and L&T FinCorp Limited (U65910MH1997PLC108179) have been merged with Family Credit Limited (now known as L&T Finance Limited - U65910WB1993FLC060810) (the "Amalgamated Company"), effective from February 13, 2017 with the Appointed Date being April 1, 2016.

Consequent to the scheme becoming effective, net assets of Transferor Company amounting to ₹ 3,157.29 crore as on the Appointed Date have been transferred to the Transferee Company at their respective fair values and the fair value of Distribution and Customer Network Rights ("DCNR") as determined by an Independent Valuer, have been recognised as a part of Other Intangible Asset at a valuation of ₹438.80 crore. The balance amount of ₹ 2,828.51 crore has been recorded as Goodwill on amalgamation. These intangible assets, i.e. the DCNR and Goodwill on amalgamation, are being amortised on a straight line basis over a period of 5 years with effect from April 01, 2016 in terms of the Scheme of Arrangement of the Honorable Courts.

L&T Finance Limited
Notes forming part of the financial statements

Note 11 : Other non-financials assets ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	50.01	9.59
Advances to others	5.38	25.75
Amount paid under protest	38.23	41.96
Capital advances	9.62	11.78
Assets acquired in settlement of claims	19.70	24.47
Total other non-financials Assets	**122.94**	**113.55**

Note 12 : Payables ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Trade payables		
Micro enterprises and small enterprises (refer note: 42)	-	-
Due to others	9.01	34.69
Due to related parties (refer note: 32)	22.39	51.34
Total trade payables (i)	**31.40**	**86.03**
(ii) Other payables		
Micro enterprises and small enterprises (refer note: 42)	-	-
Due to others	-	12.71
Due to related parties (refer note: 32)	-	0.40
Total other payables (i+ii)	**-**	**13.11**
Total payables	**31.40**	**99.14**

Note 13 : Debt securities ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(A)		
(i) At amortised cost		
- Commercial papers (net) (refer note 13 (b))	2,419.79	7,064.36
- Redeemable non convertible debentures (refer note 13 (a))	14,062.08	16,007.24
Total debt securities (A)	**16,481.87**	**23,071.60**
(B)		
(I) Debt securities in India		
(i) At amortised cost	16,481.87	23,071.60
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total debt securities in India (I = i+ii+iii)	**16,481.87**	**23,071.60**
(II) Debt securities outside India		
(i) At amortised cost	-	-
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total debt securities in outside India (II = i+ii+iii)	**-**	**-**
Total debt securities (B) = (I)+(II)	**16,481.87**	**23,071.60**

Note 13 (a)
Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series V option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	7.96	9.20%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series V option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	110.25	9.35%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	0.70	8.84%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	101.11	8.98%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	11.30	8.85%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	378.68	9.05%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VII option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	0.45	8.52%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VII option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	17.35	8.70%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	25.31	8.50%	23-Dec-26	Redeemable at par at the end of 2557 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	402.90	8.65%	23-Dec-26	Redeemable at par at the end of 2557 days from the date of allotment
Series C FY 2019-20	₹ 10 lakh each	31-Jul-19	15.85	8.55%	31-Jul-26	Redeemable at par at the end of 2557 days from the date of allotment
Series B FY 2019-20	₹ 10 lakh each	28-May-19	913.15	8.80%	28-May-26	Redeemable at par at the end of 2557 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	23.50	8.45%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	329.40	8.60%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	0.79	8.15%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	74.59	8.29%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	78.27	8.80%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	200.15	9.00%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	1.54	8.48%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	21.76	8.66%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	0.25	8.81%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	19.74	9.01%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	30.16	9.10%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	234.49	9.25%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	1.75	8.75%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	59.77	8.89%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series N FY 2018-19 option 2	₹ 10 lakh each	01-Feb-19	25.37	9.02%	11-Mar-24	Redeemable at par at the end of 1865 days from the date of allotment
Series K FY 2018-19 option 2	₹ 10 lakh each	11-Jan-19	25.45	9.00%	09-Feb-24	Redeemable at par at the end of 1855 days from the date of allotment
Series J FY 2018-19	₹ 10 lakh each	04-Jan-19	817.31	9.00%	04-Jan-24	Redeemable at par at the end of 1826 days from the date of allotment
Series E FY 2018-19	₹ 10 lakh each	02-Aug-18	37.05	8.86%	02-Aug-23	Redeemable at par at the end of 1826 days from the date of allotment
Series F FY 2019-20	₹ 10 lakh each	04-Mar-20	75.39	7.68%	03-Mar-23	Redeemable at par at the end of 1094 days from the date of allotment
Series E FY 2019-20	₹ 10 lakh each	24-Jan-20	410.05	8.25%	24-Jan-23	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	30.12	8.25%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	422.19	8.45%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	6.33	8.26%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	63.08	8.46%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	0.84	7.96%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	42.97	8.15%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series T FY 2017-18	₹ 25 lakh each	12-Dec-17	86.97	7.95%	12-Dec-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance-Series G FY 2018-19 Opt 3 (Original issuance series T FY 2017-18)	₹ 10 lakh each	31-Oct-18	16.34	7.95%	12-Dec-22	Redeemable at par at the end of 1503 days from the date of allotment

L&T Finance Limited
Notes forming part of the financial statements

Note 13 (a)
Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series N FY 2017-18	₹ 25 lakh each	06-Oct-17	321.61	7.70%	06-Oct-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance- Series H FY 2018-19 Opt 2 (Original issuance series N FY 2017-18)	₹ 10 lakh each	20-Nov-18	65.02	7.70%	06-Oct-22	Redeemable at par at the end of 1416 days from the date of allotment
Series M FY 2017-18	₹ 25 lakh each	08-Aug-17	488.11	7.71%	08-Aug-22	Redeemable at par at the end of 1826 days from the date of allotment
Series L FY 2018-19 option 2	₹ 10 lakh each	24-Jan-19	50.82	8.93%	08-Aug-22	Redeemable at par at the end of 1292 days from the date of allotment
Series H FY 2017-18 opt 2	₹ 25 lakh each	21-Jun-17	26.51	7.81%	21-Jul-22	Redeemable at par at the end of 1856 days from the date of allotment
Series C FY 2018-19 opt 1	₹ 10 lakh each	06-Jul-18	40.65	8.95%	10-Jun-22	Redeemable at par at the end of 1435 days from the date of allotment
Series A FY 2018-19	₹ 10 lakh each	06-Jun-18	63.98	8.65%	28-Apr-22	Redeemable at par at the end of 1422 days from the date of allotment
Reissuance- Series A1 FY 2018-19 (Original issuance series A FY 2018-19)	₹ 10 lakh each	14-Nov-18	34.39	8.65%	28-Apr-22	Redeemable at par at the end of 1261 days from the date of allotment
Series A FY 2019-20 - MLD	₹ 10 lakh each	24-Apr-19	85.11	8.36%	22-Apr-22	Redeemable at par at the end of 1094 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	119.22	8.70%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	202.67	8.90%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	3.75	8.71%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	17.35	8.91%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	176.35	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	686.15	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	5.52	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	87.53	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series G FY 2018-19 Opt 2	₹ 10 lakh each	31-Oct-18	86.25	9.48%	14-Mar-22	Redeemable at par at the end of 1230 days from the date of allotment
Series C FY 2018-19 opt 2	₹ 10 lakh each	06-Jul-18	132.49	8.92%	06-Oct-21	Redeemable at par at the end of 1188 days from the date of allotment
Reissuance - Series D3 FY 2018-19 Opt 3 (Original issuance series C FY 2018-19)	₹ 10 lakh each	31-Aug-18	52.23	8.92%	06-Oct-21	Redeemable at par at the end of 1132 days from the date of allotment
Series F FY 2018-19	₹ 10 lakh each	12-Sep-18	67.32	8.82%	03-Sep-21	Redeemable at par at the end of 1087 days from the date of allotment
Reissuance - Series G FY 2018-19 Opt 1 (Original issuance series F FY 2018-19)	₹ 10 lakh each	31-Oct-18	5.66	8.82%	03-Sep-21	Redeemable at par at the end of 1038 days from the date of allotment
Series D FY 2018-19 opt 2	₹ 10 lakh each	20-Jul-18	416.71	8.95%	16-Aug-21	Redeemable at par at the end of 1123 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 2 (Original issuance series D FY 2018-19 Opt 2)	₹ 10 lakh each	20-Aug-18	59.12	8.95%	16-Aug-21	Redeemable at par at the end of 1092 days from the date of allotment
Series D FY 2018-19 opt 1	₹ 10 lakh each	20-Jul-18	28.93	8.92%	30-Jul-21	Redeemable at par at the end of 1106 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 1 (Original issuance series D FY 2018-19 Opt 1)	₹ 10 lakh each	20-Aug-18	12.51	8.92%	30-Jul-21	Redeemable at par at the end of 1075 days from the date of allotment
Series W FY 2017-18	₹ 25 lakh each	28-Mar-18	95.07	8.25%	21-Jun-21	Redeemable at par at the end of 1181 days from the date of allotment
Reissuance - Series “W”1-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	27-Jul-18	79.71	8.25%	21-Jun-21	Redeemable at par at the end of 1060 days from the date of allotment
Reissuance - Series “W”2-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	09-Aug-18	54.71	8.25%	21-Jun-21	Redeemable at par at the end of 1047 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	13-Jun-16	10.70	8.80%	11-Jun-21	Redeemable at par at the end of 1824 days from the date of allotment
Series V FY 2017-18	₹ 25 lakh each	27-Mar-18	96.78	8.25%	08-Apr-21	Redeemable at par at the end of 1108 days from the date of allotment

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series M FY 2018-19 option 3- MLD	₹ 10 lakh each	18-Jan-19	32.53	8.61%	18-Jan-21	Redeemable at par at the end of 731 days from the date of allotment
Series S FY 2017-18	₹ 25 lakh each	06-Dec-17	218.87	7.84%	06-Jan-21	Redeemable at par at the end of 1127 days from the date of allotment
Series P FY 2017-18	₹ 25 lakh each	17-Oct-17	155.26	7.68%	18-Dec-20	Redeemable at par at the end of 1158 days from the date of allotment
Series Q FY 2017-18	₹ 25 lakh each	24-Nov-17	313.42	7.85%	11-Dec-20	Redeemable at par at the end of 1113 days from the date of allotment
Series R FY 2017-18	₹ 25 lakh each	04-Dec-17	769.14	7.90%	04-Dec-20	Redeemable at par at the end of 1096 days from the date of allotment
Series U FY 2017-18	₹ 25 lakh each	29-Dec-17	102.05	8.00%	27-Nov-20	Redeemable at par at the end of 1064 days from the date of allotment
Series O FY 2017-18	₹ 25 lakh each	13-Oct-17	517.77	7.65%	13-Nov-20	Redeemable at par at the end of 1127 days from the date of allotment
Series L FY 2017-18	₹ 25 lakh each	25-Jul-17	353.69	7.65%	20-Aug-20	Redeemable at par at the end of 1122 days from the date of allotment
Series D1 FY 2018-19 Opt 4	₹ 10 lakh each	20-Aug-18	84.30	8.75%	19-Aug-20	Redeemable at par at the end of 730 days from the date of allotment
Reissuance - Series D2 FY 2018-19 Opt 4 (Original issuance series D FY 2018-19 Opt 4)	₹ 10 lakh each	27-Aug-18	358.25	8.75%	19-Aug-20	Redeemable at par at the end of 723 days from the date of allotment
Series H FY 2017-18 opt 1	₹ 25 lakh each	21-Jun-17	53.02	7.76%	10-Aug-20	Redeemable at par at the end of 1146 days from the date of allotment
Series M FY 2018-19 option 2- MLD	₹ 10 lakh each	18-Jan-19	58.56	8.65%	10-Aug-20	Redeemable at par at the end of 570 days from the date of allotment
Series M FY 2018-19 option 1- MLD	₹ 10 lakh each	18-Jan-19	48.26	8.45%	17-Jul-20	Redeemable at par at the end of 546 days from the date of allotment
Series J FY 2017-18	₹ 25 lakh each	28-Jun-17	132.36	7.75%	26-Jun-20	Redeemable at par at the end of 1094 days from the date of allotment
Series I FY 2017-18	₹ 25 lakh each	23-Jun-17	132.49	7.75%	23-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2017-18	₹ 25 lakh each	19-Jun-17	212.31	7.85%	19-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series G FY 2017-18	₹ 25 lakh each	20-Jun-17	398.00	7.85%	19-Jun-20	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2017-18	₹ 25 lakh each	16-Jun-17	265.35	7.75%	16-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series D FY 2017-18	₹ 25 lakh each	09-Jun-17	223.37	7.85%	09-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	31-Mar-17	300.07	8.07%	29-May-20	Redeemable at par at the end of 1155 days from the date of allotment
Series C FY 2017-18	₹ 25 lakh each	25-May-17	26.67	7.85%	25-May-20	Redeemable at par at the end of 1096 days from the date of allotment
Series O FY 2018-19	₹ 10 lakh each	01-Mar-19	277.10	8.75%	22-May-20	Redeemable at par at the end of 448 days from the date of allotment
Series C FY 2015-16 opt 5	₹ 25 lakh each	20-May-15	28.00	8.87%	20-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series A FY 2017-18 opt 2	₹ 25 lakh each	10-Apr-17	107.61	7.80%	08-May-20	Redeemable at par at the end of 1124 days from the date of allotment
Series E FY 2016-17	₹ 25 lakh each	29-Mar-17	100.06	7.90%	29-Apr-20	Redeemable at par at the end of 1127 days from the date of allotment
			14,062.08			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

Secured redeemable non convertible debentures public issue :

During the year, The Company has raised ₹2,407.82 crore from the public issue. The Company has utilised ₹ 2,403.42 crore for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/prepayment of principal of borrowings) and general corporate purpose. Total unutilised balance amount of ₹4.44 crore is in current account (includes ₹0.04 crore unutilised from amount raised in previous year).

Note 13 (b)

Commercial papers (net) as on March 31, 2020

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020
Bullet	Up to 1 years	upto 7.00%	1,999.69
		7.01% to 8.00%	172.71
		8.01% to 9.00%	247.39
Total			**2,419.79**

L&T Finance Limited
Notes forming part of the financial statements

Note 13 (a)
Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series V option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	7.95	9.20%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series V option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	110.11	9.35%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	0.70	8.84%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	100.98	8.98%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series III option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	30.09	9.10%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	233.90	9.25%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	1.75	8.75%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	59.62	8.89%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series N FY 2018-19 option 2	₹ 10 lakh each	01-Feb-19	25.36	9.02%	11-Mar-24	Redeemable at par at the end of 1865 days from the date of allotment
Series K FY 2018-19 option 2	₹ 10 lakh each	11-Jan-19	25.43	9.00%	09-Feb-24	Redeemable at par at the end of 1855 days from the date of allotment
Series J FY 2018-19	₹ 10 lakh each	04-Jan-19	817.16	9.00%	04-Jan-24	Redeemable at par at the end of 1826 days from the date of allotment
Series E FY 2018-19	₹ 10 lakh each	02-Aug-18	37.04	8.86%	02-Aug-23	Redeemable at par at the end of 1826 days from the date of allotment
Series T FY 2017-18	₹ 25 lakh each	12-Dec-17	86.94	7.95%	12-Dec-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance-Series G FY 2018-19 Opt 3 (Original issuance series T FY 2017-18)	₹ 10 lakh each	31-Oct-18	16.13	7.95%	12-Dec-22	Redeemable at par at the end of 1503 days from the date of allotment
Series N FY 2017-18	₹ 25 lakh each	06-Oct-17	321.57	7.70%	06-Oct-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance- Series H FY 2018-19 Opt 2 (Original issuance series N FY 2017-18)	₹ 10 lakh each	20-Nov-18	64.05	7.70%	06-Oct-22	Redeemable at par at the end of 1416 days from the date of allotment
Series M FY 2017-18	₹ 25 lakh each	08-Aug-17	488.03	7.71%	08-Aug-22	Redeemable at par at the end of 1826 days from the date of allotment
Series L FY 2018-19 option 2	₹ 10 lakh each	24-Jan-19	50.80	8.93%	08-Aug-22	Redeemable at par at the end of 1292 days from the date of allotment
Series H FY 2017-18 opt 2	₹ 25 lakh each	21-Jun-17	26.51	7.81%	21-Jul-22	Redeemable at par at the end of 1856 days from the date of allotment
Series C FY 2018-19 opt 1	₹ 10 lakh each	06-Jul-18	37.30	8.95%	10-Jun-22	Redeemable at par at the end of 1435 days from the date of allotment
Series A FY 2018-19	₹ 10 lakh each	06-Jun-18	58.88	8.65%	28-Apr-22	Redeemable at par at the end of 1422 days from the date of allotment
Reissuance- Series A1 FY 2018-19 (Original issuance series A FY 2018-19)	₹ 10 lakh each	14-Nov-18	31.36	8.65%	28-Apr-22	Redeemable at par at the end of 1261 days from the date of allotment
Series I option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	175.64	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	683.40	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	5.04	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	79.85	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series G FY 2018-19 Opt 2	₹ 10 lakh each	31-Oct-18	78.77	9.48%	14-Mar-22	Redeemable at par at the end of 1230 days from the date of allotment
Series C FY 2018-19 opt 2	₹ 10 lakh each	06-Jul-18	132.46	8.92%	06-Oct-21	Redeemable at par at the end of 1188 days from the date of allotment
Reissuance - Series D3 FY 2018-19 Opt 3 (Original issuance series C FY 2018-19)	₹ 10 lakh each	31-Aug-18	52.27	8.92%	06-Oct-21	Redeemable at par at the end of 1132 days from the date of allotment
Series F FY 2018-19	₹ 10 lakh each	12-Sep-18	61.86	8.82%	03-Sep-21	Redeemable at par at the end of 1087 days from the date of allotment

Note 13 (a)
Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Reissuance - Series G FY 2018-19 Opt 1 (Original issuance series F FY 2018-19)	₹ 10 lakh each	31-Oct-18	5.16	8.82%	03-Sep-21	Redeemable at par at the end of 1038 days from the date of allotment
Series D FY 2018-19 opt 2	₹ 10 lakh each	20-Jul-18	382.41	8.95%	16-Aug-21	Redeemable at par at the end of 1123 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 2 (Original issuance series D FY 2018-19 Opt 2)	₹ 10 lakh each	20-Aug-18	54.32	8.95%	16-Aug-21	Redeemable at par at the end of 1092 days from the date of allotment
Series D FY 2018-19 opt 1	₹ 10 lakh each	20-Jul-18	26.56	8.92%	30-Jul-21	Redeemable at par at the end of 1106 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 1 (Original issuance series D FY 2018-19 Opt 1)	₹ 10 lakh each	20-Aug-18	11.49	8.92%	30-Jul-21	Redeemable at par at the end of 1075 days from the date of allotment
Series B FY 2018-19	₹ 10 lakh each	29-Jun-18	1,065.79	8.70%	29-Jun-21	Redeemable at par at the end of 1096 days from the date of allotment
Series W FY 2017-18	₹ 25 lakh each	28-Mar-18	95.06	8.25%	21-Jun-21	Redeemable at par at the end of 1181 days from the date of allotment
Reissuance - Series "W"1-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	27-Jul-18	79.21	8.25%	21-Jun-21	Redeemable at par at the end of 1060 days from the date of allotment
Reissuance - Series "W"2-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	09-Aug-18	54.43	8.25%	21-Jun-21	Redeemable at par at the end of 1047 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	13-Jun-16	10.70	8.80%	11-Jun-21	Redeemable at par at the end of 1824 days from the date of allotment
Series V FY 2017-18	₹ 25 lakh each	27-Mar-18	89.40	8.25%	08-Apr-21	Redeemable at par at the end of 1108 days from the date of allotment
Series M FY 2018-19 option 3- MLD	₹ 10 lakh each	18-Jan-19	29.86	8.61%	18-Jan-21	Redeemable at par at the end of 731 days from the date of allotment
Series S FY 2017-18	₹ 25 lakh each	06-Dec-17	218.74	7.84%	06-Jan-21	Redeemable at par at the end of 1127 days from the date of allotment
Series P FY 2017-18	₹ 25 lakh each	17-Oct-17	155.24	7.68%	18-Dec-20	Redeemable at par at the end of 1158 days from the date of allotment
Series Q FY 2017-18	₹ 25 lakh each	24-Nov-17	313.35	7.85%	11-Dec-20	Redeemable at par at the end of 1113 days from the date of allotment
Series R FY 2017-18	₹ 25 lakh each	04-Dec-17	768.89	7.90%	04-Dec-20	Redeemable at par at the end of 1096 days from the date of allotment
Series U FY 2017-18	₹ 25 lakh each	29-Dec-17	102.04	8.00%	27-Nov-20	Redeemable at par at the end of 1064 days from the date of allotment
Series O FY 2017-18	₹ 25 lakh each	13-Oct-17	517.56	7.65%	13-Nov-20	Redeemable at par at the end of 1127 days from the date of allotment
Series L FY 2017-18	₹ 25 lakh each	25-Jul-17	328.51	7.65%	20-Aug-20	Redeemable at par at the end of 1122 days from the date of allotment
Series D1 FY 2018-19 Opt 4	₹ 10 lakh each	20-Aug-18	84.28	8.75%	19-Aug-20	Redeemable at par at the end of 730 days from the date of allotment
Reissuance - Series D2 FY 2018-19 Opt 4 (Original issuance series D FY 2018-19 Opt 4)	₹ 10 lakh each	27-Aug-18	358.11	8.75%	19-Aug-20	Redeemable at par at the end of 723 days from the date of allotment
Series H FY 2017-18 opt 1	₹ 25 lakh each	21-Jun-17	53.02	7.76%	10-Aug-20	Redeemable at par at the end of 1146 days from the date of allotment
Series M FY 2018-19 option 2- MLD	₹ 10 lakh each	18-Jan-19	53.79	8.65%	10-Aug-20	Redeemable at par at the end of 570 days from the date of allotment
Series M FY 2018-19 option 1- MLD	₹ 10 lakh each	18-Jan-19	44.32	8.45%	17-Jul-20	Redeemable at par at the end of 546 days from the date of allotment
Series J FY 2017-18	₹ 25 lakh each	28-Jun-17	132.35	7.75%	26-Jun-20	Redeemable at par at the end of 1094 days from the date of allotment
Series I FY 2017-18	₹ 25 lakh each	23-Jun-17	132.48	7.75%	23-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2017-18	₹ 25 lakh each	19-Jun-17	212.28	7.85%	19-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series G FY 2017-18	₹ 25 lakh each	20-Jun-17	397.98	7.85%	19-Jun-20	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2017-18	₹ 25 lakh each	16-Jun-17	265.34	7.75%	16-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series D FY 2017-18	₹ 25 lakh each	09-Jun-17	223.34	7.85%	09-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	31-Mar-17	324.21	8.07%	29-May-20	Redeemable at par at the end of 1155 days from the date of allotment
Series C FY 2017-18	₹ 25 lakh each	25-May-17	26.67	7.85%	25-May-20	Redeemable at par at the end of 1096 days from the date of allotment

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series O FY 2018-19	₹ 10 lakh each	01-Mar-19	276.53	8.75%	22-May-20	Redeemable at par at the end of 448 days from the date of allotment
Series C FY 2015-16 opt 5	₹ 25 lakh each	20-May-15	27.99	8.87%	20-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series A FY 2017-18 opt II	₹ 25 lakh each	10-Apr-17	107.60	7.80%	08-May-20	Redeemable at par at the end of 1124 days from the date of allotment
Series E FY 2016-17	₹ 25 lakh each	29-Mar-17	100.06	7.90%	29-Apr-20	Redeemable at par at the end of 1127 days from the date of allotment
Series D FY 2016-17 opt 2	₹ 25 lakh each	27-Mar-17	25.03	7.90%	27-Mar-20	Redeemable at par at the end of 1096 days from the date of allotment
Series L FY 2018-19 option 1	₹ 10 lakh each	24-Jan-19	203.21	8.81%	13-Mar-20	Redeemable at par at the end of 414 days from the date of allotment
Series K FY 2018-19 option 1	₹ 10 lakh each	11-Jan-19	305.76	8.81%	11-Mar-20	Redeemable at par at the end of 425 days from the date of allotment
Series P FY 2014-15 opt 4	₹ 25 lakh each	24-Feb-15	25.22	9.25%	24-Feb-20	Redeemable at par at the end of 1826 days from the date of allotment
Series D3 FY 2018-19 Opt 2	₹ 10 lakh each	31-Aug-18	26.26	8.62%	30-Jan-20	Redeemable at par at the end of 517 days from the date of allotment
Reissuance- Series H FY 2018-19 Opt 1 (Original issuance series D3 FY 2018-19 Opt 2)	₹ 10 lakh each	20-Nov-18	54.21	8.62%	30-Jan-20	Redeemable at par at the end of 436 days from the date of allotment
Series J FY 2016-17 opt 2	₹ 25 lakh each	19-Jan-17	152.25	7.83%	20-Jan-20	Redeemable at par at the end of 1096 days from the date of allotment
Series I FY 2018-19	₹ 10 lakh each	05-Dec-18	1,233.76	9.36%	20-Dec-19	Redeemable at par at the end of 380 days from the date of allotment
Series D1 FY 2018-19 Opt 3	₹ 10 lakh each	20-Aug-18	26.32	8.60%	19-Dec-19	Redeemable at par at the end of 486 days from the date of allotment
Reissuance - Series D3 FY 2018-19 Opt 1 (Original issuance series D1 FY 2018-19 Opt 3)	₹ 10 lakh each	31-Aug-18	52.63	8.60%	19-Dec-19	Redeemable at par at the end of 475 days from the date of allotment
Series A FY 2016-17 opt 7	₹ 25 lakh each	13-Apr-16	4.34	8.68%	30-Sep-19	Redeemable at par at the end of 1265 days from the date of allotment
Series E FY 2016-17 opt 1	₹ 25 lakh each	23-Aug-16	14.56	8.54%	30-Sep-19	Redeemable at par at the end of 1133 days from the date of allotment
NCD 2009 series 4 (Public issue)	₹ 1000 each	17-Sep-09	479.60	10.24%	17-Sep-19	Redeemable at par at the end of 3652 days from the date of allotment
Series A FY 2016-17 opt 6	₹ 25 lakh each	13-Apr-16	81.29	8.68%	12-Sep-19	Redeemable at par at the end of 1247 days from the date of allotment
Series G FY 2016-17	₹ 25 lakh each	12-Sep-16	209.15	8.31%	12-Sep-19	Redeemable at par at the end of 1095 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	08-Sep-16	52.31	8.31%	06-Sep-19	Redeemable at par at the end of 1093 days from the date of allotment
Series B FY 2016-17	₹ 25 lakh each	20-Apr-16	324.60	8.65%	20-Aug-19	Redeemable at par at the end of 1217 days from the date of allotment
Series I FY 2016-17	₹ 25 lakh each	09-Aug-16	52.70	8.40%	09-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series H FY 2016-17 opt 1	₹ 25 lakh each	05-Aug-16	75.96	7.37%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series B FY 2016-17 opt 2	₹ 25 lakh each	05-Aug-16	5.28	8.65%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	18-Aug-16	3.10	8.55%	05-Aug-19	Redeemable at par at the end of 1082 days from the date of allotment
Series G FY 2016-17 opt 2	₹ 25 lakh each	03-Aug-16	79.18	8.45%	02-Aug-19	Redeemable at par at the end of 1094 days from the date of allotment
Series E FY 2016-17 opt 2	₹ 25 lakh each	29-Jun-16	3.15	8.71%	22-Jul-19	Redeemable at par at the end of 1118 days from the date of allotment
Series K FY 2017-18	₹ 25 lakh each	19-Jul-17	421.45	7.65%	19-Jul-19	Redeemable at par at the end of 730 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	24-May-16	3.80	8.64%	28-Jun-19	Redeemable at par at the end of 1130 days from the date of allotment
Series E FY 2016-17 opt 1	₹ 25 lakh each	29-Jun-16	138.57	8.72%	28-Jun-19	Redeemable at par at the end of 1094 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	14-Jun-16	53.48	8.72%	14-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series A FY 2016-17 opt 5	₹ 25 lakh each	13-Apr-16	298.11	8.69%	13-Jun-19	Redeemable at par at the end of 1156 days from the date of allotment
Series C FY 2016-17 opt 1	₹ 25 lakh each	13-Jun-16	10.70	8.80%	13-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2015-16 opt 7	₹ 25 lakh each	04-Jun-15	34.63	8.88%	04-Jun-19	Redeemable at par at the end of 1461 days from the date of allotment
Series A FY 2016-17 opt 4	₹ 25 lakh each	13-Apr-16	27.10	8.69%	31-May-19	Redeemable at par at the end of 1143 days from the date of allotment
Series D FY 2015-16 opt 3	₹ 25 lakh each	27-May-15	56.20	8.88%	27-May-19	Redeemable at par at the end of 1461 days from the date of allotment

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series C FY 2016-17 opt 1	₹ 25 lakh each	24-May-16	53.70	8.65%	24-May-19	Redeemable at par at the end of 1095 days from the date of allotment
Series B FY 2016-17 opt 2	₹ 25 lakh each	20-May-16	21.52	8.80%	20-May-19	Redeemable at par at the end of 1095 days from the date of allotment
Series N FY 2015-16	₹ 25 lakh each	29-Mar-16	185.14	8.90%	29-Apr-19	Redeemable at par at the end of 1126 days from the date of allotment
Series A FY 2016-17	₹ 25 lakh each	20-Apr-16	10.83	8.80%	19-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2016-17 opt 3	₹ 25 lakh each	13-Apr-16	10.84	8.70%	12-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2017-18 opt I	₹ 25 lakh each	10-Apr-17	161.28	7.71%	10-Apr-19	Redeemable at par at the end of 730 days from the date of allotment
			16,007.24			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

Secured redeemable non convertible debentures public issue :

During the year, The Company has raised ₹1,500 crore from the public issue. The Company has utilised ₹ 1,495.35 crore for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/prepayment of principal of borrowings) and general corporate purpose. The unutilised balance amount of ₹4.65 crore is in current account.

Note 13 (b)

Commercial papers (net) as on March 31,2019

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Bullet	Up to 1 years	7.01% to 8.00%	4,424.26
		8.01% to 9.00%	1,110.06
		9.01% to 10.00%	1,530.04
Total			**7,064.36**

L&T Finance Limited
Notes forming part of the financial statements

Note 14 : Borrowings (other than debt securities)

₹ in crore

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
(A)		
(i) At amortised cost		
(a) Term loans		
(i) from banks (refer note 14 (a))	12,349.75	9,661.43
(ii) from financial institutions (refer note 14 (b))	1,398.74	1,477.13
(b) Term loans from bank - FCNR (refer note 14 (c-1))	-	107.32
(c) External commercial borrowings (refer note 14 (c-2))	2,874.92	-
(d) Loan from related parties (refer note 14 (d))	887.37	169.36
(e) Loan repayable on demand		
(i) from banks (refer note 14 (e))	8,118.05	8,781.30
(f) Corporate bond repo (refer note 14 (f))	-	323.62
(g) Collateralized borrowing and lending obligation (refer note 14 (g))	-	1,619.70
Total borrowings (other than debt securities) (A)	**25,628.83**	**22,139.86**
(B)		
(I) Borrowings (other than debt securities) in India		
(i) At amortised cost	22,753.91	22,139.86
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total borrowings (other than debt securities) in India (I = i+ii+iii)	**22,753.91**	**22,139.86**
(II) Borrowings (other than debt securities) outside India		
(i) At amortised Cost	2,874.92	-
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total borrowings (other than debt securities) in outside India (II = i+ii+iii)	**2,874.92**	**-**
Total borrowings (other than debt securities) (B) = (I)+(II)	**25,628.83**	**22,139.86**

Note 14 (a)
Term loans from bank as on March 31, 2020 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 5 Years	7.01% - 8.00%	1,199.68
	Above 5 Years	8.01% - 9.00%	300.00
Annually	Up to 5 Years	7.01% - 8.00%	900.19
	Above 5 Years	8.01% - 9.00%	174.94
Half Yearly	Up to 5 Years	7.01% - 8.00%	1,542.93
	Up to 5 Years	8.01% - 9.00%	3,880.02
	Above 5 Years	8.01% - 9.00%	999.99
Quarterly	Up to 5 Years	7.01% - 8.00%	537.39
	Up to 5 Years	8.01% - 9.00%	2,365.04
	Above 5 Years	7.01% - 8.00%	449.57
Total			**12,349.75**

Nature of Security :
Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Note 14 (b)
Term loans from financial institutions as on March 31, 2020 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Half Yearly	Up to 5 Years	8.01% - 9.00%	192.96
Quarterly	Up to 5 Years	7.01% - 8.00%	803.85
Quarterly	Above 5 Years	7.01% - 8.00%	401.93
Total			**1,398.74**

Nature of Security :
Term loan from financial institutions is secured by hypothecation of specified lease/term loan receivables.

Note 14 (c-2)
External commercial borrowings as on March 31, 2020 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 5 Years	8.01%-9.00%	2,874.92
Total			**2,874.92**

Nature of Security :
External commercial borrowings Loan is secured againt first charge on specific receivables pertaining to Farm Equipments.

Note 14 (d)
Loan from related parties as on March 31, 2020 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 1 Year	8.01% to 9.00%	887.37
Total			**887.37**

Note 14 (e)

Loan repayable on demand from bank as on March 31, 2020 : Secured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Line of credit	Bullet	Up to 5 Years	7.01% - 8.00%	249.50
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	769.43
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	555.47
Working Capital Demand	Bullet	Up to 5 Years	7.01% - 8.00%	2,059.88
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	785.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	480.00
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	7.01% - 8.00%	234.23
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	129.04
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	9.01% - 10.00%	134.15
Total				**5,396.70**

Nature of Security :

Loan repayable on demand from bank is secured by hypothecation of specified lease/term loan receivables.

Loan repayable on demand as on March 31, 2020 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	1,200.00
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	420.00
Working Capital Demand	Bullet	Up to 5 Years	7.01% - 8.00%	201.35
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	300.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	600.00
Total				**2,721.35**

L&T Finance Limited
Notes forming part of the financial statements

Note 14 (a)
Term loans from bank as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 5 Years	8.01% - 9.00%	1,390.00
	Up to 5 Years	9.01% - 10.00%	250.00
	Above 5 Years	8.01% - 9.00%	700.00
Annually	Up to 5 Years	9.01% - 10.00%	750.00
	Above 5 Years	9.01% - 10.00%	185.00
Half Yearly	Up to 5 Years	8.01% - 9.00%	1,706.08
	Up to 5 Years	9.01% - 10.00%	3,180.35
	Above 5 Years	8.01% - 9.00%	1,500.00
Total			**9,661.43**

Nature of Security :
Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Note 14 (b)
Term loans from financial institutions as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Half Yearly	Up to 5 Years	8.01% - 9.00%	271.35
Quarterly	Up to 5 Years	7.01% - 8.00%	805.78
	Above 5 Years	7.01% - 8.00%	400.00
Total			**1,477.13**

Nature of Security :
Term loan from financial institutions is secured by hypothecation of specified lease/term loan receivables.

Note 14 (c-1)
Term loans from bank- FCNR as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 5 Years	8.01%-9.00%	107.32
Total			**107.32**

Nature of Security :
Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Note 14 (d)
Loan from related parties as on March 31, 2019 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 1 Year	7.01% to 8.00%	3.25
		9.01% to 10.00%	166.11
Total			**169.36**

Note 14 (e)
Loan repayable on demand from bank as on March 31, 2019 : Secured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	1,299.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	848.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	1,085.00
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	279.85
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	9.01% - 10.00%	29.45
Total				**3,541.30**

Nature of Security :
Loan repayable on demand from bank is secured by hypothecation of specified lease/term loan receivables.

Loan repayable on demand as on March 31, 2019 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	2,390.00
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	2,050.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	800.00
Total				**5,240.00**

Note 14 (f)

Corporate bond repo as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 1 month	8.01% to 9.00%	323.62
Total			**323.62**

Nature of Security :

Secured by hypothecation of any Corporate Bonds of Investment held by the Company.

Note 14 (g)

Collateralized borrowing and lending obligation as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	4 days	upto 7.00%	1,525.57
		7.01% to 8.00%	94.13
Total			**1,619.70**

Nature of Security :

Collateralized borrowing and lending obligation is secured by hypothecation of eligible Government Bonds as approved by The Clearing Corporation of India Limited.

L&T Finance Limited
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Note 15 : Subordinated liabilities

₹ in crore

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
(A)		
(i) At amortised cost		
(a) Perpetual debt Instruments to the extent that do not qualify as equity (Refer note 15 (a))	255.87	260.81
(b) Subordinate debt Instruments (Refer note 15 (b))	885.88	863.61
Total subordinated liabilities (A)	**1,141.75**	**1,124.42**
(B)		
(I) Subordinated liabilities in India		
(i) At amortised cost	1,141.75	1,124.42
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total subordinated liabilities in India (I = i+ii+iii)	**1,141.75**	**1,124.42**
(II) Subordinated liabilities outside India		
(i) At amortised cost	-	-
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total subordinated liabilities in outside India (II = i+ii+iii)	**-**	**-**
Total subordinated liabilities (B) = (I)+(II)	**1,141.75**	**1,124.42**

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Note 15 (a)

Unsecured redeemable non convertible debentures as on March 31,2020 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series I FY 2015-16	₹ 10 lakh each	30-Mar-16	50.03	10.10%	30-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series F FY 2011-12	₹ 10 lakh each	30-Dec-11	205.84	11.50%	30-Dec-21	Redeemable at par at the end of 3653 days from the date of allotment
			255.87			

Note 15 (b)

Unsecured redeemable non convertible debentures as on March 31,2020 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series D FY 2019-20	₹ 10 lakh each	13-Sep-19	26.98	8.90%	13-Sep-29	Redeemable at par at the end of 3653 days from the date of allotment
Series M FY 2015-16	₹ 10 lakh each	23-Mar-16	100.23	9.30%	23-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series H FY 2015-16	₹ 10 lakh each	04-Mar-16	50.36	9.48%	04-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series G FY 2015-16	₹ 10 lakh each	09-Feb-16	18.23	9.35%	09-Feb-26	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	₹ 10 lakh each	29-Jan-16	32.52	9.35%	29-Jan-26	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2015-16	₹ 10 lakh each	09-Sep-15	105.18	9.25%	09-Sep-25	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 lakh each	30-Mar-15	50.03	9.95%	28-Mar-25	Redeemable at par at the end of 3651 days from the date of allotment
Series M FY 2014-15	₹ 10 lakh each	31-Dec-14	51.25	9.95%	31-Dec-24	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2014-15	₹ 10 lakh each	30-Jun-14	43.13	10.40%	28-Jun-24	Redeemable at par at the end of 3651 days from the date of allotment
Series F FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.90%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.35%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2013-14	₹ 10 lakh each	28-Feb-14	25.25	10.90%	28-Feb-24	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2012-13	₹ 10 lakh each	21-Dec-12	282.58	9.80%	21-Dec-22	Redeemable at par at the end of 3652 days from the date of allotment
			885.88			

Note 15 (a)

Unsecured redeemable non convertible debentures as on March 31,2019 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2019 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series I FY 2015-16	₹ 10 lakh each	30-Mar-16	55.08	10.10%	30-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series F FY 2011-12	₹ 10 lakh each	30-Dec-11	205.73	11.50%	30-Dec-21	Redeemable at par at the end of 3653 days from the date of allotment
			260.81			

Note 15 (b)

Unsecured redeemable non convertible debentures as on March 31,2019 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2019 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series M FY 2015-16	₹ 10 lakh each	23-Mar-16	100.18	9.30%	23-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series H FY 2015-16	₹ 10 lakh each	04-Mar-16	50.36	9.48%	04-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series G FY 2015-16	₹ 10 lakh each	09-Feb-16	18.23	9.35%	09-Feb-26	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	₹ 10 lakh each	29-Jan-16	32.51	9.35%	29-Jan-26	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2015-16	₹ 10 lakh each	09-Sep-15	105.14	9.25%	09-Sep-25	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 lakh each	30-Mar-15	55.00	9.95%	28-Mar-25	Redeemable at par at the end of 3651 days from the date of allotment
Series M FY 2014-15	₹ 10 lakh each	31-Dec-14	51.24	9.95%	31-Dec-24	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2014-15	₹ 10 lakh each	30-Jun-14	43.11	10.40%	28-Jun-24	Redeemable at par at the end of 3651 days from the date of allotment
Series F FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.90%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.35%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2013-14	₹ 10 lakh each	28-Feb-14	25.24	10.90%	28-Feb-24	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2012-13	₹ 10 lakh each	21-Dec-12	282.46	9.80%	21-Dec-22	Redeemable at par at the end of 3652 days from the date of allotment
			863.61			

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Note 16 : Other financial liabilities ₹ in crore

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Security deposit and margin money received	12.28	14.91
Unclaimed interest on debentures	1.39	0.89
Liability for capital goods	0.12	0.12
Bank book credit balance	2.94	0.59
Liability for expenses	174.35	143.49
Short term obligation	9.32	19.58
Interim dividend payable	-	191.90
Other payables	43.45	35.18
Total other financial liabilities	**243.85**	**406.66**

Note 17 : Provisions ₹ in crore

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Provision for employee benefits		
Compensated absences	18.18	17.01
Gratuity	9.99	4.73
Total provisions	**28.17**	**21.74**

Note 18 : Other non-financial liabilities ₹ in crore

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Revenue received in advance	-	0.58
Statutory dues payable	2.54	12.34
Dividend distribution tax payable	-	39.44
Total other non-financial liabilities	**2.54**	**52.36**

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Note 19: Equity share capital

(a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in crore	No. of shares	₹ in crore
Authorised				
Equity shares of ₹10 each	2,65,43,09,610	2,654.31	2,65,43,09,610	2,654.31
Preference shares of ₹ 100 each	10,00,000	10.00	10,00,000	10.00
Issued, subscribed and paid up				
Equity shares of ₹ 10 each fully paid up	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14
		1,599.14		**1,599.14**

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in crore	No. of shares	₹ in crore
At the beginning of the year	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14
Add: Issued during the year	-	-	-	-
At the end of the year	**1,59,91,38,199**	**1,599.14**	**1,59,91,38,199**	**1,599.14**

(c) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	As at March 31, 2020	As at March 31, 2019
	No. of shares	No. of shares
Fully paid up pursuant to contract(s) without payment being received in cash	1,23,57,37,684	1,23,57,37,684

(d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Members of the Company holding equity shares capital therein have a right to vote, on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid up equity capital of the Company held by the shareholders. The Company declares dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year, the company has declared interim dividend of ₹ 1.15 per equity share (previous year : ₹1.20 per equity share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shares held by holding company:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in crore	No. of shares	₹ in crore
L&T Finance Holdings Limited (Holding company) directly or through it's beneficially nominee (Equity shares of ₹ 10 each fully paid up)	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14

(f) Shareholder holding more than 5% of equity shares as at the end of the year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
L&T Finance Holdings Limited (Holding company) directly or through it's beneficially nominee (Equity shares of ₹ 10 each fully paid up)	1,59,91,38,199	100%	1,59,91,38,199	100%

Note 20 : Other equity ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Capital redemption reserve	3.20	3.20
Debenture redemption reserve[1]	5.15	114.18
Securities premium[2]	6,903.72	6,903.72
General reserve[3]	34.52	0.25
Reserve u/s 45 IC of Reserve Bank of India Act, 1934[4]	826.85	753.59
Reserve u/s 36(1)(viii) of Income tax Act, 1961[5]	72.45	44.93
Amalgamation adjustment account[6]	(463.30)	(538.06)
Retained earnings[7]	58.24	19.85
Change in fair value of debt instruments classified at fair value through other comprehensive income (Refer note 1.5)	(1.84)	(0.37)
Change in fair value of equity instruments measured at fair value through other comprehensive income (Refer note 1.5)	(56.16)	-
Cash flow hedging reserve (Refer note 1.10)	(88.38)	-
Total other equity	**7,294.45**	**7,301.29**

Notes:

1. Debenture redemption reserve: The Company had issued redeemable non-convertible debentures and created Debenture Redemption Reserve out of the profits available for payment of dividend in accordance with the provision of section 71(4) of the Companies Act, 2013 to be utilised for the redemption of debentures. The Ministry of Corporate Affairs, vide notification dated August 19, 2019 has amended the Companies (Share Capital & Debentures) Rules and accordingly the Company is no longer required to create Debenture Redemption Reserve on issuance of redeemable non-covertible debentures.

2. Securities premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

3. General Reserve: The Companies (Transfer of Profits to Reserves) Rules, 1975 read with Section 205(2A) of the Companies Act, 1956, prohibited declaration of dividend for any financial year out of profits of the company for that year except after the transfer of a specified percentage of the profits not exceeding 10%, to its reserves. Amounts were transferred to General Reserve to comply with these provisions. The Companies Act, 2013, does not mandate such a transfer.General reserve is a free reserve available to the Company

4. Reserve u/s 45 IC of Reserve Bank of India Act, 1934: The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.

5. Reserve u/s 36(1)(viii) of Income tax Act, 1961: In respect of any special reserve created and maintained by a specified entity, an amount not exceeding twenty percent of the profits derived from eligible business computed under the head "Profits and gains of business or profession" (before making any deduction under this clause) carried to such reserve account.

6. Amalgamation Adjustment Account: Upon amalgamation of the erstwhile L&T Finance Limited and the erstwhile L&T Fincorp Limited (the "Transferor Companies") with Family Credit Limited (the "Transferee Company" which was renamed as L&T Finance Limited") the statutory reserves (i.e. Debenture Redemption Reserve, Reserve under section 45 IC of the Reserve Bank of India Act, 1934 and Reserve under section 36(1)(Viii) of the Income tax Act, 1961) of the Transferor Companies as on April 01, 2016 (the Appointed Date") with a corresponding debit to Amalgamation Adjustment Account. As the corresponding statutory reserve unwind, the Amalgamation Adjustment Account is also reversed.

7. Retained earnings: Retained earnings represent the amount of accumulated earnings of the Company.

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Note 21 : Interest Income ₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) On financial assets measured at amortised cost		
- Interest on loans	6,171.26	5,589.91
- Interest income from investments	45.30	74.24
- Interest on deposits with banks	50.85	13.02
- Other interest income	1.17	5.68
Total interest income on financial assets measured at amortised cost (i)	**6,268.58**	**5,682.85**
(ii) On financial assets measured at fair value through other comprehensive income		
- Interest income from investments	108.84	189.81
Total interest income on financial assets measured at fair value through other comprehensive income (ii)	**108.84**	**189.81**
(iii) On financial assets classified at fair value through profit or loss		
- Interest on loans	1,795.78	1,129.88
- Interest income from investments	11.21	9.18
Total interest income on financial assets classified at fair value through profit or loss (iii)	**1,806.99**	**1,139.06**
Total interest income (i+ii+iii)	**8,184.41**	**7,011.72**

Note 22 : Rental income ₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Lease rental income	9.04	16.15
Other rental income	-	2.69
Total rental income	**9.04**	**18.84**

Note 23 : Fees and commission income ₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Consultancy fees and financial advisory fee	106.70	71.70
Other financial activities	103.40	80.55
Total fees and commission income	**210.10**	**152.25**

Note 24 : Net gain/(loss) on fair value changes ₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(A) Net gain/(loss) on financial instruments classified at fair value through profit or loss		
On trading portfolio		
- Gain on sale of investments	70.01	76.46
- Gain/(loss) on sale of loan assets	-	7.28
- Fair value changes on loan assets	(61.82)	(63.81)
- Fair value changes on investments	(87.09)	(37.99)
(B) Net gain on disposal of financial instruments classified at fair value through other comprehensive income		
- Gain on sale of Investments	121.46	9.44
Total net gain/(loss) on fair value changes (A+B)	**42.56**	**(8.62)**
(C) Fair value changes:		
-Realised	191.47	93.18
-Unrealised	(148.91)	(101.80)
Total net gain/(loss) on fair value changes (D)	**42.56**	**(8.62)**

L&T Finance Limited
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Note 25 : Other income ₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Income on cross sell	228.24	199.43
Other income	5.95	0.35
Total other income	**234.19**	**199.78**

Note 26 : Finance costs ₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
On financial liabilities measured at amortised cost		
Interest on debt securities	1,636.33	1,778.02
Interest on borrowings	2,009.72	1,422.12
Interest on subordinated liabilities	111.86	110.42
Other interest expense	9.94	17.36
Total finance costs	**3,767.85**	**3,327.92**

Note 27 : Net loss on derecognition of financial instruments under amortised cost category ₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loss on foreclosure and writeoff of loan	1,069.71	1,181.43
Less: Provision held reversed on derecognition of financial instruments	(838.39)	(856.46)
Total net loss on derecognition of financial instruments under amortised cost category	**231.32**	**324.97**

Note 28 : Impairment on financial instruments ₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) On Financial instruments measured at fair value through other comprehensive income:		
- Investments	250.59	-
Total impairment on financial instruments on financial instruments measured at fair value through other comprehensive income (a)	**250.59**	**-**
(b) On financial instruments measured at amortised cost:		
- Loans	1,508.33	637.06
- Trade receivables	8.77	-
Total impairment on financial instruments on financial instruments measured at at amortised cost (b)	**1,517.10**	**637.06**
Total impairment on financial instruments (a+b)	**1,767.69**	**637.06**

Note 29 : Employee benefits expenses ₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries	654.45	467.18
Contribution provident and pension fund (refer note: 33)	28.18	16.19
Contribution to gratuity fund (refer note: 33)	4.76	2.93
Share based payments to employees (refer note: 36)	44.66	25.91
Staff welfare expenses	34.03	36.10
Total employee benefits expenses	**766.08**	**548.31**

Note 30 : Depreciation, amortization and impairment ₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment (refer note: 9)	19.52	25.53
Depreciation on Right of use assets (refer note : 34)	7.80	-
Amortisation of Intangible assets (refer note: 10)	108.18	99.70
Amortisation of Goodwill (refer note: 10)	565.71	565.70
Total depreciation, amortization and impairment	**701.21**	**690.93**

L&T Finance Limited
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Note 31 : Other expenses ₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent	35.99	48.20
Rates and taxes	1.76	3.24
Repairs and maintenance	68.02	56.96
Advertisement and publicity	14.30	13.03
Printing and stationery	15.03	10.00
Telephone and postage	8.90	9.87
Directors sitting fees	0.16	0.28
Auditor’s remuneration (refer footnote)	1.11	0.82
Legal and professional charges	118.10	99.44
Insurance	7.81	5.13
Electricity charges	5.05	5.94
Travelling and conveyance	30.41	29.02
Stamping charges	1.14	2.57
Collection charges	212.50	152.93
Loan processing charges	8.90	12.68
Corporate social responsibility expenses (refer note: 35)	11.81	4.01
Donation	11.96	1.39
Corporate support charges	14.08	8.02
Bank charges	38.62	22.25
Non executive directors remunerations	0.39	0.62
Loss on sale of property, plant and equipment (net)	2.66	7.62
Brand license fees	22.39	46.53
Miscellaneous expenses	1.10	1.15
Total administration and other expenses	**632.19**	**541.70**
footnote: Auditor’s remuneration comprises the following		
Statutory audit fees	0.37	0.34
Limited review fees	0.22	0.13
Tax audit Fees	0.04	0.03
Certification and other service	0.34	0.27
Expenses reimbursed	0.06	0.02
GST/Service tax (net of input credit)	0.09	0.03
	1.11	**0.82**

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Note: 32 Disclosure pursuant to Ind AS 24 "Related Party Disclosures"

(a) List of Related Parties (with whom transactions were carried out during current or previous year)

A. Ultimate Holding Company
1. Larsen & Toubro Limited

B. Holding Company
2. L&T Finance Holdings Limited

C. Fellow Subsidiary Companies
3. L&T Infrastructure Finance Company Limited
4. Larsen & Toubro Infotech Limited
5. L&T Capital Company Limited
6. L&T Capital Markets Limited
7. L&T Housing Finance Limited
8. L&T Investment Management Limited
9. L&T Financial Consultants Limited
10. L&T Infra Investment Partners Advisory Private Limited

D. Associate
11. L&T Infra Debt Fund Limited

E. Key Management Personnel
12. Mr. Dinanath Dubhashi
13. Mr. Sunil Prabhune
14. Mr. P. V. Bhide
15. Mr. D. R. Dongra *(Ceased to be a Director with effect from June 06, 2018)*
16. Mr. Mannil Venugopalan *(Ceased to be a Director with effect from June 11, 2018)*
17. Dr (Mrs). Rajni R Gupte
18. Mr. Prabhakar B. *(Ceased to be a Director with effect from May 30, 2018)*
19. Mr. Ashish Kotecha *(Ceased to be a Director with effect from April 28, 2019)*
20. Mr. Rishi Mandawat *(Appointed as Director with effect from April 28, 2019)*

(b) Disclosure of related party transactions :

₹ in crore

Sr. No.	Nature of transaction*	2019-20	2018-19
1	**Inter corporate deposits borrowed**		
	Larsen & Tourbo Limited	-	2,000.00
	L&T Finance Holdings Limited	9,034.37	8,036.51
	L&T Infrastructure Finance Company Limited	200.00	410.00
	L&T Housing Finance Limited	195.00	100.00
	L&T Capital Company Limited	1.20	5.97
	L&T Investment Management Limited	628.13	133.25
	L&T Capital Markets Limited	61.90	155.82
	L&T Infra Investment Partners Advisory Private Limited	-	61.26
2	**Inter corporate deposits repaid**		
	Larsen & Tourbo Limited	-	2,000.00
	L&T Finance Holdings Limited	8,412.41	8,529.96
	L&T Infrastructure Finance Company Limited	200.00	410.00
	L&T Housing Finance Limited	125.00	100.00
	L&T Capital Company Limited	4.35	9.19
	L&T Investment Management Limited	600.33	133.25
	L&T Capital Markets Limited	61.90	155.82
	L&T Infra Investment Partners Advisory Private Limited	-	61.26
3	**Interest expense on inter corporate deposits**		
	Larsen & Tourbo Limited	-	16.57
	L&T Finance Holdings Limited	27.51	95.08
	L&T Infrastructure Finance Company Limited	0.16	0.35
	L&T Housing Finance Limited	0.05	0.02
	L&T Capital Company Limited	0.13	0.36
	L&T Investment Management Limited	0.69	0.26
	L&T Capital Markets Limited	0.06	0.67
	L&T Infra Investment Partners Advisory Private Limited	-	0.27

L&T Finance Limited

Notes forming part of the financial statements

(b) Disclosure of related party transactions :

₹ in crore

Sr. No.	Nature of transaction*	2019-20	2018-19
4	**Inter corporate deposits given**		
	L&T Infrastructure Finance Company Limited	1,782.00	75.00
	L&T Housing Finance Limited	-	12.57
	L&T Financial Consultants Limited	161.64	-
5	**Inter corporate deposits received back**		
	L&T Infrastructure Finance Company Limited	1,782.00	75.00
	L&T Housing Finance Limited	-	12.57
	L&T Financial Consultants Limited	161.64	-
6	**Interest received on inter corporate deposits**		
	L&T Infrastructure Finance Company Limited	10.65	0.04
	L&T Housing Finance Limited	-	0.02
	L&T Financial Consultants Limited	0.43	-
7	**Portfolio related transaction**		
	L&T Housing Finance Limited	0.58	0.57
8	**Corporate support charges paid to**		
	L&T Finance Holdings Limited	12.92	7.36
9	**Branch sharing cost paid to**		
	Larsen & Toubro Limited	-	0.00
	L&T Financial Consultants Limited	24.11	24.28
	L&T Investment Management Limited	0.21	0.05
	L&T Housing Finance Limited	0.49	0.08
10	**Branch sharing cost recovered from**		
	L&T Infrastructure Finance Company Limited	0.18	0.23
	Larsen & Toubro Limited	-	0.05
	L&T Investment Management Limited	2.29	2.38
	L&T Capital Markets Limited	0.56	0.74
	L&T Housing Finance Limited	4.11	3.06
11	**IT/Professional fees paid to**		
	Larsen & Toubro Limited	5.45	7.63
	Larsen & Toubro Infotech Limited	3.20	1.19
12	**Sale/Assignment of loan portfolio to**		
	L&T Infra Debt Fund Limited	39.86	248.03
	L&T Infrastructure Finance Company Limited	2,919.85	1,514.86
	L&T Housing Finance Limited	183.54	-
13	**Purchase of loan portfolio from**		
	L&T Housing Finance Limited	-	1,769.38
	L&T Infrastructure Finance Company Limited	-	120.02
14	**Brand license fees paid to**		
	Larsen & Toubro Limited	21.12	45.16
15	**Expenses on employee stock option plan**		
	L&T Finance Holdings Limited	44.66	25.91
16	**Corporate support charges recovered**		
	L&T Infra Investment Partners Advisory Private Limited	0.84	-
17	**Service cost for loan portfolio**		
	L&T Housing Finance Limited	-	0.30

L&T Finance Limited
Notes forming part of the financial statements

(b) Disclosure of related party transactions :

₹ in crore

Sr. No.	Nature of transaction*	2019-20	2018-19
18	**Reimbursement of expenses to**		
	Larsen & Toubro Limited	-	0.11
19	**Interest on security deposit**		
	L&T Financial Consultants Limited	-	0.43
20	**Interest on non convertible debenture (Borrowings)**		
	L&T Infrastructure Finance Company Limited	1.32	-
	Larsen & Toubro Limited	6.15	-
21	**Processing fees sharing on sale of loan portfolio**		
	L&T Infra Debt Fund Limited	0.08	-
	L&T Infrastructure Finance Company Limited	12.69	-
	L&T Housing Finance Limited	1.97	-
22	**Interim dividend**		
	L&T Finance Holdings Limited	183.90	191.90

23 Compensation Paid to Key Managerial Personnel**

₹ in crore

Name of Key Management Personnel	2019-20				2018-19			
	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total
Mr. Sunil Prabhune	3.82	-	0.13	3.95	2.32	-	-	2.32
Mr. P. V. Bhide	0.17	-	-	0.17	0.19	-	-	0.19
Mr. D. R. Dongra	-	-	-	-	0.02	-	-	0.02
Mr. Mannil Venugopalan	-	-	-	-	0.05	-	-	0.05
Dr (Mrs). Rajni R Gupte	0.17	-	-	0.17	0.20	-	-	0.20
Mr. Prabhakar B.	-	-	-	-	0.02	-	-	0.02
Mr. Ashish Kotecha	-	-	-	-	0.11	-	-	0.11
Mr. Rishi Mandawat	0.12	-	-	0.12	-	-	-	-

L&T Finance Limited
Notes forming part of the financial statements

(c) Amount due to/from related parties:

₹ in crore

S. No.	Nature of transactions	As at March 31,2020	As at March 31,2019
1	**Inter corporate borrowings**		
	L&T Finance Holdings Limited	787.84	165.89
	L&T Capital Company Limited	-	3.15
	L&T Housing Finance Limited	70.00	-
	L&T Investment Management Limited	27.80	-
2	**Interest accrued on inter corporate borrowings**		
	L&T Finance Holdings Limited	1.71	0.22
	L&T Capital Company Limited	-	0.10
	L&T Housing Finance Limited	0.01	-
	L&T Investment Management Limited	0.01	-
3	**Investment in equity share**		
	L&T Infra Debt Fund Limited	176.50	176.50
4	**Non convertible debenture (Borrowings)**		
	Larsen & Toubro Limited	40.45	-
	L&T Infrastructure Finance Company Limited	25.00	-
5	**Interest accrued on non convertible debenture (Borrowings)**		
	Larsen & Toubro Limited	0.81	-
	L&T Infrastructure Finance Company Limited	5.49	-
6	**Rent deposit**		
	L&T Financial Consultants Limited	8.46	7.89
7	**Account payable**		
	L&T Finance Holdings Limited	-	3.47
	L&T Infrastructure Finance Company Limited	-	0.02
	L&T Capital Company Limited	-	***0.00
	L&T Financial Consultants Limited	-	0.03
	L&T Infra Debt Fund Limited	-	0.35
8	**Account receivable**		
	Larsen & Toubro Limited	2.66	3.03
	L&T Finance Holdings Limited	7.45	-
	L&T Investment Management Limited	0.03	0.40
	L&T Capital Markets Limited	-	2.44
	L&T Housing Finance Limited	10.01	5.76
	L&T Financial Consultants Limited	0.05	-
9	**Security deposit payable**		
	L&T Investment Management Limited	0.22	0.22
10	**Interim dividend payable**		
	L&T Finance Holdings Limited	-	191.90
11	**Brand license fees payable**		
	Larsen & Tourbo Limited	22.39	47.87

* Transactions shown above are excluding GST, if any.
** Managerial Remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the company as a whole.
*** Amount less than ₹ 1 lakh.

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(i) Defined Contribution plan:

The Company's state governed provident fund scheme are defined contribution plan for its employees and for a certain categories of employees made to a trust viz. The Larsen & Toubro Officers & Supervisory Staff Provident Fund constituted by the ultimate parent company, which is permitted under The employee's Provident Funds and Miscellaneous Provisions Act, 1952. The Contribution by the employer and employee together with interest accumulated there on are payable to the employee at the time of separation from company or retirement whichever is earlier. The benefit vets immediately on rendering of services by the employee. In addition to the above, information relating to the scheme operated by the trust constituted by the holding company is given in the note (iii) below.

The Company has recognised charges of ₹ 28.18 crore (previous year: ₹ 16.19 crore) for provident fund contribution contribution is included in "Note 29 Employee Benefits Expenses" in the Statement of Profit and Loss.

(ii) Defined Benefits Gratuity Plan :

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days last salary drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. The Company’s scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

(a) The amounts recognised in Balance Sheet are as follows:

₹ in crore

	Particulars	Gratuity Plan	
		As at March 31, 2020	**As at March 31, 2019**
A)	Present Value of Defined Benefit Obligation		
	- Wholly funded	21.71	12.92
	- Wholly unfunded	-	-
		21.71	**12.92**
	Less : Fair Value of plan assets	(11.72)	(8.19)
	Amount to be recognised as liability or (asset)	**9.99**	**4.73**
B)	Amounts reflected in Balance Sheet		
	Liabilities	9.99	4.73
	Assets	-	-
	Net liability/(asset)	**9.99**	**4.73**

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

₹ in crore

Sr. No.	Particulars	Gratuity Plan	
		As at March 31, 2020	**As at March 31, 2019**
1	Current Service Cost	4.76	2.93
2	Net Interest Cost	0.22	0.01
3	Actuarial losses/(gains):		
	i) Actuarial (gains)/losses arising from changes in financial assumptions	1.44	0.23
	ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	**0.00
	iii) Actuarial (gains)/losses arising from changes in experience adjustments	2.37	1.81
	iv) Actuarial losses/(gains) - difference between actuarial return on plan assets	0.68	(0.50)
4	Past Service Cost	-	-
	Total (1 to 4)	**9.47**	**4.48**
i	Amount included in "employee benefits expenses"	4.76	2.93
ii	Amount included in as part of "finance cost'	0.22	0.01
iii	Amount included as part of "Other Comprehensive income"	4.49	1.54
	Total (i + ii + iii)	**9.47**	**4.48**

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

₹ in crore

Particulars	Gratuity Plan	
	As at March 31, 2020	**As at March 31, 2019**
Opening balance of the present value of defined benefit obligation	12.92	9.55
Add : Current Service Cost	4.76	2.93
Add : Interest Cost	0.82	0.63
Add : Actuarial losses/(gains)		
i) Actuarial (gains)/losses arising from changes in financial assumptions	1.44	0.23
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	**0.00
iii) Actuarial (gains)/losses arising from changes in experience adjustments	2.37	1.81
Less : Benefits paid	(1.12)	(2.48)
Add : Past service cost	-	-
Add : Liability assumed/(settled)*	0.52	0.25
Closing balance of the present value of defined benefit obligation	**21.71**	**12.92**

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in crore

Particulars	Gratuity Plan	
	As at March 31, 2020	As at March 31, 2019
Opening balance of the fair value of the plan assets	8.19	7.92
Add : interest income of plan assets	0.60	0.62
Add/(less) : Actuarial gains/(losses)		
Difference between actual return on plan assets and interest income	(0.68)	0.50
Add : Contribution by the employer	4.73	1.63
Less : Benefits paid	(1.12)	(2.48)
Add: Assets acquired/(settled)*	-	-
Closing balance of the fair value of the plan assets	**11.72**	**8.19**

(e) The fair value of major categories of plan assets are as follows:

₹ in crore

Sr. No	Particulars	Gratuity Plan	
		As at March 31, 2020	As at March 31, 2019
1	Government of India Securities	1.99	1.84
2	Insurer managed funds - unquoted	4.22	3.10
3	Others debt instruments	2.55	2.55
4	Others - unquoted	2.96	0.70

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Gratuity Plan	
		As at March 31, 2020	As at March 31, 2019
1	Discount rate	5.60%	6.90%
2	Salary escalation rate	9.00%	9.00%

(A) **Discount rate:**
The discount rate based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

(B) **Salary escalation rate:**
The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

(g) Attrition Rate:
The attrition rate varies from 15% to 25% (previous year: 15% to 25%) for various age groups.

(h) Mortality:
Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

(i) Sensitivity Analysis:
One percentage point change in actuarial assumption would have the following effects on the defined benefit obligation:

₹ in crore

Sr. No.	Particulars	Gratuity Plan			
		Effect of 1% Increase		Effect of 1% Decrease	
		AS at March 31, 2020	AS at March 31, 2019	AS at March 31, 2020	AS at March 31, 2019
1	Impact of change in discount rate	(1.12)	(0.63)	1.24	0.69
2	Impact of change salary escalation rate	1.18	0.67	(1.09)	(0.63)

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(iii) Defined Benefits Provident Fund Plan

In respect of the contribution by the employer and employee to the provident fund trust constituted by the ultimate parent company, in terms of the guidance note issued by the Institution of Actuarial of India for the measurement of provident fund liabilities, the actuary engaged by the Company has provide the following information in this regards:

(a) The amounts recognised in Balance Sheet are as follows:

₹ in crore

	Particulars	Provident Fund Plan	
		As at March 31, 2020	**As at March 31, 2019**
A)	Present Value of Defined Benefit Obligation		
	- Wholly funded	14.32	15.72
	- Wholly unfunded	-	-
		14.32	**15.72**
	Assets acquired on acquisition	-	-
	Less : Fair Value of plan assets	(15.18)	(15.82)
	Add : Amount not recognised as an asset	-	-
	Amount to be recognised as liability or (asset)	**(0.86)**	**(0.10)**
B)	Amounts reflected in Balance Sheet		
	Liabilities	-	-
	Assets	(0.86)	(0.10)
	Net liability/(asset)	**(0.86)**	**(0.10)**

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

₹ in crore

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2020	**As at March 31, 2019**
1	Current Service Cost		-
2	Interest Cost	1.25	1.67
3	Interest Income on Plan Assets	-	-
4	Expected return on Plan Assets	(1.25)	(1.67)
5	Actuarial losses/(gains)	(0.76)	0.10
6	Actuarial gain/(loss) not recognised in Books	0.76	(0.10)
	Total (1 to 6)	**-**	**-**
i	Amount included in "employee benefits expenses"	-	-
ii	Amount included in as part of "finance cost'	-	-
iii	Amount included as part of "Other Comprehensive income"	-	-
	Total (i + ii + iii)	**-**	**-**

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

₹ in crore

Particulars	Provident Fund Plan	
	As at March 31, 2020	**As at March 31, 2019**
Opening balance of the present value of defined benefit obligation	15.72	24.07
Add : Assets acquired on acquisition	-	-
Add : Current Service Cost	-	-
Add : Interest Cost	1.25	1.67
Add : Actuarial (gains)/losses		
i) Actuarial (gains)/losses arising from changes in financial assumptions	-	-
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
iii) Actuarial (gains)/losses arising from changes in experience adjustments	-	-
Less : Benefits paid	(2.65)	(10.53)
Add : Contribution by the employer	-	-
Add : Liability assumed/(settled)*	-	0.51
Closing balance of the present value of defined benefit obligation	**14.32**	**15.72**

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in crore

Particulars	Provident Fund Plan	
	As at March 31, 2020	**As at March 31, 2019**
Opening balance of the fair value of the plan assets	15.82	24.27
Add : Assets acquired on acquisition	-	-
Add : interest income of plan assets	1.25	1.67
Add/(less) : Actuarial gains/(losses)		
Difference between actual return on plan assets and interest income	0.76	(0.10)
Add : Contribution by the employer	-	-
Add/(less) : Contribution by plan participants	-	-
Less : Benefits paid	(2.65)	(10.53)
Add: Assets acquired/(settled)*	-	0.51
Closing balance of plan assets	**15.18**	**15.82**

(e) The fair value of major categories of plan assets are as follows:

₹ in crore

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2020	**As at March 31, 2019**
1	Government of India Securities	7.12	7.53
2	Corporate Bonds	4.38	3.51
3	Special Deposit Scheme	0.65	0.82
4	Public Sector Unit Bond	2.44	3.48
5	Others	0.59	0.48

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2020	**As at March 31, 2019**
1	Discount rate for the term of the obligation	5.60%	6.90%
2	Average historic yield on the investment portfolio	8.81%	8.78%
3	Discount rate for the remaining term to maturity of the investment portfolio	6.60%	7.65%
4	Future derived return on assets	7.81%	8.03%
5	Guaranteed rate of return	8.25%	8.65%

(A) **Discount rate:**
The discount rate is based on the prevailing market yields of Indian government securities as at the valuation date for the estimated term of the obligations.

(B) **Average historic yield on the investment portfolio:**
The average rate of return earned on the investment portfolio of provident fund in the previous three years.

(C) **Expected investment return:**

Expected investment return is determined by adding the yield spread to the discount rate for a term of the obligation, where yield spread is the difference between the average historic yield on the investment portfolio & discount rate for the remaining term to maturity of the investment portfolio.

(D) **Guaranteed rate of return:**
The latest interest rate declared by the Regional Provident Fund Commissioner to its own subscribers.

*On account of business combination or inter group transfer
**Amount less than ₹ 1 lakh

Note: 34 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 -Leases

I) Transition Disclosure :

Reconcilation of operating lease commitments as at March 31, 2019 (under Ind AS 17) to the opening lease liability as at April 1, 2019 (under Ind AS 116)

₹ in crore

Particulars	April 1, 2019		
	Total Impact	External Impact	Within Group
Opening retained earning impact as on April 1, 2019			
Lease liability on transition date (A)	25.24	25.24	-
Right-of-Use assets as on transition date (net off accumulated depreciation)	22.49	22.49	-
Gross impact	**(2.75)**	**(2.75)**	-
Deferred tax	(0.69)	(0.69)	-
Opening retained earning impact (Net)	**(2.06)**	**(2.06)**	-
Profit & loss charge for existing leases			
As per Ind AS 17 (old standard)	9.71	9.71	-
Interest expense - As per Ind AS 116	2.49	2.49	-
Depreciation - As per Ind AS 116	7.80	7.80	-
Profit before tax Impact	**(0.58)**	**(0.58)**	-
Reconciliation of operating lease commitments as at March 31, 2019 with lease liability as on April 1, 2019			
1. Existing Operating lease rental commitment (Present value for outstanding lease term for existing operating lease)	3.71	2.37	1.34
2. Lease commitments pertaining to short term leases	-	-	-
3. Lease commitments pertaining to low value leases	(2.66)	(1.32)	(1.34)
4. Impact of discounting of lease payments under Ind AS 116	(4.63)	(4.63)	-
5. Extension and termination options reasonably certain to be exercised	28.82	28.82	-
6. Commitments relating to leases previously classified as finance leases	-	-	-
Lease liability on transition date (1 + 2 + 3 + 4 + 5 + 6) (B)	25.24	25.24	-

II) Company as Lesseee

a) Operating Lease

i) The company has taken various assets on lease such as, plant and machinery, buildings, office premises, vehicles.Generally, leases are renewed only on mutual consent and at a prevalent market price.

ii) Details with respect to right of use assets:-

₹ in crore

Class of Assets	Opening as on April 1, 2019	Additions to right to use assets during 2019-20	Depreciation for 2019-20	Carrying amount as on March 31, 2020
Building / Office Premises	22.49	11.26	7.80	25.95

iii) Interest expense on lease liabilities amounts : ₹2.49 crore

iv) Expense relating to leases for which underlying asset is of low value is : ₹14.01 crore

v) Expense related to short-term leases is : ₹21.98 crore

vi) Expense related to variable lease payments : Nil

vii) Income from sub-leasing of right of use assets : ₹6.20 crore

b) Finance Lease : Not Applicable

Note: 34 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 -Leases

III) Company as Lessor

a) Finance Lease

i) The Company has given on finance leases certain items of plant and equipment. The leases have a primary period that is fixed and noncancellable and a secondary period. There are no exceptional/restrictive covenants in the lease agreement.There are no significant risks associated with rights that the Company retains in underlying assets.

ii) Maturity analysis of minimum undiscounted lease receivables and the present value of minimum lease payments receivable is as under:

₹ in crore

Particulars	As at March 31, 2020
Receivable not later than 1 year	25.42
Receivable later than 1 year but not later than 2 year	20.70
Receivable later than 2 year but not later than 3 year	4.85
Receivable later than 3 year but not later than 4 year	0.01
Receivable later than 4 year but not later than 5 year	-
Receivable later than 5 years	-
Gross investment in lease	50.98
Less: Unearned finance income	6.26
Present value of minimum lease payment receivable	44.72

iii) Finance lease income on net investment in lease recognised in statement of Profit & loss during the financial year 2019-20 : ₹6.47 crore

iv) Finance lease income relating to variable lease payments not depending on index/rate - NIL

v) Changes in carrying amount of net investment in finance lease

₹ in crore

Particulars	Current	Non Current	Total
Opening value of Lease Receivables as on April 1, 2019	29.20	50.98	80.18
Add: Finance lease income recognised in P&L	6.47	-	6.47
Less: Lease rental received (cash payment)	(35.67)	-	(35.67)
Add/Less: Change on account of any other factors	25.42	(25.42)	-
Closing value of Lease Receivables as on March 31, 2020	**25.42**	**25.56**	**50.98**

b) Operating Lease :

i) The company has given certain assets under operating lease. There are no significant risks associated with rights that the Company retains in underlying assets. Leases are renewed only on mutual consent and at a prevalent market price.

ii) Maturity analysis of undiscontinued lease receivables:

₹ in crore

Particulars	As at March 31, 2020
Receivable not later than 1 year	1.42
Receivable later than 1 year but not later than 2 year	0.46
Receivable later than 2 year but not later than 3 year	0.23
Receivable later than 3 year but not later than 4 year	-
Receivable later than 4 year but not later than 5 year	-
Receivable later than 5 years	-
Total	**2.11**

iii) Lease income recognised in Profit & Loss account (Other than variable lease payment) : ₹2.57 crore

iv) Lease income relating to variable lease payments not depending on index/rate : Nil

Disclosure pursuant to Ind AS 17 "Leases" (Applicable upto 31 March 2019)

(i) **Operating lease:**

(a) **Company as Leases:**

The Company has taken motor vehicles, furniture and fixtures and premises on operating leases. Lease payments recognized in the Statement of Profit and Loss during the year 31 March 2019 is ₹ 48.20 crore. The total of future minimum lease payments on non-cancellable operating lease as at March 31, 2019 are as follows:

₹ in crore

Particulars	As at 31 March, 2019
Not later than 1 year	3.39
Later than 1 year and not later than 5 years	0.32
Later than 5 years	-
Total	**3.71**

(b) **Company as Lessor:**

The Company has given motor vehicles, furniture and fixtures, office equipments, plant and machineries and computers under non-cancellable operating lease. The total of future minimum lease payment receivables on non-cancellable operating lease as at March 31, 2019 are as follows:

₹ in crore

Particulars	As at 31 March, 2019
Not later than 1 year	5.79
Later than 1 year and not later than 5 years	1.50
Later than 5 years	-
Total	**7.29**

(ii) **Finance lease**

(a) **Company as Lessor:**

The Company has given assets on finance lease to its customers with respective underlying assets/equipments as security. The details of gross investment, unearned finance income and present value of minimum lease payment receivable as at March 31, 2019 in respect of these assets are as under:

₹ in crore

	As at March 31, 2019	
Particulars	**Minimum lease payment receivable**	**Present value of minimum lease payment receiavble**
Not Later than 1 year	29.20	22.37
Later than 1 year and not later than 5 years	50.98	44.72
Later than 5 years	-	-
Gross investment in lease	**80.18**	**67.09**
Less: Unearned finance income	(13.09)	-
Present value of minimum lease payment receivable	**67.09**	**67.09**

Note: 35 Corporate Social Responsibility (CSR)

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year is ₹ 11.81 crore (previous year: ₹ 4.01 crore).

(a) The amount recognised as expense in the Statement of Profit and Loss on CSR related activities is ₹ 11.81 crore (previous year: ₹ 4.01 crore) (Refer note no. 31 of financial statements), which comprises of:

₹ in crore

Particulars	2019-20			2018-19		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(a) Amount spent during the year on:						
(i) Construction/ acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	11.81	-	11.81	4.01	-	4.01

Note: 36 Pursuant to the Employees Stock Options Scheme established by the holding company (i.e. L&T Finance Holdings Limited), stock options have been granted to the employees of the Company. Total cost incurred by the holding company in respect of options granted to employees of the company amounts, recovery of the same and future period expense details are following:

₹ in crore

Particulars	Total cost incurred by holding company (i.e. L&T Finance Holdings Limited)	Expense recovered by holding company till end of financial year	Expenses charged to Statement of Profit and Loss for the year	Remaining expenses to be recovered in future year
(A)	(B)	(C)	(D)	(E = B-C)
As at March 31, 2020	178.21	110.00	44.66	68.21
As at March 31, 2019	113.73	65.34	25.91	48.39

Note: 37 Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings Per Share"

Particulars		2019-20	2018-19
Basic Earning Per Share			
Profit after tax as per statement of profit and loss (₹ in crore)	A	366.29	845.96
Weighted average number of equity shares outstanding during the year (Nos.)	B	1,59,91,38,199	1,59,91,38,199
Basic Earning Per Share (₹)	**A/B**	**2.29**	**5.29**
Diluted Earning Per Share			
Profit after tax as per statement of profit and loss (₹ in crore)	A	366.29	845.96
Weighted average number of equity shares outstanding (Nos.)	B	1,59,91,38,199	1,59,91,38,199
Diluted Earning Per Share (₹)	**A/B**	**2.29**	**5.29**
Face value of shares (₹)		**10.00**	**10.00**

Note: 38 Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Contingent Liabilities:		
a) Claim against the Company not acknowledged as debt:		
- Income Tax matter in dispute*	0.71	0.71
- Sales tax/ VAT / Service Tax matter in dispute*	494.62	56.14
- Legal matter in dispute*	2.10	1.20
b) Bank Guarantees;	29.69	22.27
c) Other money for which the Company is contingently liable Liability towards Letter of Credit(net of margin money)	812.64	1,537.36
Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	88.85	82.20
b) Undisbursed Commitment	-	32.00

*In respect of disputes, the company is hopeful of succeeding in appeals and does not expect any significant liabilities to materialise.

Note: 39 Frauds committed against the company:

₹ in crore

Particulars	2019-20	2018-19
No. of cases of fraud which occurred during the year	161	44
Amount involved	1.38	0.64
Amount recovered	0.36	*0.00
Amount provided/loss	1.37	0.49

* Amount less than ₹1 lakh.

Note: 40 The Company has invoked pledge of equity shares and Non-convertible debentures ("NCD") in the following companies, pledged with the Company as collateral by the borrowers and these shares and NCD are being held by the Company as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding.

Sr. No.	Name of Company	Quantity held as bailee	
		As at March 31, 2020	As at March 31, 2019
i)	Saumya Mining Limited	5,13,012	5,13,012
ii)	SEW Vizag Coal Terminal Private Limited*	7,03,833	7,03,833
iii)	Bhushan Steel Limited	71,89,089	71,89,089
iv)	Sterling International Enterprises Limited	2,17,309	2,17,309
v)	Tulip Telecom Limited	14,01,762	14,01,762
vi)	Punj Lloyed Limited	5	5
vii)	Golden Tobacco Limited	10,000	10,000
viii)	Gujurat Highway Corporation Limited	70,000	70,000
ix)	Hindusthan National Glass & Industries Limited	34,04,499	34,04,499
x)	Automobile Corporation Of Goa	8,784	-
xi)	Bajaj Holdings And Investment Ltd	20,220	-
xii)	Kinetic Engineering Limited	17,556	-
xiii)	Motherson Sumi Systems Limited	91,125	-
xiv)	Munjal Showa Limited	25,000	-
xv)	NTPC Limited	19,000	-
xvi)	Reliance Capital	4,500	-
xvii)	State Bank Of India	10,000	-
xviii)	Tata Consultancy Services Limited	220	-
xix)	Tata Motors Limited – DVR	31,814	-
xx)	NTPC Limited (NCD)	16,300	-

**Shares held on behalf of L&T Infrastructure Finance Company Limited.*

Note: 41 **Expenditure in foreign currency:**

₹ in crore

Particulars	2019-2020	2018-2019
Professional Fees	0.68	1.48
License Fees	4.02	3.95
Business Promotion Expenses	0.02	-
Finance Cost	77.78	-

Note: 42 **Dues to micro enterprises and small enterprises:**

₹ in crore

Sr. No.	Particulars	2019-2020	2018-2019
i	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
ii.	the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
iii.	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
iv.	the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
v.	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

footnote: The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company. Based on the information available with the Company, as at the year end, there are no dues to micro and small Enterprises that are reportable under the MSMED Act, 2006.

Note: 43 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures" and pursuant to Ind AS 1 "Presentation of financial statements"
Maturity profile of financial assets and financial liabilities

₹ in crore

Particular	31-Mar-20			31-Mar-19		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
ASSETS:						
Financial assets						
Cash and cash equivalents	2,717.76	-	2,717.76	1,530.51	-	1,530.51
Bank Balance other than (a) above	676.61	7.95	684.56	0.89	29.68	30.57
Derivative financial instruments	-	141.74	141.74	7.20	-	7.20
Receivables						
Trade receivables	18.85	-	18.85	11.50	-	11.50
Other receivables	35.83	-	35.83	18.95	-	18.95
Loans	25,378.60	18,512.62	43,891.22	28,019.96	19,093.71	47,113.67
Investments	873.74	2,203.71	3,077.45	2,376.84	2,307.46	4,684.30
Other financial assets	49.91	16.50	66.41	102.97	4.57	107.54
Non-financial assets						
Current tax assets (net)	-	194.76	194.76	-	77.78	77.78
Deferred tax assets (net)	-	819.01	819.01	-	727.21	727.21
Property, plant and equipment	-	35.31	35.31	-	49.34	49.34
Intangible assets under development	-	44.56	44.56	-	18.48	18.48
Goodwill	-	565.70	565.70	-	1,131.41	1,131.41
Other intangible assets	-	134.67	134.67	-	214.71	214.71
Right of use assets	-	25.95	25.95	-	-	-
Other non-financial assets	75.09	47.85	122.94	59.81	53.74	113.55
Total Assets	**29,826.39**	**22,750.33**	**52,576.72**	**32,128.63**	**23,708.09**	**55,836.72**
LIABILITIES :						
Financial liabilities						
Payables						
Trade payables	31.40	-	31.40	86.03	-	86.03
Other payables	-	-	-	13.11	-	13.11
Debt securities	7,944.64	8,537.23	16,481.87	12,383.23	10,688.37	23,071.60
Borrowings (other than debt securities)	11,511.17	14,117.66	25,628.83	7,337.02	14,802.84	22,139.86
Subordinated liabilities	26.04	1,115.71	1,141.75	34.42	1,090.00	1,124.42
Lease liabilities	7.85	21.44	29.29	-	-	-
Other financial liabilities	243.85	-	243.85	406.66	-	406.66
Non-financial liabilities						
Current tax liabilities (net)	95.43	-	95.43	20.51	-	20.51
Provisions	28.17	-	28.17	21.74	-	21.74
Other non-financial liabilities	2.54	-	2.54	52.36	-	52.36
Total liabilities	**19,891.09**	**23,792.04**	**43,683.13**	**20,355.08**	**26,581.21**	**46,936.29**

L&T Finance Limited
Notes forming part of the financial statements

Note: 44 Disclosure persuant to Ind AS 7 "Statement of Cash Flows"
Change in liabilities arising from financing activities:

₹ in crore

Particulars	April 1, 2018	Net Cash flows	Non - cash changes			March 31, 2019
			Changes in fair values	Exchange Difference	Others	
Debt securities	16,980.60	6,093.24	-	-	(2.24)	23,071.60
Borrowings (other than debt securities)	17,353.47	4,795.12	-	7.23	(15.96)	22,139.86
Subordinated liabilities	1,124.35	-	-	-	0.07	1,124.42
Total liabilities from financing activities	**35,458.42**	**10,888.36**	**-**	**7.23**	**(18.13)**	**46,335.88**

₹ in crore

Particulars	April 1, 2019	Net Cash flows	Non - cash changes			March 31, 2020
			Changes in fair values	Exchange Difference	Others	
Debt securities	23,071.60	(6,553.37)	-	-	(36.36)	16,481.87
Borrowings (other than debt securities)	22,139.86	3,224.26	-	248.86	15.85	25,628.83
Subordinated liabilities	1,124.42	26.00	-	-	(8.67)	1,141.75
Total liabilities from financing activities	**46,335.88**	**(3,303.11)**	**-**	**248.86**	**(29.18)**	**43,252.45**

Footnote: Others include mainly amortisation of Issue issue cost and changes in accrued interest.

Note: 45 Disclosure pursuant to Ind AS 108 “Operating Segment”

The company has identified operating segments based on performance assessment and resource allocation by the management. Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly attributable to each reportable segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocated. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. As the operations of the Company are carried out within India, there are no geographical segments.

Rural Finance comprises of Farm Equipment Finance, Two Wheeler Finance, Micro Loans and Consumer Finance.

Housing Finance comprises of Home Loans, Loan against Property and Real Estate Finance.

Infrastructure Finance comprises of Infrastructure business.

Defocused Finance comprises of Structured Corporate Loans, Debt Capital Market, Commercial Vehicle Finance, Construction Equipment Finance, Supply Chain Finance, SME term loans and Leases.

₹ in crore

Sr. No.	Particulars	Year ended	
		March 31, 2020	March 31, 2019
	Gross segment revenue from continuing operations		
a	Rural Finance	5,308.80	4,066.35
b	Housing Finance	1,522.91	1,086.92
c	Infrastructure Finance	1,042.08	795.07
d	Defocused Finance	572.32	1,234.47
	Revenue as per the statement of profit and loss	**8,446.11**	**7,182.81**
	Segment Result (Profit/(loss) before tax)		
a	Rural Finance	1,225.87	1,127.33
b	Housing Finance	585.98	478.18
c	Infrastructure Finance	222.60	204.51
d	Defocused Finance	(567.02)	146.53
e	Unallocated *	(653.47)	(653.47)
	Profit before tax	**813.96**	**1,303.08**

Sr. No.	Particulars	As at	
		March 31, 2020	March 31, 2019
	Segment assets		
a	Rural Finance	28,491.28	25,517.39
b	Housing Finance	11,293.39	11,435.43
c	Infrastructure Finance	6,515.13	7,810.87
d	Defocused Finance	4,609.69	8,961.11
	Subtotal	**50,909.49**	**53,724.80**
e	Unallocated **	1,667.23	2,111.92
	Total assets	**52,576.72**	**55,836.72**
	Segment liabilities		
a	Rural Finance	24,613.01	22,181.29
b	Housing Finance	9,442.29	9,940.38
c	Infrastructure Finance	5,575.92	7,004.56
d	Defocused Finance	3,956.48	7,789.55
	Subtotal	**43,587.70**	**46,915.78**
e	Unallocated ***	95.43	20.51
	Total liabilities	**43,683.13**	**46,936.29**

*Unallocated represents goodwill and Distribution and customer network right amortization

**Unallocated represents advance/tax deducted (net), deferred tax asset (net) and goodwill and Distribution and customer network right amortization

***Unallocated represents tax liabilities

L&T Finance Limited
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Note : 46 Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/(income):

₹ in crore

Sr. No.	Particulars	2019-20	2018-19
	Statement of Profit and Loss:		
(a)	Profit and Loss section:		
	(i) Current tax :		
	Current tax expense for the year	507.92	488.47
	Tax expense in respect of earlier years	-	-
		507.92	**488.47**
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	(263.65)	(31.35)
	Effect on deferred tax balances due to the change in income tax rate **(refer footnote)**	203.40	-
		(60.25)	**(31.35)**
	Income tax expense reported in the statement of profit or loss[(i)+(ii)]	**447.67**	**457.12**
(b)	Other Comprehensive Income (OCI) Section:		
	(i) Items that will not be reclassified to profit or loss in subsequent years:		
	(A) Current tax expense/(income):	-	-
	(B) Deferred tax expense/(income):		
	On re-measurement of the defined benefit plans	(1.13)	(0.54)
		(1.13)	**(0.54)**
	(ii) Items that will be reclassified to profit or loss in subsequent years:		
	(A) Current tax expense/(income):	-	-
	(B) Deferred tax expense/(income):		
	On gains and loss on hedging instruments in a cash flow hedge	(29.73)	-
	On gain/(loss) on fair value of debt securities	-	-
		(29.73)	**-**
	Income tax expenses reported in the other comprehensive income [i+ii]	**(30.86)**	**(0.54)**
(c)	**Other directly reported in balance sheet (opening retained earning):**		
	Current tax expense	-	-
	Deferred tax (assets)/liabilities		
	-Transition impact of Ind-AS 116	(0.69)	-
	Income tax expense reported directly in balance sheet	**(0.69)**	**-**

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

₹ in crore

Sr. No.	Particulars		2019-20	2018-19
(a)	Profit before tax		813.96	1,303.08
(b)	Corporate tax rate as per Income tax Act, 1961		25.168%	34.944%
(c)	Tax on accounting profit	**(c)=(a)*(b)**	204.86	455.35
(d)	(i) Tax on Income exempt from tax :			
	(A) Deduction of Special reserve u/s 36(1)(viii) of the Income Tax Act, 1961		(6.93)	(7.46)
	(B) Deduction u/s 80JJA of the Income Tax Act, 1961		(10.13)	-
	(ii) Tax on Income which are taxed at different rates		(9.16)	(1.97)
	(iii) Tax on non deductible expenses:			
	(A) Corporate Social Responsibility (CSR) expenses		1.65	0.74
	(B) Provision for dimunition of investments		63.76	1.68
	(iv) Tax effect of reversal of deferred tax asset (MTM investments) recognised in earlier year		-	9.79
	(v) Tax effect on various other Items		0.22	(1.01)
	Total effect of tax adjustments [(i) to (v)]		**39.41**	**1.77**
(e)	**Tax expense (before one-time deferred tax impact)**	**(e)=(c)+(d)**	**244.27**	**457.12**
(f)	**Effective tax rate (before one-time deferred tax impact)**	**(f)=(e)/(a)**	30.01%	35.08%
(g)	Effect on deferred tax due to change in Income tax rate (Refer footnote)		203.40	-
(h)	**Tax expense recognised during the year**	**(h)=(e)+(g)**	**447.67**	**457.12**
(i)	**Effective tax rate**	**(i)=(h)/(a)**	55.00%	35.08%

footnote: The recently promulgated Taxation Laws (Amendment) Ordinance 2019, has inserted section 115BAA in the Income Tax Act, 1961, providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/ incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961, for assessment year (AY) 2020-21 or subsequent AYs. Once exercised, such an option cannot be withdrawn for the same or subsequent AYs.

These financial statement are prepared on the basis that the Company would avail the option to pay income tax at the lower rate. Consequently, the opening deferred tax asset (net) has been measured at the lower rate, with a one-time corresponding charge of ₹203.40 crore to the Statement of Profit and Loss.

L&T Finance Limited
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(c) (i) Unused tax losses and unused tax credits for which no deferred tax asset is recognised in Balance sheet

Particulars	As at March 31, 2020		As at March 31, 2019	
	₹ in crore	Expiry year	₹ in crore	Expiry year
Tax losses (Business loss and unabsorbed depreciation)				
- Amount of losses having expiry	-	-	-	-
- Amount of losses having no expiry	-	-	-	-
Tax losses (Capital loss)	-	-	-	-
Unused tax credits [Minimum Alternate Tax (MAT) credit not recognised]	-	-	-	-
Total	-		-	

(c) (ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet

₹ in crore

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
(a)	Towards provision for diminution in value of investments	366.31	55.37
(b)	Arising out of upward revaluation of tax base of assets (on account of indexation benefit)	-	-
(c)	Other items	-	-
	Total	**366.31**	**55.37**

(d) Major components of deferred tax liabilities and deferred tax assets:

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at March 31, 2018	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities/ (assets) as at March 31, 2019
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	45.59	(24.03)	-	-	21.56
-Unamortised borrowing cost	2.12	(1.31)	-	-	0.81
-Other items giving rise to temporary differences	22.64	0.39	-	-	23.03
Net deferred tax liabilities	**70.35**	**(24.95)**	**-**	**-**	**45.40**
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss	(691.69)	52.32	-	-	(639.37)
-Provision on trade receivables	-	-	-	-	-
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(27.78)	11.15	-	-	(16.63)
-Fair value of investments	(11.94)	0.35	-	-	(11.59)
-Defined benefit obligation (Gratuity and Leave encashment)	(4.13)	(2.94)	(0.54)	-	(7.60)
-Amortisation of expenditure incurred for amalgamation	(5.94)	1.98	-	-	(3.96)
-Liability for expenses	(7.64)	(2.87)	-	-	(10.51)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(16.38)	(66.57)	-	-	(82.95)
-Other items giving rise to temporary differences	(0.18)	0.18	-	-	-
Net Deferred tax (assets)	**(765.68)**	**(6.40)**	**(0.54)**	**-**	**(772.61)**
Net deferred tax liability/(assets)	**(695.33)**	**(31.35)**	**(0.54)**	**-**	**(727.21)**

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at March 31, 2019	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities/ (assets) as at March 31, 2020
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	21.56	(11.08)	-	-	10.48
-Unamortised borrowing cost	0.81	(0.66)	-	-	0.15
-Other items giving rise to temporary differences	23.03	2.77	-	-	25.80
Net deferred tax liabilities	**45.40**	**(8.97)**	**-**	**-**	**36.43**
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss	(639.37)	(5.35)	-	-	(644.72)
-Provision on trade receivables	-	(2.21)	-	-	(2.21)
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(16.63)	9.12	-	-	(7.51)
-Fair value of investments	(11.59)	(7.30)	-	-	(18.89)
-Defined benefit obligation (Gratuity and Leave encashment)	(7.60)	1.64	(1.13)	-	(7.09)
-Amortisation of expenditure incurred for amalgamation	(3.96)	2.53	-	-	(1.43)
-Fair valuation of derivative financial instrument	-	-	(29.73)	-	(29.73)
-Impact on account of Ind AS 116 – Leases	-	(0.15)	-	(0.69)	(0.84)
-Liability for expenses	(10.51)	1.31	-	-	(9.20)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(82.95)	(50.87)	-	-	(133.82)
Net Deferred tax (assets)	**(772.61)**	**(51.28)**	**(30.86)**	**(0.69)**	**(855.44)**
Net deferred tax liability/(assets)	**(727.21)**	**(60.25)**	**(30.86)**	**(0.69)**	**(819.01)**

Note 47: Risk Management

Basis

Great importance is attached to the identification, measurement and control of risks. All employees of the Company are responsible for the management of risk, with the ultimate accountability residing with the Board of Directors. The Board of Directors and its Risk Management Committee ensure that Management takes into consideration all the relevant risk factors which could lead to unexpected fluctuations in results or to a loss of capital employed. Recommendations for risk control measures are derived from the evaluation of the risk factors. Certain risks are also recognised as opportunities. The aim in such cases is to achieve an appropriate balance between the possible losses which might result and the potential gains. Risks which primarily represent loss potential are minimised. This helps in aligning the risk appetite to the Company's strategy to deliver sustainable, long term returns to its investors.

The risks are reviewed periodically every quarter.

Types of risk

As a lending non-banking financial company, the most important risks it is faced with are the following:

- Credit risk
- Market risk
- Capital risk

Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers or counterparties fail to fulfil their contractual obligations to the Company.

Credit risk arises mainly from wholesale and retail loans and advances and loan commitments arising from such lending activities; but could also arise from credit enhancement provided, such as financial guarantees and letters of credit. The Company is also exposed to other credit risks arising from investments in debt securities and exposures arising from its trading activities ("Trading Exposures") as well as settlement balances with market counterparties.

Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk. A centralised risk management function oversees the risk management framework, which periodically presents an overview of credit risk of portfolio to the Risk Management Committee.

Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time. Internal credit rating is used as an important tool to manage exposures of the Wholesale segment. Ratings provides a consistent and common scale for measurement of components of credit risk of a loan asset including the Probability of Default (PD) across products and sectors. Credit rating model takes into account critical success parameters relevant for each industry, competitive forces within the industry as well as regulatory issues while capturing financial parameters, management strengths, project parameters etc. of the borrower. These ratings are reviewed at least once annually.

Loans and advances (including loan commitments and guarantees)

The estimation of credit exposure for risk management purposes is complex, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring and of the associated loss ratios. The Company measures credit risk for each class of loan assets using inputs such as Probability of Default ("PD") and Loss Given Default ("LGD"). This is similar to the approach used for the purposes of measuring Expected Credit Loss ("ECL") under Ind AS 109.

Wholesale and retail portfolios are managed separately to reflect the differing nature of the assets; wholesale balances tend to be larger and are managed on an individual basis, while retail balances are greater in number but lesser in value and are, therefore, managed in aggregated segments.

Infrastructure Finance and Housing Real Estate

The Company uses internal credit risk grading (17 levels for loans which are not credit impaired and 1 level for loans considered to be credit impaired) that reflect its assessment of the PD of individual counterparties in respect of its Wholesale segment. The Company use internal rating models tailored to the various categories of counterparties. Borrower and loan specific information collected at the time of application (such as turnover and industry type for wholesale exposures) and judgement based on market intelligence on the sector or the specific borrower is used in assigning the rating. The Company's own internal ratings were benchmarked against the last published cumulative default rates for 1 year and 3 year periods as published annually by CRISIL for Stage 1 and Stage 2 loan assets.

The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between a AAA and A- rating grade is lower than the difference in the PD between a BBB and B- rating grade.

Management also assesses the impact of economic developments in key markets on specific customers, customer segments or portfolios. If changes in credit conditions are foreseen, mitigation action, including the revision of risk appetites or limits and tenors, as appropriate are taken.

Retail (Farm Equipment Finance, Two-Wheeler Loans, Micro Loans and Others) and Housing (Loans Against Property)

The Company has deployed standardised credit decision rules, as approved by the designated officials for the specific product. The rules are regularly monitored to ensure that the changes in the economic environment have been factored into the credit decision rules.

Trading Exposures

For debt securities in the trading portfolio, external rating agency credit grades are used for evaluating the credit risk.

Expected Credit Loss ('ECL')

The Company prepares its financial statements in accordance with the IND AS framework.

As per the recent RBI notification on acceptance of IND AS for regulatory reporting, the Company computes provision as per IND AS 109 as well as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). Where impairment allowance in aggregate for the Company under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning) for the Company, the difference is appropriated from net profit or loss after tax to a separate 'Impairment Reserve'. Any withdrawals from this reserve shall be done only with prior permission from the RBI.

ECL allowances recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability weighted basis, based on certain economic scenarios. The recognition and measurement of ECL involves use of significant judgement and estimation. Forward looking economic forecasts are used in developing the ECL estimates. Three scenarios sufficient to calculate unbiased ECL were used - representing the "most likely outcome" (the "Central" scenario) and two "less likely outcome" scenarios (the "Upside" and "Downside" scenarios). Probability weights are assigned to each scenario. The Central scenario is based on the Company outlook of GDP growth, inflation, unemployment and interest rates for India and most relevant for the Company's loan portfolio. The Upside and Downside scenarios generated at the reporting dates are designed to cover cyclical changes and are updated during the year only if the economic conditions change significantly. Given the uncertainties arising from the COVID 19 pandemic, the ECL allowance as of March 31, 2020, is measured based on the Downside scenario.

Management oversees the estimation of ECL including:

i. setting requirements in policy, including key assumptions and the application of key judgements;
ii. the design and execution of models; and
iii. review of ECL results.

As required by Ind AS 109, a 'three-stage' model for impairment based on changes in credit quality since initial recognition was built as summarised below:

- A loan asset that is not credit-impaired, on initial recognition, is classified in 'Stage 1' and has its credit risk continuously monitored by Management.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the loan asset is moved to 'Stage 2' but is not yet deemed to be credit-impaired. (See note 1.13 for a description of how the Company determines when a significant increase in credit risk has occurred).
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. (See note 1.13 for a description of how the Company defines credit-impaired and default).

The following are additional considerations for each type of portfolio held by the Group:

Infrastructure Finance and Housing (Real Estate)

For wholesale business, the PD estimated based on the internal credit rating assigned to the borrower as explained above. Updated or new information/credit assessments for credit risk evaluation are incorporated on an ongoing basis. In addition, information about the creditworthiness of the borrower is updated every year from sources such as financial statements. This will determine the updated internal credit rating and PD. The internal ratings based PD has been benchmarked to the Cumulative Default Rates for 1 year and 3 year periods as published annually by CRISIL.

The Exposure at Default ("EAD") is measured at the amortised cost as at the reporting date, after considering repayments of principal and interest received in advance -

The Company, in determining its Loss Given Default ("LGD") estimates, for Stage 3 loan assets as of the reporting date, has used cash flow estimates based on inputs provided by assigned business managers and external corroborating information including amounts realised on resolution of cases referred to the National Company Law Tribunal ("NCLT") under the Insolvency and Bankruptcy Code, 2016.

The Company has carried out a historical analysis of loss experience for all closed and live defaulted (Stage 3) borrowers over the previous 5 years.

Retail (Farm Equipment Finance, Two-Wheeler Loans, Micro Loans and Others) and Housing (Loans against Property)

Retail lending credit quality is determined on a collective basis based on a 12-month point in time ("PIT") probability weighted PD.

A centralised impairment model summarises the historical payment behaviour of the borrowers within a retail portfolio which data is used to build the PD estimates. For estimating PD, information on days-past-due and month-on-book (vintage) (for certain products) form key differentiating characteristics. The weighted average is determined (using count of customers as the weight) from quarterly snapshots.

For credit impaired loan assets LGD is computed based on actual history of loss (on settlement/repossession and disposal of security/ enforcement action) from the same historical quarterly snapshots. The loss divided by the principal outstanding at the time of default is the loss ratio for a credit impaired loan asset in a specific snapshot. The weighted average of loss ratios (using the principal outstanding in respect of such credit impaired loan assets in the corresponding snapshot as the weight) was used to determine the LGD ratio for credit impaired loan assets.

The PD and LGD ratio was used along with respective EAD adjustment factor to arrive at the ECL for all stages of loan assets.

Exposure at Default (EAD)

EAD is the amortised cost as at the period end, after considering repayments of principal and interest received in advance.

Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The Company's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Financial assets						
Equity instruments (Associate)	176.50	-		176.50	-	
Total financial assets at cost	**176.50**	-		**176.50**	-	
Cash and cash equivalent and other bank balances	3,402.32	-		1,561.08	-	
Loans and advances at amortised cost	32,699.31	-	Refer footnote below	34,828.40	-	Refer footnote below
Debt instruments	-	-		1,643.54	-	
Trade receivables	18.85	-		11.50	-	
Other receivables	35.83	-		18.95	-	
Other financial assets	66.41	-		107.54	-	
Total financial assets at amortised cost	**36,222.72**	**-**		**38,171.01**	**-**	
Derivative financial instruments	-	-		7.20	-	
Financial assets at fair value through profit or loss	12,916.28	-		12,860.38	-	
Total financial instruments at fair value through profit or loss	**12,916.28**	**-**		**12,867.58**	**-**	
Derivative financial instruments	141.74	-		**-**	-	
Financial instruments at fair value through Other Comprehensive Income	1,176.58	-		2,289.15	-	
Total financial instruments at fair value through Other Comprehensive Income	**1,318.32**	-		**2,289.15**	-	
Total on-balance sheet	**50,633.82**	**-**		**53,504.24**	**-**	
Off balance sheet						
Contingent liabilities	1,318.97	-		1,617.68	-	
Other commitments	88.85	-		114.20	-	
Total off-balance sheet	**1,407.82**	**-**		**1,731.88**	**-**	
Total	**52,041.64**	**-**		**55,236.12**	**-**	

Footnote

(i) Retail loans, other than unsecured loans aggregating ₹ 14,828.70 crore as of March 31, 2020, are generally secured by a charge on the asset financed (farm equipment loans, two-wheeler loans and loans against property) (as of March 31, 2019: ₹ 12,911.95 crore). If the customer fails to pay, the Company would, as applicable, liquidate collateral and/or set off accounts. For most products, the Company obtains direct debit instructions or post-dated cheques from the customer. It is a criminal offence in India to issue a bad cheque.

(ii) Infrastructure Finance and Housing Real Estate loans are secured with current assets as well as immovable property and property, plant and equipment in some cases. However, collateral securing each individual loan may not be adequate in relation to the value of the loan. If the customer fails to pay, the Group would, as applicable, liquidate collateral and/or set off accounts. For most products, the Group obtains direct debit instructions or post-dated cheques from the customer. It is a criminal offence in India to issue a bad cheque.

Of the unmitigated on balance sheet exposure, a significant portion relates to cash held with banks, settlement balances, and debt securities issued by governments all of which are considered to be lower risk.

Besides growth in the loan assets portfolio, increases in trading portfolio assets and financial assets at fair value through the Statement of Profit and Loss have also contributed to the increase in the Company’s net exposure to credit risk. Investments in debt instruments are predominantly investment grade.

Where collateral has been obtained in the event of default, the Company does not, ordinarily, use such assets for its own operations and they are usually sold and off set against the outstanding loan assets.

The Company has invoked pledge of equity shares and Non-convertible debentures ("NCD") in the following companies, pledged with the Company as collateral by the borrowers and these shares and NCD are being held by the Company as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding.

Sr. No.	Name of Company	Quantity held as bailee	
		As at March 31, 2020	As at March 31, 2019
i)	Saumya Mining Limited	5,13,012	5,13,012
ii)	SEW Vizag Coal Terminal Private Limited*	7,03,833	7,03,833
iii)	Bhushan Steel Limited	71,89,089	71,89,089
iv)	Sterling International Enterprises Limited	2,17,309	2,17,309
v)	Tulip Telecom Limited	14,01,762	14,01,762
vi)	Punj Lloyed Limited	5	5
vii)	Golden Tobacco Limited	10,000	10,000
viii)	Gujurat Highway Corporation Limited	70,000	70,000
ix)	Hindusthan National Glass & Industries Limited	34,04,499	34,04,499
x)	Automobile Corporation Of Goa	8,784	-
xi)	Bajaj Holdings And Investment Ltd	20,220	-
xii)	Kinetic Engineering Limited	17,556	-
xiii)	Motherson Sumi Systems Limited	91,125	-
xiv)	Munjal Showa Limited	25,000	-
xv)	NTPC Limited	19,000	-
xvi)	Reliance Capital	4,500	-
xvii)	State Bank Of India	10,000	-
xviii)	Tata Consultancy Services Limited	220	-
xix)	Tata Motors Limited – DVR	31,814	-
xx)	NTPC Limited (NCD)	16,300	-

**Shares held on behalf of L&T Infrastructure Finance Company Limited.*

Concentration of exposure

Concentrations of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in the same geographical areas or industry sectors so that their collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions. The Company has established a diversified borrower base and as at March 31, 2020. The Company has put in place a framework of Risk Limits, which are monitored on a quarterly basis to ensure that the overall portfolio is steered within the approved limits to minimize concentration risk. The Risk Limits cover risk of concentration to a particular geography, industry, Company/borrower or revenue counterparty of the borrowers etc. as are relevant to the respective product.

Market Risk Management

Liquidity Risk:

The risk that the Company is unable to service its contractual or contingent liabilities or that it does not have the adequate amount of funding and liquidity to support its committed disbursements.

Liquidity risk management in the Company is managed as per the guidelines of Board-approved Asset-Liability Management ('ALM') Policy. The ALM Policy provides the governance framework for the identification, measurement, monitoring and reporting of liquidity risk arising out of Company's lending and borrowing activities. The liquidity risk is measured in terms of structural liquidity gaps across various time-buckets and also by setting up limits on relevant liquidity stock ratios. Actual liquidity gaps against the Gap Limits are reported every month to the Asset Liability Management Committee ('ALCO'). Given the current market scenario, the Company has been maintaining positive cumulative liquidity gaps for all the time-buckets upto 1 year as a prudent risk management practice.

The Company also periodically undertakes liquidity stress testing under various liquidity stress scenarios. It maintains liquidity buffer for survival period of 30 days in the forms of High Quality Liquid Assets under 1-in-10 liquidity stress scenario, wherein hair-cut of 40% on undrawn bank lines and collection shortfall of 15% is assumed. To effectively manage the fallout of the COVID-19 pandemic related RBI measures on its funding and liquidity, the Company has been continuously maintaining higher level of liquidity buffer as a safeguard against any likely disruption in the funding and market liquidity.

Additionally, the Company has line of credit from the ultimate parent, Larsen & Toubro Limited.

Further, Reserve Bank of India has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019. As per the said guidelines, NBFC are required to publicly disclose the below information related to liquidity risk on a quarterly basis. Accordingly, the disclosure on liquidity risk as at March 31, 2020 is as under:

(i) Funding Concentration based on significant counterparty

Sr. No.	No. of Significant Counterparties	Amount (₹ crore)	% of Total Deposits	% of Total Liabilities
1	27	30,688.22	N.A.	67.16%

Notes:

- A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs
- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines

(ii) Top 20 large deposits (amount in ₹ crore and % of total deposits) – Not Applicable

(iii) Top 10 borrowings :

Amount (₹ crore)	% of Total Borrowings
19,506.91	46.00%

Note:

- Total Borrowing has been computed as Gross Total Debt basis extant regulatory ALM guidelines.

(iv) Funding Concentration based on significant instrument / product

Sr. No.	Name of the product	Amount (₹ crore)	% of Total Liabilities
1	Term Loans	13,762.56	30.12%
2	Private Non-Convertible Debentures	10,665.15	23.34%
3	Working Capital Bank Lines	8,121.85	17.77%
4	Commercial Papers	2,475.00	5.42%
5	Public Non-Convertible Debentures	3,907.87	8.55%
6	External Commercial Borrowings	2,588.58	5.67%
7	Inter corporate Deposits	885.64	1.94%
	Total	**42,406.65**	**92.81%**

Note:

- A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(v) Stock Ratios:

Sr. No.	Stock Ratio	%
1	Commercial papers as a % of total liabilities	5.42%
2	Commercial papers as a % of total assets	4.53%
3	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%
4	Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%
5	Other short-term liabilities as a % of total liabilities	24.31%
6	Other short-term liabilities as a % of total assets	20.35%

Note:

- Commercial Paper for stock ratio is the Gross outstanding (i.e. Maturity amount).
- Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial paper less Non-convertible debentures (Original maturity of less than one year), basis extant regulatory ALM guidelines.

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/approval/ratification.

Foreign Exchange Rate Risk:

In the normal course of its business, the Company does not deal in foreign exchange in a significant way. Any significant foreign exchange exposure on account of foreign exchange borrowings is fully hedged to safeguard against exchange rate risk.

Interest Rate Risk:

Interest rate risk is the risk where changes in market interest rates affect the Company's financial position due to change in its Net Interest Income (NII). To mitigate interest rate risk, ALM Policy of the Company stipulates Interest Rate Sensitive Gaps for all the time-buckets. Interest Rate Sensitivity Statement is prepared every month and placed before ALCO. The Statement captures the Rate Sensitive Gaps i.e. the mismatch between the Rate Sensitive Assets and Liabilities, in various time buckets. The impact of different types of changes in the yield curve on the earnings for the entire Group of which the Company is a component are also measured every month and captured in the Risk Dashboard.

Security Prices:

The Company manages investment portfolios comprising of government securities, corporate bonds and debentures. To safeguard against the credit risk and interest rate risk in the investment portfolios, risk limits in the form of portfolio size limits, concentration limits and stop loss limit are stipulated. To provide early warning indicators, alarm limits have also been put in place. Reporting periodicity and escalation matrix upon the breach of alarm limits as well as risk limits have been clearly defined. The Company does not invest in Equity stocks and therefore is not exposure to equity price risk on this account.

Note: 47.1 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Expected credit loss - Loans:

₹ in crore

Particulars		As at March 31, 2020			As at March 31, 2019		
		Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision	Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	30,167.59	418.73	29,748.86	33,597.80	397.97	33,199.83
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	1,953.39	167.93	1,785.46	1,127.47	106.13	1,021.34
	Financial assets for which credit risk has increased significantly and credit-impaired	2,991.12	1,826.13	1,164.99	1,845.98	1,238.75	607.23
Total		**35,112.10**	**2,412.79**	**32,699.31**	**36,571.25**	**1,742.85**	**34,828.40**

Note: 47.2 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(b) Reconciliation of loss allowance provision - Loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on March 31, 2018	**216.19**	**56.99**	**1,692.95**	**1,966.13**
New assets originated or purchased	306.85	32.22	122.11	461.18
Amount written off	-	-	(856.46)	(856.46)
Transfers to Stage 1	21.73	(13.50)	(8.23)	-
Transfers to Stage 2	(2.75)	5.06	(2.31)	-
Transfers to Stage 3	(4.41)	(4.32)	8.73	-
Impact on year end ECL of Exposure transferred between stages during the year	(16.22)	46.39	324.95	355.12
Increase/ (Decrease) provision on existing financial assets including recovery	(123.42)	(16.71)	(42.99)	(183.12)
ECL as on March 31, 2019	**397.97**	**106.13**	**1,238.75**	**1,742.85**
New assets originated or purchased	297.32	33.44	74.49	405.25
Amount written off	(1.61)	-	(815.56)	(817.17)
Transfers to Stage 1	6.72	(1.78)	(4.94)	-
Transfers to Stage 2	(11.37)	13.12	(1.76)	-
Transfers to Stage 3	(22.18)	(74.47)	96.64	-
Impact on year end ECL of Exposure transferred between stages during the year	(6.20)	63.57	1,059.65	1,117.03
Increase/ (Decrease) provision on existing financial assets including recovery	(241.92)	27.91	178.84	(35.17)
ECL as on March 31, 2020	**418.73**	**167.93**	**1,826.13**	**2,412.79**

(c) Reconciliation of Gross carrying amount - Loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on March 31, 2018	**28,956.17**	**1,108.60**	**2,595.77**	**32,660.54**
New assets originated or purchased	22,253.29	351.72	179.82	22,784.83
Amount written off	-	-	(856.46)	(856.46)
Transfers to Stage 1	161.65	(142.02)	(19.63)	-
Transfers to Stage 2	(407.12)	412.00	(4.88)	-
Transfers to Stage 3	(482.58)	(134.58)	617.16	-
Net recovery	(16,883.61)	(468.25)	(665.80)	(18,017.66)
Gross carrying amount as on March 31, 2019	**33,597.80**	**1,127.47**	**1,845.98**	**36,571.25**
New assets originated or purchased	18,775.34	493.53	117.12	19,385.99
Amount written off	(22.96)	-	(825.99)	(848.95)
Transfers to Stage 1	115.93	(103.55)	(12.38)	-
Transfers to Stage 2	(1,295.78)	1,299.93	(4.15)	-
Transfers to Stage 3	(1,691.66)	(485.33)	2,176.98	-
Net recovery	(19,311.09)	(378.67)	(306.43)	(19,996.19)
Gross carrying amount as on March 31, 2020	**30,167.59**	**1,953.39**	**2,991.12**	**35,112.10**

Note: 47.3 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

₹ in crore

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
I	**Measured at fair value through profit or loss (FVTPL):**		
	(i) Investment in equity instruments	2.05	7.75
	(ii) Investment in preference shares	0.68	4.55
	(iii) Investment in bonds/debentures	59.48	59.48
	(iv) Investment in mutual funds	5.02	40.09
	(v) Investment in security receipt	1,555.62	279.48
	(vi) Investment in units of fund	101.52	183.77
	(vii) Loans	11,191.91	12,285.27
	(viii) Derivative financial instruments	-	7.20
	Sub-total (I)	**12,916.28**	**12,867.59**
II	**Measured at amortised cost:**		
	(i) Loans	32,699.31	34,828.40
	(ii) Trade receivables	18.85	11.50
	(iii) Other receivables	35.83	18.95
	(iv) Other financial assets	66.41	107.54
	(v) Cash and cash equivalents and bank balances	3,402.32	1,561.08
	(vi) Investment in government securities	-	1,643.53
	Sub-total (II)	**36,222.72**	**38,171.00**
III	**Measured at fair value through other comprehensive income (FVTOCI):**		
	(i) Investment in bonds/Debentures	1,137.88	2,243.12
	(ii) Investment in government securities	-	37.62
	(iii) Investment in equity instruments	31.61	-
	(iv) Investment in pass through certificates	7.09	8.41
	(v) Derivative financial instruments	141.74	-
	Sub-total (III)	**1,318.32**	**2,289.15**
	Total (I+II+III)	**50,457.32**	**53,327.74**

(b) Category-wise classification for applicable financial liabilities:

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
I	**Measured at fair value through profit or loss (FVTPL):**		
	(i) Derivative Instruments not designated as cash flow hedges	-	-
	Sub-total (I)	**-**	**-**
II	**Measured at amortised cost:**		
	(i) Debt securities	16,481.87	23,071.60
	(ii) Borrowings (other than debt securities)	25,628.83	22,139.86
	(iii) Subordinated liabilities	1,141.75	1,124.42
	(iv) Trade payables	31.40	86.03
	(v) Other payables	-	13.11
	(vi) Lease liabilities	29.29	-
	(vii) Other financial liabilities	243.85	406.66
	Sub-total (II)	**43,556.99**	**46,841.68**
III	**Measured at fair value through other comprehensive income (FVTOCI):**	-	-
	Sub-total (III)	**-**	**-**
	Total (I+II+III)	**43,556.99**	**46,841.68**

Note: 47.4 : Disclosure pursuant to Ind AS 107 “Financial Instruments: Disclosures“

(c) Fair value of financial assets and financial liabilities measured at amortised cost:

₹ in crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Loans	32,699.31	32,699.31	34,828.40	34,828.40
Investment in government securities	-	-	1,643.54	1,710.43
Total	**32,699.31**	**32,699.31**	**36,471.94**	**36,538.83**
Financial liabilities:				
Debt Securities	16,481.87	16,662.34	23,071.60	23,247.75
Borrowings (other than debt securities)	25,628.83	25,718.27	22,139.86	22,133.77
Subordinated liabilities	1,141.75	1,179.34	1,124.42	1,131.56
Lease liabilities	29.29	29.29	-	-
Total	**43,281.74**	**43,589.24**	**46,335.88**	**46,513.08**

The carrying amounts of cash & cash equivalents, bank balance, trade receivables, other receivables, other financial assets, trade payables, other payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

(d) Disclosure pursuant to Ind AS 113 “Fair Value Measurement” - Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:

₹ in crore

As at March 31, 2020	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	32,699.31	32,699.31	Discounted cashflow approach
Investment in government securities	-	-	-	-	
Total financial assets	**-**	**-**	**32,699.31**	**32,699.31**	
Financial liabilities:					
Debt Securities	-	-	16,662.34	16,662.34	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	25,718.27	25,718.27	Discounted cashflow approach
Subordinated liabilities	-	-	1,179.34	1,179.34	Discounted cashflow approach
Lease liabilities	-	-	29.29	29.29	Discounted cashflow approach
Total financial liabilities	**-**	**-**	**43,589.24**	**43,589.24**	

₹ in crore

As at March 31, 2019	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	34,828.40	34,828.40	Discounted cashflow approach
Investment in government securities	-	1,710.43	-	1,710.43	
Total financial assets	**-**	**1,710.43**	**34,828.40**	**36,538.83**	
Financial liabilities:					
Debt Securities	-	-	23,247.75	23,247.75	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	22,133.77	22,133.77	Discounted cashflow approach
Subordinated liabilities	-	-	1,131.56	1,131.56	Discounted cashflow approach
Lease liabilities	-	-	-	-	
Total financial liabilities	**-**	**-**	**46,513.08**	**46,513.08**	

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Notes forming part of the financial statements

Note: 47.5

Disclosure pursuant to Ind AS 113 “Fair Value Measurement“

₹ in crore

Particulars	As at March 31, 2020				As at March 31, 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets:								
Financial assets at fair value through profit and loss:								
Investments								
- Equity instruments	2.05	-	-	2.05	5.62	-	2.13	7.75
- Preference shares	-	-	0.68	0.68	-	-	4.55	4.55
- Bonds and debentures	-	-	59.48	59.48	-	-	59.48	59.48
- Mutual funds	5.02	-	-	5.02	40.09	-	-	40.09
- Security receipts	-	-	1,555.62	1,555.62	-	-	279.48	279.48
- Units of fund	-	-	101.52	101.52	-	-	183.77	183.77
								-
Loans	-	-	11,191.91	11,191.91	-	-	12,285.27	12,285.27
Derivative financial instruments	-	-	-	-	-	7.20	-	7.20
Sub total	**7.07**	**-**	**12,909.21**	**12,916.28**	**45.71**	**7.20**	**12,814.68**	**12,867.59**
Financial assets at fair value through other comprehensive income:								
Investments								
- Bonds and debentures	-	1,137.88	-	1,137.88	-	2,243.12	-	2,243.12
- Mutual funds				-	-	-	-	-
- Government securities	-	-	-	-	-	37.62	-	37.62
- Pass through certificates	-	-	7.09	7.09	-	-	8.41	8.41
- Equity instruments	31.61	-	-	31.61	-	-	-	
Derivative financial instruments	-	141.74	-	141.74	-	-	-	-
Sub total	**31.61**	**1,279.62**	**7.09**	**1,318.32**	**-**	**2,280.74**	**8.41**	**2,289.15**
Total Financial assets at fair value	**38.68**	**1,279.62**	**12,916.30**	**14,234.60**	**45.71**	**2,287.94**	**12,823.09**	**15,156.74**
Financial liabilities:								
Financial liabilities at fair value through profit and loss:	-	-	-	-	-	-	-	-
Total Financial liabilities at fair value	**-**	**-**	**-**	**-**	-	-	-	-

Note: 47.6 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table presents the changes in level 3 items for the year ended March 31, 2019 and March 31, 2020 : ₹ in crore

Particulars	- Equity instruments	- Preference shares	- Bonds and debentures	- Pass Through Certificates	- Security Receipts	- Units of fund	Loans	Total
As at March 31, 2018	**2.13**	**5.98**	**57.91**	**22.33**	**226.38**	**122.11**	**7,504.00**	**7,940.84**
Acquisitions	-	-	1.57	-	112.83	65.11	7,596.82	**7,776.33**
Deletions	-	-	-	(13.92)	(27.08)	(3.45)	(2,815.55)	**(2,860.00)**
Gains/(losses) recognised in profit or loss	-	(1.43)	-	-	(32.65)	-	**-**	**(34.08)**
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	**-**	**-**
As at March 31, 2019	**2.13**	**4.55**	**59.48**	**8.41**	**279.48**	**183.77**	**12,285.27**	**12,823.09**
Acquisitions	-	-	-	-	1,345.53	-	2,748.82	**4,094.35**
Deletions	-	-	-	(1.32)	(27.95)	(45.99)	(3,842.18)	**(3,917.44)**
Gains/(losses) recognised in profit or loss	(2.13)	(3.87)	-	-	(41.44)	(36.26)	-	**(83.70)**
Gains/(losses) recognised in other comprehensive income	-		-	-	-	-	-	**-**
As at March 31, 2020	**-**	**0.68**	**59.48**	**7.09**	**1,555.62**	**101.52**	**11,191.91**	**12,916.30**
Unrealised gains/(losses) recognised in profit and loss related to assets and liabilities held at the end of the reporting period								
As at March 31, 2019	**-**	**(1.43)**	**-**	**-**	**(32.65)**	**-**	**-**	**(34.08)**
As at March 31, 2020	**(2.13)**	**(3.87)**	**-**	**-**	**(41.44)**	**(36.26)**	**-**	**(83.70)**
Unrealised gains/(losses) recognised in Other Comprehensive Income related to assets and liabilities held at the end of the reporting period								
As at March 31, 2019	-	-	-	-	-	-	-	-
As at March 31, 2020	-	-	-	-	-	-	-	-

Note: 47.7 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

₹ in crore

Particulars	Fair value as at		Rates for Sensitivity	Impact of Increase in Rates on Total Comprehensive Income statement			
	March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
				Favourable	Unfavourable	Favourable	Unfavourable
Investments							
- Equity instruments	-	2.13	5.00%	-	-	0.11	(0.11)
- Preference shares	0.68	4.55	5.00%	0.03	(0.03)	0.23	(0.23)
- Bonds and debentures	59.48	59.48	0.25%	0.15	(0.15)	0.15	(0.15)
- Pass Through Certificates	7.09	8.41	0.25%	0.02	(0.02)	0.02	(0.02)
- Security Receipts	1,555.62	279.48	5.00%	77.78	(77.78)	13.97	(13.97)
- Units of fund	101.52	183.77	5.00%	5.08	(5.08)	9.19	(9.19)
Loans	11,191.91	12,285.27	0.25%	27.98	(27.98)	30.71	(30.71)

Note: 47.8 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Liquidity risk management :

(a) Maturity profile of financial liabilities based on undiscounted cashflows

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Within twelve month	After twelve month	Total	Within twelve month	After twelve month	Total
A. Non-derivative liabilities:						
Borrowings*	21,795.51	28,031.25	49,826.76	20,980.56	30,442.56	51,423.12
Trade payables	31.40	-	31.40	86.03	-	86.03
Other payables	-	-	-	13.11	-	13.11
Lease liabilities	7.85	21.44	29.29	-	-	-
Other financial liabilities	243.85	-	243.85	406.66	-	406.66
Total	**22,078.61**	**28,052.69**	**50,131.30**	**21,486.36**	**30,442.56**	**51,928.92**
B. Derivative liabilities:						
Currency swap	-	-	-	-	-	-
Total	-	-	-	-	-	-

* Borrowings include debt securities,borrowings (other than debt securities)and subordinated liabilities and are net off offsetting respective derivative gain/loss

(b) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Undrawn backup lines	2,149.54	3,580.94
Line of credit from Ultimate Holding Company	700.00	700.00

Note 47.9: Capital management

(i) Risk management

The Company's objectives when managing capital are to

(a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
(b) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'Equity' (as shown in the balance sheet).

The Company's gearing ratios were as follows:

₹ in crore

Particulars	**March 31, 2020**	**March 31, 2019**
Net debt	40,534.69	44,805.37
Total equity	8,893.59	8,900.43
Net debt to equity ratio	**4.56**	**5.03**

(ii) Loan covenants

There are certain financial and non-financial convenants like security cover, debt-equity ratio, etc. attached to the borrowings availed by the Company. The Company has complied with the covenants throughout the reporting period.

(iii) Dividends **₹ in crore**

Particulars	**March 31, 2020**	**March 31, 2019**
(a) Equity shares		
Final dividend for the year ended March 31, 2020 of ₹ Nil per fully paid share (Previous year : Nil)	-	-
Interim dividend for the year ended March 31, 2020 of ₹ 1.15 per fully paid share (Previous year : ₹ 1.20)	183.90	191.90
(b) Dividends not recognised at the end of the reporting year	-	-

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Note: 47.10 Market risk management :

(a) Foreign currency risk :

Particulars	As at March 31, 2020	As at March 31, 2019
Liability – External Commercial Borrowings	USD 37,50,00,000.00	USD 1,55,06,280.04
Assets – Currency Swap Contracts	USD 37,50,00,000.00	USD 1,55,06,280.04

(b) Interest rate risk :

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Variable rate borrowings	18,514.93	17,003.97
Fixed rate borrowings	23,891.74	28,797.02
Total borrowings	**42,406.67**	**45,800.99**

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

	As at March 31, 2020			As at March 31, 2019		
Particulars	Weighted average interest	Balance	% of total borrowing	Weighted average interest	Balance	% of total borrowing
Variable rate borrowings	8.89%	18,514.93	43.66%	8.56%	17,003.97	37.13%
Interest rate swap at variable rate	-	-	-	-	-	-
Net exposure to cash flow interest rate risk	**8.89%**	**18,514.93**	**43.66%**	**8.56%**	**17,003.97**	**37.13%**

(c) Sensitivity :

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

₹ in crore

Particulars	Impact on profit after tax		Impact on other components of equity	
	FY 2019-20	FY 2018-19	31 March 2020	31-Mar-19
Interest rates – increase by 25 basis points *	(23.82)	(21.19)	(23.82)	(21.19)
Interest rates – decrease by 25 basis points*	23.82	21.19	23.82	21.19

** Impact on P/L upto 1 year, holding all other variables constant*

Note: 47.11 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Transfer of financial assets

The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Securitisations		
Carrying amount of transferred assets measured at amortised cost (Held as collateral)	-	-
Carrying amount of associated liabilities	-	-
Fair value of assets	-	-
Fair value of associated liabilities	-	-
Net position at FV	-	-

Note: 48 The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by Reserve Bank of India vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01,2016 as amended (the "RBI Master Directions").

The disclosures as required by the RBI Master Directions has been prepared as per Indian Accounting Standards as mentioned in RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 for the current year ended March 31,2020.

However the disclosures for the previous year ended March 31, 2019 has been prepared after giving effect of below mentioned adjustments to the amounts reported in the financial statements:

(i) The amount of allowances for expected credit losses on loan assets was added to the loan asset balances and the amount of provisions on standard, non -performing and stressed loan assets was recomputed based on the Company's provisioning policy as approved by the Board of Directors read together with the RBI Master Directions;

(ii) The interest income recognised on Stage 3 loan assets which met the definition of "non-performing asset" was reversed and the recognition was restricted to cash collection;

(iii) The fair valuation gains recognised on long term debt instruments measured at "Fair Value Through Profit or Loss" were reversed; and

(iv) The deferred tax relating to the adjustments listed in items (i) to (iii) above was also adjusted.

Hence figures for the current year ended March 31, 2020 are not comparable with figures for the previous year ended March 31,2019.

48.1 Capital :

₹ in crore

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
i)	CRAR (%)	18.31%	16.98%
ii)	CRAR - Tier I Capital (%)	15.87%	15.22%
iii)	CRAR - Tier II Capital (%)	2.44%	1.76%
iv)	Amount of subordinated debt raised during the year as Tier-II capital	26.00	-
v)	Amount raised during the year by issue of Perpetual Debt Instruments	-	-

48.2 Investments :

₹ in crore

	Particulars	As at March 31, 2020	As at March 31, 2019
(1)	**Value of Investments**		
	(i) Gross Value of Investments		
	(a) In India	3,328.04	4,772.83
	(b) Outside India	-	-
	(ii) Provisions for Depreciation		
	(a) In India	250.59	103.03
	(b) Outside India	-	-
	(iii) Net Value of Investments		
	(a) In India	3,077.45	4,669.80
	(b) Outside India	-	-
(2)	**Movement of provisions held towards depreciation on investments**		
	(i) Opening balance	-	64.68
	(ii) Add : Provisions made during the year	250.59	39.55
	(iii) Less : Write-off / write-back of excess provisions during the year	-	1.20
	(iv) Closing balance	**250.59**	103.03

48.3 Derivatives :

I) Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

₹ in crore

	Particulars	2019-20	2018-19
(i)	The notional principal of swap agreements	2,588.58	100.00
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	141.74	7.20
(iii)	Collateral required by the NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	141.74	7.20

II) Exchange Traded Interest Rate (IR) Derivatives: The Company has not traded in Interest Rate Derivative during the financial year ended March 31,2020 (Previous year: NIL).

III) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company has a Treasury Risk Management Policy approved by the Assets Liability Committee and the Board. This policy provides the framework for managing various risks including interest rate risk and currency risk. The policy provides for use of derivative instruments in managing the risks.

The Company has sourced External Commercial Borrowing in foreign currency. The same has been hedged as required by RBI.

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48.4 Securitisation:

I) The information on securitisation of the Company as an originator in respect of outstanding amount of securitised assets is given below:

₹ in crore

	Particulars	No. / Amount	
		As at March 31, 2020	As at March 31, 2019
1	No of SPVs sponsored by the NBFC for securitisation transactions	-	-
2	Total amount of securitised assets as per books of the SPVs sponsored	-	-
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	-	-
	Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Loss	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

II) Details of securitisation transactions undertaken by applicable NBFCs

₹ in crore

	Particulars	2019-20	2018-19
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts securitised	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / (loss) over net book value	-	-

III) Details of Assignment transactions undertaken by applicable NBFCs

₹ in crore

	Particulars	2019-20	2018-19
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / (loss) over net book value*	-	-

* Gain / (Loss) on assignment is amortised over the life of Portfolio.

IV) Details of non-performing financial assets purchased/sold: During the current and previous year, no non-performing financial assets has been purchased/sold from/to other NBFCs.

V) Financial asset sold to Securitisation/Reconstruction company for Asset reconstruction:

₹ in crore

	Particulars	2019-20	2018-19
1	No. of accounts sold	534	3
2	Aggregate value (net of provisions) of accounts sold to SC/RC (₹ crore)	1,672.57	120.83
3	Aggregate consideration (₹ crore)	1,634.94	147.00
4	Additional consideration realized in respect of accounts transferred in earlier years (₹	-	-
5	Aggregate Gain/(Loss) over net book Value (₹ crore)	(37.63)	26.17

48.5 Exposures

(I) Exposure to Real Estate Sector

₹ in crore

	Particulars	As at March 31, 2020	As at March 31, 2019
	Direct Exposure		
(i)	**Residential Mortgages -** Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	273.16	346.90
(ii)	**Commercial Real Estate -** Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	9,495.86	11,207.96
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a. Residential	-	-
	b. Commercial Real Estate	1,066.06	-
	Total Exposure to Real Estate Sector	**10,835.08**	**11,554.86**

Footnote: Undisbursed commitments are considered as NIL on account of conditions precedent to disbursements.

(II) Exposure to Capital Market

₹ in crore

	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	377.09	289.57
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	1,385.20	2,004.91
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds/ convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	137.78	183.77
	Total Exposure to Capital Market	**1,900.07**	**2,478.25**

(III) Details of financing of parent company products: Nil (Previous year : Nil)

(IV) The company has not exceeded the Single Borrower Limit (SBL) or Group Borrower Limit (GBL) as prescribed by the RBI.

(V) Unsecured Advances (net off provision):

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Term loans	12,753.23	14,073.36
Debentures	255.57	324.53
Personal Loans	152.39	-
Total	**13,161.19**	**14,397.89**

Note : There are no advances outstanding as on 31st March 2020 against which intangible securities has been taken as collateral. (Previous year : Nil)

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48.6 Miscellaneous

(I) Registration obtained from other financial sector regulators : No registration has been obtained from other financial sector regulators.

(II) Penalties imposed by RBI and other regulators : No penalties have been imposed by RBI or other regulators during the year. (Previous Year: NIL)

(III) Ratings assigned by credit rating agencies and migration of ratings during the year

	Particular	2019-2020				2018-2019		
		CRISIL	CARE	ICRA	IRA	CARE	ICRA	IRA
(i)	Commercial Paper	CRISIL A1+	CARE A1+	ICRA A1+	Not Rated	CARE A1+	ICRA A1+	Not Rated
(ii)	Non-Convertible Debentures	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	IND AAA (Stable)
(iii)	Long term Bank facilities	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	Not Rated	CARE AAA (Stable)	Not Rated	Not Rated
(iv)	Subordinate Debts	Not Rated	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	IND AAA (Stable)
(v)	Perpetual Debt	Not Rated	CARE AA+ (Stable)	ICRA AA+ (Negative)	Not Rated	CARE AA+ (Stable)	ICRA AA+ (Stable)	Not Rated
(vi)	Non-Convertible Debentures(Public Issue)	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	Not Rated
(vii)	Principal Protected Market-Linked Debenture	Not Rated	CARE PP-MLD AAA (Stable)	PP-MLD ICRA AAA (Negative)	Not Rated	CARE PP-MLD AAA (Stable)	PP-MLD-ICRA AAA (Stable)	Not Rated

(V) Postponements of revenue recognition: Current year: NIL (Previous year: NIL)

48.7 Provisions and Contingencies :

(I) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

₹ in crore

Particulars	2019-2020	2018-2019
Provision for depreciation on Investments	250.59	38.36
Provision on loan assets*	669.94	(579.76)
Provision on trade receivable	8.77	-
Provision made towards Income tax		
Current Tax	507.92	488.47
Deferred Tax (included Impact of change in the rate on opening deferred tax)	(60.25)	104.72
Other Provision and Contingencies (with details)		
Loss on foreclosure of loans	1,069.71	1,181.43

* Provision on loan assets includes provision towards impairment of financial instruments.

(II) Drawn down from reserves: No draw down from reserves during the financial year (Previous year: NIL)

48.8 Concentration of Advances, Exposures and NPAs

(I) Concentration of Advances

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Total Advances to twenty largest borrowers	9,321.67	8,758.37
Percentage of advances to twenty largest borrowers to total advances of the Company	20.07%	18.31%

(II) Concentration of Exposures

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Total Exposure to twenty largest borrowers / customers#	10,622.73	10,393.78
Percentage of total exposure to twenty largest borrowers / customers to total exposure of the Company on borrowers / customers #	20.96%	19.54%

Undisbursed commitments are considered as NIL on account of conditions precedent to disbursements.

(III) Concentration of NPA

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Total Exposure to top four NPA accounts	1,087.12	311.99

(IV) Sector-wise NPAs

	Particulars	Percentage to Total Advances in that Sector	
		As at March 31, 2020	As at March 31, 2019
1	Agriculture & allied activities	4.51%	4.14%
2	MSME	0.00%	99.21%
3	Corporate borrowers	10.17%	2.97%
4	Services	0.00%	5.71%
5	Unsecured personal loans	0.09%	70.74%
6	Auto loans	5.15%	5.18%
7	Other personal loans	3.03%	2.95%

48.9 Movement of NPAs

₹ in crore

	Particulars	2019-20	2018-19
(i)	Net NPAs to Net Advances (%)	2.61%	2.13%
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	1,845.98	2,376.64
	(b) Additions during the year	2,787.38	1,345.81
	(c) Reductions during the year	1,642.24	2,023.18
	(d) Closing balance	2,991.12	1,699.27
(iii)	Movement of Net NPAs		
	(a) Opening balance	607.25	1,064.76
	(b) Additions during the year	1,100.76	875.45
	(c) Reductions during the year	543.02	937.98
	(d) Closing balance	1,164.99	1,002.23
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	1,238.73	1,311.88
	(b) Provisions made during the year	1,686.62	470.36
	(c) Write-off / write-back of excess provisions	1,099.22	1,085.20
	(d) Closing balance	1,826.13	697.04

48.10 Disclosure of customer complaints

	Particulars	2019-20	2018-19
(i)	No. of complaints pending at the beginning of the year	26	-
(ii)	No. of complaints received during the year	1,552	1,731
(iii)	No. of complaints redressed during the year	1,555	1,705
(iv)	No. of complaints pending at the end of the year	23	26

48.11 Disclosures on the Scheme for Sustainable Structuring of Stressed Assets (S4A), in terms of RBI circular DBR.No.BP.BC.33/21.04.132/2016-17 dated November 10, 2016

₹ in crore

Year	No. of accounts where S4A has been applied	Aggregate amount	Amount outstanding		Provision Held
			In Part A	In Part B	
	Classified as Standard				
2018-19	-	-	-	-	-
2019-20	-	-	-	-	-
	Classified as NPA				
2018-19	1.00	16.13	-	16.13	9.15
2019-20	1.00	16.13	-	16.13	9.15

48.12 Disclosures on COVID19 Regulatory Package - Asset Classification and Provisioning, in terms of RBI circular RBI/2019-20/220/DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020 ("RBI Circular")

₹ in crore

Period	Respective amounts in SMA/overdue categories, where the moratorium/ deferment was extended, in terms of paragraph 2 and 3 of RBI Circular	Respective amount where asset classification benefits is extended	Provisions made in terms of paragraph 5 of RBI Circular	Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6 of RBI Circular
Q4 FY 2020	2,409.80	2,409.80	120.49	NA

Footnote:

As required under Para 2 of the RBI Circular, in respect of all accounts classified as standard as on February 29, 2020, even if overdue, the moratorium period, wherever granted, shall be excluded by the lending institutions from the number of days past-due for the purpose of asset classification under the Income Recognition and Asset Classification norms ("IRAC norms")

However certain accounts which were Non Performing Assets as on February 29, 2020 as per IRAC norms and become standard due to subsequent receipt of instalments, are also covered in above criteria and consequently, the provisions of para 2 and para 5 of the RBI circular are applied on such accounts.

Further certain accounts can be excluded where subsequent receipt of all the instalments that had fallen due prior to February 29, 2020 resulted in the 'updated' number of days past-due as on February 29, 2020 to zero. Consequently, the provisions of para 2 and para 5 of the RBI circular are not required to be applied on such accounts.

48.13 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

₹ in crore

March 31, 2020	1 day to 30/31 days (1 month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	**-**
Advances (gross)	308.71	365.90	2,556.10	4,722.18	10,223.29	15,564.18	7,071.18	5,055.57	**45,867.11**
Investments (gross)	35.10	-	-	-	819.29	-	-	2,630.11	**3,484.50**
Borrowings*	1,120.00	2,021.64	1,711.97	1,782.10	4,927.12	23,243.05	5,334.73	2,266.04	**42,406.65**
Foreign Currency assets	-	-	-	-	-	-	-	-	**-**
Foreign Currency liabilities*	-	-	-	-	-	1,724.03	864.55	-	**2,588.58**

* Including ECB loan

footnote: The above bucketing has been arrived at based on the extant regulatory guidelines and the policy approved by the Board of Directors at its meeting held on March 20, 2020.

L&T Finance Limited
Notes forming part of the financial statements

48.14 Details of restructured accounts as on March 31, 2020

₹ in crore

Type of Restructuring			Under CDR Mechanism					Others					Total				
Asset Classification			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1, 2019	No. of borrowers	-	-	1	-	1	1,981	340	149	-	2,470	1,981	340	150	-	2,471
		Amount outstanding Restructured facility only	-	-	17.03	-	17.03	68.48	36.00	83.05	-	187.53	68.48	36.00	100.08	-	204.56
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	6.58	-	6.58	10.00	9.88	52.88	-	72.76	10.00	9.88	59.46	-	79.34
2	Movement in balance for accounts appearing under opening balance	No. of borrowers	-	-	1	-	1	1,981	340	149	-	2,470	1,981	340	150	-	2,471
		Amount outstanding Restructured facility only	-	-	(17.03)	-	(17.03)	(17.98)	(32.13)	0.63	-	(49.48)	(17.98)	(32.13)	(16.40)	-	(66.51)
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	(6.58)	-	(6.58)	0.47	(7.29)	1.33	-	(5.49)	0.47	(7.29)	(5.25)	-	(12.07)
3	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	32	(31)	(1)	-	-	32	(31)	(1)	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	0.55	(0.54)	(0.01)	-	-	0.55	(0.54)	(0.01)	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	0.01	(0.01)	-	-	-	0.01	(0.01)	-	-	-
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	(237)	150	87	-	-	(237)	150	87	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	(29.67)	27.43	2.24	-	-	(29.67)	27.43	2.24	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	(10.32)	8.08	2.24	-	-	(10.32)	8.08	2.24	-	-
7	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Restructured Accounts as on March 31, 2020	No. of borrowers	-	-	-	-	-	1,296	294	170	-	1,760	1,296	294	170	-	1,760
		Amount outstanding Restructured facility only	-	-	-	-	-	21.38	30.76	85.91	-	138.05	21.38	30.76	85.91	-	138.05
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	0.16	10.66	56.45	-	67.27	0.16	10.66	56.45	-	67.27

Note: Asset classification is as required under Master Direction - Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended, as asset classification is not defined under Indian Accounting Standards.

L&T Finance Limited
Notes forming part of the financial statements

Note 48.15

Disclosures on Implementation of Indian Accounting Standards, in terms of RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

₹ in crore

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	41,027.94	554.41	40,473.52	247.67	306.74
	Stage 2	2,433.61	177.80	2,255.82	42.39	135.41
Subtotal of Performing Assets		**43,461.55**	**732.21**	**42,729.34**	**290.06**	**442.15**
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,124.51	1,132.31	992.21	283.05	849.25
Doubtful - up to 1 year	Stage 3	291.33	211.79	79.54	156.18	55.61
1 to 3 years	Stage 3	504.84	412.85	91.99	328.33	84.52
More than 3 years	Stage 3	70.43	69.18	1.25	51.60	17.58
Subtotal of Non-Performing Assets		**2,991.12**	**1,826.13**	**1,164.99**	**819.16**	**1,006.96**
Loss	Stage 3	-	-	-	-	-
Subtotal		**46,452.67**	**2,558.34**	**43,894.33**	**1,109.22**	**1,449.11**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
Non fund base exposure	Stage 1	842.32	3.11	839.21	-	3.11
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**842.32**	**3.11**	**839.21**	**-**	**3.11**
Total	**Stage 1**	**41,870.26**	**557.52**	**41,312.73**	**247.67**	**309.85**
	Stage 2	**2,433.61**	**177.80**	**2,255.82**	**42.39**	**135.41**
	Stage 3	**2,991.12**	**1,826.13**	**1,164.99**	**819.16**	**1,006.96**
	Total	**47,294.99**	**2,561.45**	**44,733.54**	**1,109.22**	**1,452.22**

L&T Finance Limited
Notes forming part of the financial statements

Note : 48.16

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of paragraph 19 of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended)

Liabilities Side:

1. **Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**

₹ in crore

	Particulars	As at March 31, 2020		As at March 31, 2019	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a)	Debentures :				
	- Secured	14,062.08	-	16,007.24	-
	- Unsecured	1,141.75	-	1,124.42	-
	(Other than falling within the meaning of Public Deposits)*				
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans	13,748.49	-	11,138.56	-
(d)	Inter-Corporate Loans and borrowings	887.37	-	169.36	-
(e)	Commercial Paper (Net off unexpired discounting charges)	2,419.79	-	7,064.36	-
(f)	Public Deposits	-	-	-	-
(g)	Other Loans				
	i) Foreign Currency Loan	-	-	107.32	-
	ii) External commercial borrowings	2,874.92		-	
	iii) Bank Overdraft, Cash credit & Working Capital Demand Loan	8,118.05	-	8,781.30	-
	iv) Corporate Bond Repo and Collateralized Borrowing and Lending Obligation	-	-	1,943.32	-

*** Refer footnote 1 below**

2 **Break-up of 1(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :**

₹ in crore

	Particulars	As at March 31, 2020		As at March 31, 2019	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a)	In the form of Unsecured debentures	-	-	-	-
(b)	In the form of partly secured debentures i.e. debentures where	-	-	-	-
(c)	Other public deposits	-	-	-	-

*** Refer footnote 1 below**

Assets Side:

3. **Break-up of Loans and Advances including bills receivables [Other than those included in (4) below] :**

₹ in crore

	Particulars	Amount Outstanding	
		As at March 31, 2020	As at March 31, 2019
(a)	Secured (net of provision)	30,730.03	33,772.69
(b)	Unsecured (net of provision)	13,161.19	14,144.56

L&T Finance Limited
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4. Break-up of Leased Assets and Stock on Hire and hypothecation loans counting towards AFC activities

₹ in crore

Particulars		Amount Outstanding	
		As at March 31, 2020	As at March 31, 2019
(i)	Lease assets including lease rentals under sundry debtors :		
	(a) Financial Lease	-	-
	(b) Operating Lease (net of provision)	-	0.30
(ii)	Stock on hire including hire charges under sundry debtors :		
	(a) Assets on Hire	-	-
	(b) Repossessed Assets	-	-
(iii)	Other loans counting towards AFC activities :		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

5. Break-up of Investments (net off diminution) :

₹ in crore

Particulars		Amount Outstanding	
		As at March 31, 2020	As at March 31, 2019
Current Investments			
1	**Quoted**		
	(i) Shares :		
	(a) Equity	2.05	5.61
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
2	**Unquoted**		
	(i) Shares :		
	(a) Equity	-	-
	(b) Preference	0.68	0.68
	(ii) Debentures and Bonds	858.90	2,250.10
	(iii) Units of Mutual Funds	5.02	40.09
	(iv) Government Securities	-	37.62
	(v) Others (Pass Through Certificates)	7.09	8.41
Long Term Investments			
1	**Quoted**		
	(i) Shares :		
	(a) Equity	31.61	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
2	**Unquoted**		
	(i) Shares :		
	(a) Equity	176.50	178.63
	(b) Preference	-	3.87
	(ii) Debentures and Bonds	338.46	38.00
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	1,643.54
	(v) Others :		
	(a) Security receipts	1,555.62	279.48
	(b) Investment in Units/Pass Through Certificates	101.52	183.77

6. **Borrower group-wise classification of assets financed as in (3) and (4) above (see footnote 2 below) :**

₹ in crore

	Category	As at March 31, 2020		As at March 31, 2019	
		Secured (net of provision)	Unsecured (net of provision)	Secured (net of provision)	Unsecured (net of provision)
1	Related Parties **				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
2	Other than related parties	30,730.03	13,161.19	33,772.69	14,144.56
	Total	**30,730.03**	**13,161.19**	**33,772.69**	**14,144.56**

** **As per Indian Accounting Standard issued by MCA (Please see footnote 3)**

7. **Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

₹ in crore

	Category	As at March 31, 2020		As at March 31, 2019	
		Market value/Breakup Value/ Fair Value / NAV	Book Value (Net of Provision)	Market value/Breakup Value/ Fair Value / NAV	Book Value (Net of Provision)
1	Related Parties**				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	176.50	176.50	176.50	176.50
2	Other than related parties	3,151.54	2,900.95	4,596.33	4,493.30
	Total	**3,328.04**	**3,077.45**	**4,772.83**	**4,669.80**

** **As per Indian Accounting Standard issued by MCA (Please see footnote 3)**

8. **Other Information**

₹ in crore

	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	Gross Non-Performing Assets	2,991.12	1,699.27
	(a) Related parties	-	-
	(b) Other than related parties	2,991.12	1,699.27
(ii)	Net Non-Performing Assets	1,164.99	1,002.23
	(a) Related parties	-	-
	(b) Other than related parties	1,164.99	1,002.23
(iii)	Assets acquired in satisfaction of debt (Gross)	102.40	102.62

Footnotes:

1. As defined in point xxvii of paragraph 3 of Chapter -II of these Directions.
2. Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
3. All Indian Accounting Standards issued by MCA are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt.

Note : 49 Moratorium in accordance with the Reserve Bank of India (RBI) guidelines :

The outbreak of Covid-19 pandemic across the globe & India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, the Company has proposed to offer a moratorium of three months on the payment of instalments falling due between March 1, 2020 and May 31, 2020 to eligible borrowers. For all such accounts classified as standard and overdue as on February 29, 2020, where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the policy).

Note : 50 Estimation uncertainty relating to COVID-19 global health pandemic:

In assessing the recoverability of loans, receivables, intangible assets and investments, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of approval of these financial statement. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statement and the Company will continue to monitor any material changes to the future economic conditions. The Company has developed estimates and applied management overlays for the purpose of determination of the provision for impairment of financial assets.

Note : 51 Proposed Amalgamation of L&T Infrastructure Finance Company Ltd ("LTIFC") and L&T Housing Finance Ltd ("LTHFC") with the Company

The Board of Directors of the Company have approved a scheme of amalgamation by way of merger by absorption ("Scheme" or "Scheme of Amalgamation") on March 20, 2020, resulting in amalgamation of LTIFC and LTHFC with the Company, leading to creation of a single unified lending entity with appointed date of April 1, 2020 subject to requisite regulatory approvals.

Note: 52 Previous year figures have been regrouped/reclassified whenever necessary, to make them comparable with the current year figures.

Note: 53 The above financial statements have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 14, 2020.

For and on behalf of board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 14, 2020

Deloitte
Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th -32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai – 400 013
Maharashtra, India

Tele: + 91 22 6185 4000
Fax: +91 22 6185 4001

INDEPENDENT AUDITOR'S REPORT
To The Members of L&T Finance Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **L&T Finance Limited** ("the Parent" referred to as "the Group") which includes the Group's share of profit in its associate, which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

As more fully described in note 48 to the consolidated financial statements, to assess the recoverability of certain assets, the Company has considered internal and external information upto the date of the consolidated financial statements in respect of the current and estimated future global economic indicators consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Allowances for Expected Credit Losses:** (Refer Note 1, 6, 47.1 and 47.2 to the financial statements) As at March 31, 2020, loan assets aggregated ₹46,452.67 crore, constituting 84% of the Company's total assets. Of these, loan assets aggregating ₹35,112.10 crore are measured at amortised cost. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. As part of our risk assessment, we determined that the allowance for ECL on loan assets (including undisbursed commitments) has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. • Basis used for estimating Probabilities of Default ("PD"),	**Principal audit procedures:** We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models (including policies for sale out of amortised cost business model). We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Audit Committee of the Board of Directors Our audit procedures related to the allowance for ECL included the following, among others: • Testing the design and effectiveness of internal controls over the: – completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied. – Completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and

	• Basis used for estimating Loss Given Default ("LGD") • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions. Adjustments to model driven ECL results to address emerging trends.	– computation of the ECL including methodology used to determine macro economic overlays and adjustments to the output of the ECL Model. • Also, for a sample of ECL on loan assets tested: – we tested the input data such as ratings and period of default and other related information used in estimating the PD; – we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD. – we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We also tested the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the [information included in the Directors' report including annexures to Directors' report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard**Error! Bookmark not defined.**.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit on the separate financial statements we report, to the extent applicable that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors of the Parent as on March 31, 2020 taken on record by the Board of Directors of the Company and the report of the statutory auditors of the associate company, none of the directors of the Group and its associate company are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and associate company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

    h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate.

ii) The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent and its associate company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 20046930AAAABW4025)

Mumbai, May 29, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of **L&T Finance Limited** (hereinafter referred to as "Parent"), which includes internal financial controls over financial reporting of its associate company as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its associate company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its associate company, which is company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, and its associate company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent and its associate company, which is company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 20046930AAAABW4025)

Mumbai, May 29, 2020

L&T Finance Limited
Consolidated Balance Sheet as at March 31, 2020

₹ in crore

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A. ASSETS:			
1. Financial assets			
(a) Cash and cash equivalents	2	2,717.76	1,530.51
(b) Bank balance other than (a) above	3	684.56	30.57
(c) Derivative financial instruments	4	141.74	7.20
(d) Receivables	5		
(i) Trade receivables		18.85	11.50
(ii) Other receivables		35.83	18.95
(e) Loans	6	43,891.22	47,113.67
(f) Investments	7	3,242.31	4,788.96
(g) Other financial assets	8	66.41	107.54
		50,798.68	**53,608.90**
2. Non-financial assets			
(a) Current tax assets (net)		194.76	77.78
(b) Deferred tax assets (net)		819.02	727.21
(c) Property, plant and equipment	9	35.31	49.34
(d) Intangible assets under development	10	44.56	18.48
(e) Goodwill	10	565.70	1,131.41
(f) Other intangible assets	10	134.67	214.71
(g) Right of use assets		25.95	-
(h) Other non-financial assets	11	122.94	113.55
		1,942.91	**2,332.48**
Total Assets		**52,741.59**	**55,941.38**
B. LIABILITIES AND EQUITY :			
1. LIABILITIES			
a. Financial liabilities			
(a) Payables	12		
(i) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		31.40	86.03
(ii) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	13.11
(b) Debt securities	13	16,481.87	23,071.60
(c) Borrowings (other than debt securities)	14	25,628.83	22,139.86
(d) Subordinated liabilities	15	1,141.75	1,124.42
(e) Lease liabilities		29.29	-
(f) Other financial liabilities	16	243.85	406.66
		43,556.99	**46,841.68**
b. Non-financial liabilities			
(a) Current tax liabilities (net)		95.43	20.51
(b) Provisions	17	28.17	21.74
(c) Other non-financial liabilities	18	2.54	52.36
		126.14	**94.61**
2. Equity			
(a) Equity share capital	19	1,599.14	1,599.14
(b) Other equity	20	7,459.32	7,405.95
		9,058.46	**9,005.09**
Total Liabilities and Equity		**52,741.59**	**55,941.38**
Significant accounting policies	1	-	-
See accompanying notes forming part of the consolidated financial statements	2 to 52		

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Rupen K. Bhatt
Partner

Place : Mumbai
Date : May 29,2020

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date :May 14,2020

L&T Finance Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

₹ in crore

	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
	Revenue from operations			
(i)	Interest income	21	8,184.41	7,011.72
(ii)	Rental income	22	9.04	18.84
(iii)	Fees and commission income	23	210.10	152.25
(iv)	Net gain on fair value changes	24	42.56	-
I	**Total revenue from operations**		**8,446.11**	**7,182.81**
II	**Other income**	25	234.19	199.78
III	**Total income (I + II)**		**8,680.30**	**7,382.59**
	Expenses			
(i)	Finance costs	26	3,767.85	3,327.92
(ii)	Net loss on fair value changes	24	-	8.62
(iii)	Net loss on derecognition of financial instruments under amortised cost category	27	231.32	324.97
(iv)	Impairment on financial instruments	28	1,767.69	637.06
(v)	Employee benefits expenses	29	766.08	548.31
(vi)	Depreciation, amortisation and impairment	30	701.21	690.93
(vii)	Other expenses	31	632.19	541.70
IV	**Total expenses (IV)**		**7,866.34**	**6,079.51**
V	**Profit before tax (III - IV)**		**813.96**	**1,303.08**
VI	**Tax expense**			
	(1) Current tax		507.92	488.47
	(2) Deferred tax		(263.65)	(31.35)
VII	**Profit before impact of change in the rate on opening deferred tax (V-VI)**		**569.69**	**845.96**
VIII	**Impact of change in the rate on opening deferred tax (Refer note 46)**		203.40	-
IX	**Profit for the year (VII - VIII)**		**366.29**	**845.96**
X	**Add: Share in profits from associate company**		(60.24)	(37.24)
XI	**Profit for the year (IX + X)**		**426.53**	**883.20**
XII	**Other comprehensive income**			
A.	(i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans		(4.54)	(1.55)
	b) Change in fair value of equity instruments measured at fair value through other comprehensive income		(56.16)	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		1.14	0.54
	Subtotal (A)		**(59.56)**	**(1.01)**
B.	(i) Items that will be reclassified to profit or loss			
	a) Change in fair value of debt instruments measured at fair value through other comprehensive income		(1.47)	(0.37)
	b) The effective portion of gains and loss on hedging instruments in a cash flow hedge		(118.11)	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		29.73	-
	Subtotal (B)		**(89.85)**	**(0.37)**
	Total other comprehensive income (A+B)		**(149.41)**	**(1.38)**
XI	**Total comprehensive income for the year (IX+X)**		**277.12**	**881.82**
XII	**Earnings per equity share:**	37		
	Basic earnings per equity share (`)		2.67	5.52
	Diluted earnings per equity share (`)		2.67	5 52
	Significant accounting policies	1		
	See accompanying notes forming part of the consolidated financial statements	2 to 52		

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Rupen K. Bhatt
Partner

Place : Mumbai
Date : May 29,2020

For and on behalf of the board of directors of L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 14,2020

L&T Finance Limited
Consolidated Statement of Cash Flow for the year ended March 31, 2020

₹ in crore

	Year ended March 31, 2020	Year ended March 31, 2019
A. Cash flows from operating activities :		
Profit before tax for the year	813.96	1,303.08
Adjustments for:		
Net loss on sale of property, plant and equipment	2.66	7.62
Net (gain)/Loan arising on financial assets (investments) measured at fair value through profit or loss	(104.38)	(47.91)
Net loss on derecognition of financial instruments under amortised cost category	231.32	324.97
Impairment on financial instruments	1,767.69	637.06
Net (gain)/Loan arising on financial assets (Loans) measured at fair value through profit or loss	61.82	63.81
Depreciation, amortisation and impairment	701.21	690.93
Operating profit before working capital changes	**3,474.28**	**2,979.56**
Changes in working capital		
Adjustments for increase/(decrease) in operating liabilities		
Other financial liabilities	(6.62)	(43.71)
Lease liabilities	29.29	-
Provisions	1.89	9.91
Trade and other payables	(67.74)	(24.33)
Other non-financial liabilities	(10.41)	(21.18)
Adjustments for (increase)/decrease in operating assets		
Other non-financial assets	(41.00)	(11.46)
Right of use assets	(33.75)	-
Other financial assets	83.00	(109.46)
Trade and other receivables	(33.00)	(16.21)
Cash generated from operations	**3,395.94**	**2,763.12**
Direct taxes refund/(paid) (net)	(549.98)	(380.16)
Loans disbursed (net of repayments)	1,420.98	(9,943.66)
Net cash used in operating activities (A)	**4,266.94**	**(7,560.70)**
B. Cash flows from investing activities :		
Change in other bank balance not available for immediate use	(653.99)	13.33
Purchase of property, plant and equipment	(9.55)	(21.35)
Proceeds from sale of property, plant and equipment	3.56	11.30
Purchase of intangible assets	(54.22)	(46.15)
Purchase of investments	(1,433.30)	(2,761.95)
Proceeds on sale of investments	2,823.91	659.01
Net cash (used in)/generated from by investing activities (B)	**676.41**	**(2,145.81)**
C. Cash flows from financing activities		
Proceeds from borrowings	15,977.40	17,822.06
Repayment of borrowings	(19,280.51)	(6,933.70)
Dividend paid	(375.80)	-
Additional tax on dividend	(77.24)	-
Net cash (used in)/generated from financing activities (C)	**(3,756.15)**	**10,888.36**
Net increase in cash and cash equivalents (A+B+C)	**1,187.20**	**1,181.85**
Cash and cash equivalents at beginning of the year	1,530.51	348.66
Cash and cash equivalents at the end of the year	2,717.76	1,530.51
Net increase in cash and cash equivalents	**1,187.25**	**1,181.85**

L&T Finance Limited
Consolidated Statement of Cash Flow for the year ended March 31, 2020

Notes:

1. Consolidated Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2. Purchase of fixed assets represents additions to property, plant and equipment and other intangible assets adjusted for movement of (a) capital-work-in-progress for property, plant and equipment and (b) intangible assets under development during the year.

3. Net cash used in investing activity exclude investments aggregating to ` Nil crore (Previous period `2.25 crore) acquired against claims.

4. Net cash used in operating activity is determined after adjusting the following:

		Year ended March 31, 2020	Year ended March 31, 2019
Interest received		7,775.74	6,760.36
Interest paid		3,688.66	3,286.92
Significant accounting policies	1		
See accompanying notes forming part of the consolidated financial statements	2 to 52		

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Rupen K. Bhatt
Partner

Place : Mumbai
Date : May 29,2020

For and on behalf of the board of directors of L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 14,2020

L&T Finance Limited

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity share capital

₹ in crore

Particulars	Number of Shares	Equity share capital
Issued, subscribed and fully paid up equity shares outstanding at April 1, 2018	1,59,91,38,199	1,599.14
Changes in equity share capital during the year		
Issue of equity shares	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year March 31, 2019	1,59,91,38,199	1,599.14
Changes in equity share capital during the year		
Issue of equity shares	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year March 31, 2020	1,59,91,38,199	1,599.14

B. Other equity

₹ in crore

Particulars	Reserves and Surplus								Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total
	Capital redemption reserve	Debenture redemption reserve	Securities premium	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act , 1934	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Retained earnings				
Balance at April 1, 2018	3.20	97.61	6,903.72	0.24	584.40	23.57	(538.06)	(386.64)	-	-	-	6,688.04
Profit for the year	-	-	-	-	-	-	-	845.96	-	-	-	845.96
Actuarial loss on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	(1.01)	-	-	-	(1.01)
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	(0.37)	-	-	(0.37)
Total comprehensive income for the year	-	-	-	-	-	-	-	844.95	(0.37)	-	-	844.58
Payment of interim dividends (` 1.20 per share)	-	-	-	-	-	-	-	(191.90)	-	-	-	(191.90)
Tax on interim dividend	-	-	-	-	-	-	-	(39.44)	-	-	-	(39.44)
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	169.19	-	-	(169.19)	-	-	-	-
Transfer to debenture redemption reserve	-	16.58	-	-	-	-	-	(16.58)	-	-	-	-
Transfer to general reserve	-	(0.01)	-	0.01	-	-	-	-	-	-	-	-
Transfer to amalgamation adjustment account	-	*(0.00)	-	-	-	-	*0.00	-	-	-	-	-
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	21.36	-	(21.36)	-	-	-	-
Balance at March 31, 2019	3.20	114.18	6,903.72	0.25	753.59	44.93	(538.06)	19.84	(0.37)	-	-	7,301.28

L&T Finance Limited
Statement of Changes in Equity for the year ended March 31, 2020

₹ in crore

Particulars	Reserves and Surplus								Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total
	Capital redemption reserve	Debenture redemption reserve	Securities premium	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Retained earnings				
Balance at April 1, 2019	3.20	114.18	6,903.72	0.25	753.59	44.93	(538.06)	19.84	(0.37)	-	-	7,301.28
Profit for the year	-	-	-	-	-	-	-	366.29	-	-	-	366.29
Actuarial loss on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	(3.40)	-	-	-	(3.40)
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	(1.47)	(56.16)	(88.38)	(146.01)
Total comprehensive income for the year	-	-	-	-	-	-	-	362.89	(1.47)	(56.16)	(88.38)	216.88
Transition impact of Ind-AS 116	-	-	-	-	-	-	-	(2.06)	-	-	-	(2.06)
Payment of interim dividends (₹ 1.15 per share)	-	-	-	-	-	-	-	(183.90)	-	-	-	(183.90)
Tax on interim dividend	-	-	-	-	-	-	-	(37.80)	-	-	-	(37.80)
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	73.26	-	-	(73.26)	-	-	-	-
Transfer to general reserve	-	(34.27)	-	34.27	-	-	-	-	-	-	-	-
Transfer to amalgamation adjustment account	-	(74.76)	-	-	-	-	74.76	-	-	-	-	-
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	27.52	-	(27.52)	-	-	-	-
Balance at March 31, 2020	3.20	5.15	6,903.72	34.52	826.85	72.45	(463.30)	58.19	(1.84)	(56.16)	(88.38)	7,294.40

***Amount less than ₹ 1 lakh**

Significant accounting policies	1
See accompanying notes forming part of the consolidated financial statements	2 to 52

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Rupen K. Bhatt
Partner

Place : Mumbai
Date : May 29,2020

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 14,2020

L&T Finance Limited
Notes forming part of the consolidated financial statements

1. **Significant Accounting Policies:**

1.1. Statement of compliance:

The consolidated financial statements of L&T Finance Ltd (the "Company") and its subsidiaries (together the "Group") have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

1.2. Basis of preparation:

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at reporting date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

1.3. Presentation of financial statements:

The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the consolidated financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the consolidated financial statements are presented in Indian Rupees in Crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupee to two decimal places.

1.4. Basis of Consolidation

Investments in associates:

An Associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using equity method of accounting. Under the equity method, an investment in associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The carrying amount of investment in associates is reduced to recognize impairment, if any, when there is objective evidence of impairment

Investment in equity instrument issued by associate Group is measured at cost less impairment.

1.5. Financial instruments:

Financial assets and financial liabilities are recognised in the consolidated balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

(i) Financial assets

The Group assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Group's business model for managing the asset. For an asset to be classified and measured at amortised cost, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

The Group has more than one business model for managing its financial instruments which reflect how the Group manages its financial assets in order to generate cash flows. The Group's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group considers all relevant information available when making the business model assessment. However, this assessment is performed on the basis of scenarios that the Group expects to occur and not to occur, such as so-called 'worst case' or 'stress case' scenarios. The Group takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

The Group reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Group's financial assets.

The Group considers sale of financial assets measured at amortised cost portfolio as consistent with a business model whose objective is to hold financial assets in order to collect contractual cash flows if these sales are

- due to an increase in the assets' credit risk or
- due to other reasons such as sales made to manage credit concentration risk (without an increase in the assets' credit risk) and are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent).

In addition, the Group also considers sale of such financial assets as consistent with the objective of holding financial assets in order to collect contractual cash flows if the sale is made close to the maturity of the financial assets and the proceeds from sale approximate the collection of the remaining contractual cash flows.

(a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Group has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

(c) Debt instruments at amortised cost or at FVTOCI

For an asset to be classified and measured at FVTOCI, the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

(d) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the Group irrevocably elects on initial recognition of financial asset on an asset-by-asset basis to present subsequent changes in fair value in other comprehensive income.

(e) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Sale from amortised cost portfolio will be regarded as consistent with a business model whose objective is to hold financial assets in order to collect contractual cash flows if these sales are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent). In addition, sale of assets may be consistent with the objective of holding financial assets in order to collect contractual cash flows if the sale is made close to the maturity of the financial assets and the proceeds from sale approximate the collection of the remaining contractual cash flows.

(ii) Financial liabilities

(a) Financial liabilities, including derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher.

All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

(b) A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

1.6. Write off:

Loans and debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

1.7. Impairment:

The Group recognises loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Debt investment securities;
- Trade and other receivable;
- Lease receivables;
- Irrevocable loan commitments issued; and
- Financial guarantee contracts issued.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Group assesses whether debt instruments that are financial assets measured at amortised cost or FVTOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Group considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default (see below) includes unlikeliness to pay indicators and a back-stop if amounts are overdue for more than 90 days.

Significant increase in credit risk

The Group monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

As a back-stop when loan asset not being a corporate loans becomes 30 days past due, the Group considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL in respect of all retail assets. In respect of the corporate loan assets, shifting to Stage 2 has been rebutted using historical evidence from own portfolio to a threshold of 60 days past due, which is reviewed annually.

For the purpose of counting of day past due for the assessment of significant increase in credit risk, the special dispensations to any class of assets in accordance with COVID19 Regulatory Package notified by the Reserve Bank of India (RBI) has been applied by the Group.

Purchased or originated credit-impaired (POCI) financial assets

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Group recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in profit or loss. A favourable change for such assets creates an impairment gain.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Group considers the following as constituting an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Group; or
- the borrower is unlikely to pay its credit obligations to the Group in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. For the purpose of counting of day past due for the assessment of default, the special dispensations to any class of assets in accordance with COVID19 Regulatory Package notified by the Reserve Bank of India (RBI) has been applied by the Group.

When assessing if the borrower is unlikely to pay its credit obligation, the Group takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Group Law Tribunal, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Group uses a variety of sources of information to assess default which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument

With the exception of POCI financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition (and consequently to credit impaired financial assets). For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

- for financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Group expects to receive from the holder, the debtor or any other party.

The Group measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics.

1.8. Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan for bearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Group assesses whether this modification results in derecognition. In accordance with the Group's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Group considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI,
- Change in currency or change of counterparty,
- The extent of change in interest rates, maturity, covenants.

If these do not clearly indicate a substantial modification, then;

(a) In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Group monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

(b) When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Group determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
- the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Group's ability to collect the modified cash flows taking into account the Group's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Group calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Group measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Group derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain/loss allocated to it that had been recognised in OCI is recognised in profit or loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

1.9. Presentation of allowance for ECL in the Consolidated Balance Sheet

Loss allowances for ECL are presented in the consolidated statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognised in Balance Sheet as the carrying amount is at fair value.

1.10. Derivative financial instruments :

The Group enters into swap contracts and other derivative financial instruments to hedge its exposure to foreign exchange and interest rates. The Group does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

Cash flow hedges: In case of transaction related hedges, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

1.11. Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

(i) Interest and dividend income

Interest income for all financial instruments except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL) are recognised in 'Interest income' in the profit or loss account using the effective interest method (EIR).

The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Dividend income is recognised when the Group's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

(ii) Fee and commission income:

Fee and commission income and expense include fees other than those that are an integral part of EIR. The fees included in the Group's consolidated statement of profit and loss include among other things fees charged for servicing a loan, non-utilisation fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement and loan advisory fees.

Fee and commission expenses with regards to services are accounted for as the services are received.

(iii) Net gain or fair value change:

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Group on the balance sheet date is recognised as an unrealised gain/loss in the consolidated statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the consolidated statement of profit and loss.

(iv) Other operational revenue:

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

1.12. Borrowing costs:

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.13. Property, plant and equipment (PPE):

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes all direct cost related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

Land and buildings held for use are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land)) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets held under finance leases are depreciated over the shorter of lease term and their useful life on the same basis as owned assets. However, when there is no reasonable certainty that the Group shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the Group for similar assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

1.14. Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Direct expenses and administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognised in profit or loss when the asset is derecognised.

1.15. Impairment of tangible and intangible assets other than goodwill

As at the end of each accounting year, the Group reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (the smallest identifiable Group of assets that generates independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Consolidated statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit), except for allocated goodwill, is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Consolidated statement of Profit and Loss.

1.16. Employee benefits:

(i) Short term employee benefits:

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(ii) Post-employment benefits:

(a) Defined contribution plans: The Group's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(b) Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the Group, the post-retirement medical care plan and the Parent Group pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Consolidated statement of Profit and Loss as employee benefit expenses. Interest cost implicit in defined benefit employee cost is recognised in the Consolidated statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Group recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(iii) Long term employee benefits:

The obligation recognised in respect of long term benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the Group and is recognised in a similar manner as in the case of defined benefit plans vide (ii) (b) above.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Group's offer of the termination benefit is accepted or when the Group recognises the related restructuring costs whichever is earlier.

1.17. Leases:

a. The Group as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation /impairment losses.

The right-of-use assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- Low value leases; and
- Leases which are short-term.

b. The Group as a lessor, classifies leases as either operating lease or finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Group's net investment in the lease. A lease which is not classified as a finance lease is an operating lease. Accordingly, the Group recognises lease payments as income on a straight-line basis in case of assets given on operating leases. The Group presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

c. **Transition Disclosure:**

The Group has applied Ind AS 116 "Leases" ("Standard") effective April 1, 2019 (Initial application date). Ind AS 116 supersedes Ind AS 17 "Leases". The Standard sets out the principles for recognition, measurement, presentation and disclosure of leases. The Standard has brought major changes with respect to lease accounting for the lessee. It requires a lessee to account for right-of-use asset and lease liability for all the leases without lease classification into operating and finance lease.

Under modified retrospective method of transition, the Group has applied the Standard retrospectively and recognised the cumulative effect of initially applying the Standard as an adjustment to the opening balance of retained earnings at the date of initial application (refer note 34). Accordingly, the figures of the previous year have not been restated.

The Group has availed of following practical expedients as on the transition date as provided by the Standard:

- Leases for which the lease term ends within 12 months of the date of initial application are accounted in the same way as short-term leases.
- The Group has not reassessed whether a contract is or contains a lease at the date of initial application and instead applied the Standard to those contracts that were previously identified as leases under Ind AS 17.
- The Group has excluded initial direct costs from the measurement of the right of use asset at the date of initial application.

1.18. Cash and bank balances:

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

1.19. Securities premium account:

(i) Securities premium includes:
- The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.
- The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

1.20. Share-based payment arrangements:

The stock options granted to employees by the holding Company's (i.e. L&T Finance Holdings Limited) Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. The cost incurred by the holding company, in respect of options granted to employees of the Group, is being recovered by holding company and it is charged to the Consolidated statement of Profit and Loss of the Group over the period of vesting.

1.21. Accounting and reporting of information for Operating Segments:

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. Segment accounting policies are in line with the accounting policies of the Group.

1.22. Foreign currencies:

(i) The functional currency and presentation currency of the Group is Indian Rupee. Functional currency of the Group and foreign operations has been determined based on the primary economic environment in which the Group and its foreign operations operate considering the currency in which funds are generated, spent and retained.

(ii) Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the prevailing closing spot rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Consolidated statement of Profit and Loss in the period in which they arise.

(iii) Financial statements of foreign operations whose functional currency is different than Indian Rupees are translated into Indian Rupees as follows:

A. assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;

B. income and expenses for each income statement are translated at average exchange rates; and

C. all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations.

1.23. Taxation:

Current Tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's consolidated financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unutilised tax credits which mainly relate to minimum alternate tax are recognised to the extent it is probable of such unutilised tax credits will get realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

1.24. Provisions, contingent liabilities and contingent assets:

Provisions are recognised only when:

(i) an Group entity has a present obligation (legal or constructive) as a result of a past event; and

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

a. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b. a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

1.25. Commitment

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

(a) estimated amount of contracts remaining to be executed on capital account and not provided for;

(b) uncalled liability on shares and other investments partly paid;

(c) funding related commitment to associate companies; and

(d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.26. Consolidated statement of cash flows

Consolidated statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the profit before tax for the effects of:

(i) changes during the period in operating receivables and payables transactions of a non-cash nature;

(ii) non-cash items such as depreciation, provisions, deferred taxes, unrealised gains and losses; and

(iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Consolidated statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

1.27. Earnings per share:

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

1.28. Key source of estimation :

The preparation of consolidated financial statements in conformity with Ind AS requires that the management of the Group makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the consolidated financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, expected credit loss on loan books, future obligations in respect of retirement benefit plans, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

1.29. Operating cycle for current and non-current classification :

Based on the nature of products / activities of the Group entities and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note 2 : Cash and cash equivalents

₹ in crore

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Cash on hand	0.20	28.46
Balances with banks in current accounts#	547.37	1,499.46
Cheques, drafts on hand	-	2.59
Bank deposit with original maturity less than three months	2,170.19	-
Total cash and cash equivalents	**2,717.76**	**1,530.51**

includes ₹ 4.44 crore (PY : ₹ 4.65 Crore) towards unutilised funds raised through public issue.

Note 3 : Bank balance other than note 2 above

₹ in crore

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Earmarked balances with banks	1.39	0.89
Balances with banks to the extent held as margin money or security against borrowing, guarantees, other commitments	683.17	29.68
Total bank balance other than note 2 above	**684.56**	**30.57**

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note 4 : Derivative financial instruments

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Part I		
(i) Currency derivatives:		
Notional Amounts		
-Currency swaps	2,588.58	100.00
Fair value assets		
-Currency swaps	141.74	7.20
Fair value liabilities		
-Currency swaps	-	-
Total derivative financial instruments	**141.74**	**7.20**

Part II

Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:

(ii) Cash flow hedging:		
Notional Amounts		
- Currency derivatives	2,588.58	-
Fair Value Assets		
- Currency derivatives	141.74	-
Fair Value Liabilities		
- Currency derivatives	-	-
Total Derivative Financial Instruments	**141.74**	**-**

Note: The company has not designated any derivatives as hedging instruments as at March 31, 2019.

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note 5 : Receivables

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Trade receivables		
(a) Receivables considered good - secured	-	0.30
(b) Receivables considered good - unsecured	12.18	11.20
(c) Receivables - credit impaired		
Receivables	15.44	-
Impairment loss allowance	(8.77)	-
Total trade receivables (i)	**18.85**	**11.50**
(ii) Other receivables		
(a) Receivables considered good - unsecured	15.63	7.32
(b) Receivables from related parties (refer note : 32)	20.20	11.63
Total other receivables (ii)	**35.83**	**18.95**
Total receivables (i+ii)	**54.68**	**30.45**

Note 6 : Loans

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(A)		
(i) At amortised cost		
- Bills purchased and bills discounted	87.22	295.60
- Loans repayable on demand	31.41	238.08
- Term loans	34,019.09	34,656.85
- Leasing	45.48	72.61
- Debentures (refer note 6(i))	928.90	1,308.11
Total gross loans at amortised cost	**35,112.10**	**36,571.25**
Less: Impairment loss allowance	(2,412.79)	(1,742.85)
Total net loans at amortised cost (i)	**32,699.31**	**34,828.40**
(ii) At fair value through profit or Loss		
- Loans repayable on demand	-	69.32
- Term loans	10,990.25	11,952.17
- Debentures (refer note 6(i))	350.32	350.62
Total gross loans at fair value through profit or loss	**11,340.57**	**12,372.11**
Less: Impact on fair value changes	(148.66)	(86.84)
Total net loans at fair value through profit or loss (ii)	**11,191.91**	**12,285.27**
Total net loans (A) = (i)+(ii)	**43,891.22**	**47,113.67**

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note 6 : Loans

` in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(B)		
(i) At amortised cost		
-Secured by tangible assets	21,402.23	22,150.16
-Unsecured	13,709.87	14,421.09
Total gross loans at amortised cost	**35,112.10**	**36,571.25**
Less: Impairment loss allowance	(2,412.79)	(1,742.85)
Total net loans at amortised cost (i)	**32,699.31**	**34,828.40**
(ii) At fair value through profit or loss:		
-Secured by tangible assets	11,340.57	12,372.11
-Unsecured	-	-
Total gross loans at fair value through profit or loss	**11,340.57**	**12,372.11**
Less: Impact on fair value changes	(148.66)	(86.84)
Total net loans at fair value through profit or loss (ii)	**11,191.91**	**12,285.27**
Total net loans (B) = (i)+(ii)	**43,891.22**	**47,113.67**
(C)		
(I) Loans in India		
(i) At amortised cost		
- Public sector	-	-
- Others	35,112.10	36,571.25
Total gross loans at amortised cost	**35,112.10**	**36,571.25**
Less: Impairment loss allowance	(2,412.79)	(1,742.85)
Total net loans in India at amortised cost (i)	**32,699.31**	**34,828.40**
(ii) At fair value through profit or loss:		
- Public sector	-	-
- Others	11,340.57	12,372.11
Total gross loans at fair value through profit or loss	**11,340.57**	**12,372.11**
Less: Impact on fair value changes	(148.66)	(86.84)
Total net loans at fair value through profit or loss (ii)	**11,191.91**	**12,285.27**
Total net loans in India (C)(I) = (i)+(ii)	**43,891.22**	**47,113.67**
(II) Loans outside India		
(i) At amortised cost	-	-
Less: Impairment loss allowance	-	-
Total net loans outside India at amortised cost (i)	-	-
(b) At fair value through profit or loss:	-	-
Less: Impact on fair value changes	-	-
Total net loans at fair value through profit or loss (b)	-	-
Total net loans outside India (C)(I) = (i)+(ii)	-	-
Total net loans (C) = (I)+(II)	**43,891.22**	**47,113.67**

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note: 6(i) Following are the details of debentures in the nature of Loan:

Name of Company	As at March 31, 2020			As at March 31, 2019		
	Nos.	Face Value	₹ in crore	Nos.	Face Value	₹ in crore
Debenture - Secured						
Avantha Holding Limited	-	-	-	2,250	10,00,000	308.55
Diamond Power Infrastructure Limited	3,000	83,441	28.78	3,000	83,441	27.89
Oriental Nagpur Betul Highway Limited	3,094	1,00,000	30.71	3,094	1,00,000	30.68
Regen Infrastructure And Services Private Limited	2,794	8,48,862	248.13	2,794	8,83,341	245.15
Renew Akshay Urja Private Limited	180	9,93,902	17.89	180	9,96,341	17.94
SINTEX-BAPL Limited	-	-	-	27,000	1,00,000	282.46
SP Jammu Udhampur Highway Limited	2,950	10,00,000	307.30	2,950	10,00,000	312.17
GB Global Limied (erstwhile Mandhana Industries Limited)	200	5,73,234	14.58	200	6,00,000	14.17
Karvy Solar Power Limited	-	-	-	2,000	96,500	19.27
New Era Enviro Ventures (Mahabubnagar) Private Limited	-	-	-	1,600	95,700	15.31
Pennar Renewables Private Limited	3,800	91,200	34.49	3,800	95,700	36.34
Premier Photovoltiac Medak Private Limited	-	-	-	2,600	95,700	24.84
Debenture - Unsecured						
Avantha Holding Limited	4,500	8,06,359	582.59	2,250	10,00,000	309.22
Bhoruka Power Holdings Private Limited	1,00,000	1,000	14.74	1,00,000	1,000	14.74
Total Debenture			**1,279.22**			**1,658.73**

L&T Finance Limited

Notes forming part of the Consolidated financial statements

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
A. Investments in fully paid equity shares						
(a) Associate (at cost)						
(i) Unquoted						
L&T Infra Debt Fund Limited	10.00	13,86,52,953	341.36	10.00	13,86,52,953	281.16
(b) Other equity shares						
(i) Quoted						
(a) Investments carried at fair value through profit or loss						
Integrated Digital Info Services Limited	10.00	3,83,334	-	10.00	3,83,334	-
Elque Polyesters Limited	10.00	1,94,300	-	10.00	1,94,300	-
Monnet Industries Limited	10.00	5,640	-	10.00	5,640	-
Monnet Ispat And Energy Limited	10.00	992	-	10.00	992	-
Monnet Project Developers Limited	10.00	11,280	-	10.00	11,280	-
Bhushan Steel Limited	2.00	3,67,119	0.60	2.00	3,67,119	1.08
Jaihind Projects Limited	10.00	24,797	-	10.00	24,797	-
Diamond Power Infrastructure Limited	10.00	28,89,921	-	10.00	28,89,921	-
3I Infotech Limited	10.00	24,26,383	0.32	10.00	24,26,383	0.93
Gol Offshore Limited	10.00	15,52,907	-	10.00	15,52,907	-
SVOGL Oil Gas and Exploration Services Limited	10.00	19,40,514	-	10.00	19,40,514	-
Glodyne Technoserve Limited	6.00	3,19,262	-	6.00	3,19,262	-
MIC Electronics Limited	2.00	53,84,616	-	2.00	53,84,616	-
Usher Agro Limited	10.00	3,35,344	-	10.00	3,35,344	-
Amara Raja Batteries Limited	-	-	-	1.00	2,728	0.20
Hindusthan National Glass & Industries Ltd	2.00	4,09,674	1.13	2.00	4,12,808	3.40
(b) Investment carried at fair value through other comprehensive income						
CG Power and Industrial Solutions Limited	10.00	6,26,00,000	31.61	-	-	-
(II) Unquoted						
(a) Investments carried at fair value through profit or loss						
Grameen Capital India Private Limited	10.00	21,26,000	-	10.00	21,26,000	2.13
Alpha Micro Finance Consultants Private Limited	10.00	2,00,000	-	10.00	2,00,000	-
Metropoli Overseas Limited	10.00	99,400	-	10.00	99,400	-
Anil Chemicals and Industries Limited	10.00	40,000	-	10.00	40,000	-
VMC Systems Limited	10.00	7,33,611	-	10.00	7,33,611	-
Saumya Mining Limited	10.00	10,77,986	-	10.00	10,77,986	-
Total investment in equity shares (A)			**375.02**			**288.90**
B. Investments in debt securities						
(a) Investment carried at fair value through profit or loss						
Bhoruka Power Corporation Limited	1,00,000.00	3,800	52.50	1,00,000.00	3,800	52.50
Soma Enterprises Limited	10.00	1,45,53,210	6.98	10.00	1,45,53,210	6.98
(b) Investment carried at fair value through other comprehensive income						
TATA AIG General Insurance Company Limited	10,00,000.00	310	32.25	10,00,000.00	310	31.50
U. P. Power Corporation Limited	10,00,000.00	301	32.25	10,00,000.00	301	30.61
Axis Bank	-	-	-	10,00,000.00	500	50.83
Union Bank of India	-	-	-	10,00,000.00	780	77.92
Cholamandlam MS General Insurance Company Limited	10,00,000.00	418	44.84	10,00,000.00	418	43.91
Dewan Housing Finance Corporation Limited	10,00,000.00	2,496	241.45	10,00,000.00	2,746	272.26
Dewan Housing Finance Corporation Limited	1,000.00	27,50,000	295.10	1,000.00	27,50,000	286.62
State Bank of India	-	-	-	10,00,000.00	4,100	418.65
The South Indian Bank Limited	1,00,000.00	38,759	416.20	1,00,000.00	38,759	407.19
Kotak Mahindra Bank Limited	-	-	-	5.00	5,00,00,000	27.59
Power Finance Corporation Limited	-	-	-	10,00,000.00	1,213	163.19
Power Finance Corporation Limited	-	-	-	1,000.00	1,00,000	12.89
ECL Finance Limited	-	-	-	10,00,000.00	900	96.49
ECL Finance Limited	1,000.00	30,00,000	326.38	1,000.00	30,00,000	323.47
Total investment in debt securities (B)			**1,447.95**			**2,302.60**

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
C. Investments in mutual funds						
(a) Investment carried at fair value through profit or loss						
Canara Robeco Liquid fund - Direct Growth	1,000.00	21,004.04	5.02	-	-	-
L&T banking and PSU debt fund DP - Growth	-	-	-	10.00	2,38,50,695	40.09
Total investment in mutual funds (C)			**5.02**			**40.09**
D. Investments in fully paid preference shares (Unquoted)						
(a) Investment carried at fair value through profit or loss						
Grameen Capital India Private Limited	10.00	38,74,000	-	10.00	38,74,000	3.87
3I Infotech Limited	5.00	38,96,954	0.68	5.00	38,96,954	0.68
10% SEW Vizag Coal Terminal Private Limited	10.00	40,91,423	-	10.00	40,91,423	-
Total investment in preference shares (D)			**0.68**			**4.55**
E. Investments in government securities						
(a) Investment carried at amortised cost						
12% National Saving Certificate 2002	-	-	*0.00	-	-	*0.00
Government of India	-	-	-	100.00	16,55,00,000	1,643.54
(b) Investment carried at fair value through other comprehensive income						
Rural Electrification Corporation Limited	-	-	-	10,00,000.00	240	32.29
National Highways Authority of India	-	-	-	10,00,000.00	50	5.33
Total investment in government securities (E)			**-**			**1,681.16**
F. Investment in other securities						
(a) Investment carried at fair value through profit or loss						
KKR India debt Opportunities Fund II	1,000.00	13,56,565	101.32	1,000.00	17,76,074	177.61
KKR India debt Opportunities Fund III	1,000.00	21,226	0.20	1,000.00	61,640	6.16
Total investment in other securities (F)			**101.52**			**183.77**
G. Investment in pass through certificates						
(a) Investment carried at fair value through other comprehensive income						
Goldstein IFMR Capital	43.00	8,57,170	2.45	43.00	8,57,170	2.91
Smith IFMR Capital	4.00	1,20,96,782	3.30	4.00	1,20,96,782	3.85
Syme IFMR Capital	1.00	1,42,10,515	1.12	1.00	1,42,10,515	1.42
Moses IFMR Capital	1.00	22,50,000	0.22	1.00	22,50,000	0.23
Total investment in pass through certificate (G)			**7.09**			**8.41**

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
H. Investment in security receipts						
(a) Investment carried at fair value through profit or loss						
Phoenix ARF Scheme 6	1,000.00	9,843	-	1,000.00	9,843	0.25
Phoenix ARF Scheme 9	1.00	6,612	*0.00	1.00	6,612	*0.00
Phoenix ARF Scheme 11	1.00	44,208	*0.00	1.00	44,208	*0.00
Phoenix ARF Scheme 13	5.00	27,404	0.01	5.00	27,404	0.01
Phoenix ARF Scheme 14	1,000.00	34,882	2.61	1,000.00	34,882	2.61
Phoenix Trust FY19-6	899.00	12,49,500	112.33	903.00	12,49,500	112.83
JM Financial Asset Reconstruction Company Private Limited (Series I - JMFARC-IRIS December 2016 - Trust)	1,000.00	6,885	-	1,000.00	6,885	-
EARC Trust SC - 258 - Series I	551.40	6,46,510	1.78	932.90	6,46,510	27.14
JMFARC LTF June 2017 Trust	710.67	2,97,500	9.71	748.14	2,97,500	22.21
JMFARC LTF June 2017 Trust	710.67	4,80,849	17.95	748.14	4,80,849	35.89
Suraksha ARC - 024 Trust	1,000.00	7,85,400	78.54	1,000.00	7,85,400	78.54
Phoenix Trust FY 20-4	522.00	8,16,000	42.60	-	-	-
Omkara PS10/2019-20 Trust	1,000.00	3,48,500	23.91	-	-	-
EARC TRUST SC 367	999.91	1,02,27,115	1,021.13	-	-	-
ARCIL-CPS-062-I-Trust	1,000	13,55,750	135.58	-	-	-
Suraksha ARC - 037 Trust	1,000.00	1,10,71,25,000	109.47	-	-	-
Total investment in security receipts (H)			**1,555.62**			**279.48**
Total investments (I)			**3,492.90**			**4,788.96**
(i) Investments outside India			-			-
(ii) Investments in India			3,492.90			4,788.96
Total Investments (II)			**3,492.90**			**4,788.96**
Less: Allowance for Impairment loss (III)						
Investment carried at fair value through other comprehensive income			**250.59**			-
Net total investment (IV)= (I)-(III)			**3,242.31**			**4,788.96**

***Amount less than ₹ 1 lakh**

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note 8 : Other financials assets

₹ in crore

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Security deposit	62.69	76.97
Other advances	3.27	3.26
Receivable on sale of Investment	-	14.92
Margin money deposits	0.45	12.15
Accrued interest on fixed deposit	-	0.24
Total other financials assets	**66.41**	**107.54**

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	For the year	Disposals	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Buildings : Owned	0.38	-	-	0.38	0.02	0.01	-	0.03	**0.35**	**0.36**
Lease hold renovation : Owned	14.17	0.55	3.65	11.07	8.53	2.57	3.38	7.72	**3.35**	**5.64**
Plant and equipments : Lease out	11.84	-	5.14	6.70	4.92	1.58	2.77	3.73	**2.97**	**6.92**
Computers : Owned	32.97	6.27	-	39.24	12.62	9.53	-	22.15	**17.09**	**20.35**
Furniture and fixtures										
Owned	8.16	1.73	0.01	9.88	4.54	1.76	0.01	6.29	3.59	3.62
Leased out	4.74	-	-	4.74	3.00	0.56	-	3.56	1.18	1.74
Sub total - Furniture and fittings	**12.90**	**1.73**	**0.01**	**14.62**	**7.54**	**2.32**	**0.01**	**9.85**	**4.77**	**5.36**
Office equipment										
Owned	5.93	2.48	0.21	8.20	3.11	1.79	0.14	4.76	3.44	2.82
Leased out	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub total - Office equipment	**5.94**	**2.48**	**0.21**	**8.21**	**3.11**	**1.79**	**0.14**	**4.76**	**3.45**	**2.83**
Vehicles										
Owned	1.20	0.68	-	1.88	0.50	0.38	-	0.88	1.00	0.70
Leased out	11.06	-	6.69	4.37	3.88	1.34	3.18	2.04	2.33	7.18
Sub total - Vehicles	**12.26**	**0.68**	**6.69**	**6.25**	**4.38**	**1.72**	**3.18**	**2.92**	**3.33**	**7.88**
Total	**90.46**	**11.71**	**15.70**	**86.47**	**41.12**	**19.52**	**9.48**	**51.16**	**35.31**	**49.34**

L&T Finance Limited

Notes forming part of the Consolidated financial statements

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Buildings : Owned	0.38	-	-	0.38	0.01	0.01	-	0.02	**0.36**	**0.37**
Lease hold renovation : Owned	12.53	1.64	-	14.17	4.33	4.20	-	8.53	**5.64**	**8.20**
Plant and equipments : Lease out	25.81	-	13.97	11.84	5.06	4.93	5.07	4.92	**6.92**	**20.75**
Computers										
Owned	19.76	14.01	0.80	32.97	6.10	7.14	0.62	12.62	20.35	13.66
Leased out	0.74	-	0.74	-	0.55	0.10	0.65	-	-	0.19
Sub total - Computers	**20.50**	**14.01**	**1.54**	**32.97**	**6.65**	**7.24**	**1.27**	**12.62**	**20.35**	**13.85**
Furniture and fixtures										
Owned	6.40	1.81	0.05	8.16	2.15	2.41	0.02	4.54	3.62	4.25
Leased out	7.95	-	3.21	4.74	2.08	1.51	0.59	3.00	1.74	5.87
Sub total - Furniture and fittings	**14.35**	**1.81**	**3.26**	**12.90**	**4.23**	**3.92**	**0.61**	**7.54**	**5.36**	**10.12**
Office equipment										
Owned	4.26	1.80	0.13	5.93	1.44	1.75	0.08	3.11	2.82	2.82
Leased out	0.45	-	0.44	0.01	0.31	0.05	0.36	-	0.01	0.14
Sub total - Office equipment	**4.71**	**1.80**	**0.57**	**5.94**	**1.75**	**1.80**	**0.44**	**3.11**	**2.83**	**2.96**
Vehicles										
Owned	1.20	-	-	1.20	0.21	0.29	-	0.50	0.70	0.99
Leased out	21.65	-	10.59	11.06	4.36	3.14	3.62	3.88	7.18	17.29
Sub total - Vehicles	**22.85**	**-**	**10.59**	**12.26**	**4.57**	**3.43**	**3.62**	**4.38**	**7.88**	**18.28**
Total	**101.13**	**19.26**	**29.93**	**90.46**	**26.60**	**25.53**	**11.01**	**41.12**	**49.34**	**74.53**

Note 10 : Other intangible assets, Goodwill and Intangible assets under development

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	For the year	Disposals	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Other intangible assets										
Specialised software	77.22	28.14	-	105.36	38.03	20.42	-	58.45	46.91	39.19
Distribution and customer network rights (refer footnote)	438.80	-	-	438.80	263.28	87.76	-	351.04	87.76	175.52
(a) Total other intangible assets	516.02	28.14	-	544.16	301.31	108.18	-	409.49	134.67	214.71
(b) Goodwill (refer footnote)	2,828.51	-	-	2,828.51	1,697.10	565.71	-	2,262.81	565.70	1,131.41
(c) Intangible assets under development									44.56	18.48

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Other intangible assets										
Specialised software	40.35	36.90	0.03	77.22	26.09	11.94	0.00	38.03	39.19	14.26
Distribution and customer network rights (refer footnote)	438.80	-	-	438.80	175.52	87.76	-	263.28	175.52	263.28
(a) Total other intangible assets	479.15	36.90	0.03	516.02	201.61	99.70	-	301.31	214.71	277.54
(b) Goodwill (refer footnote)	2,828.51	-	-	2,828.51	1,131.40	565.70	-	1,697.10	1,131.41	1,697.11
(c) Intangible assets under development									18.48	9.23

Footnote:

Pursuant to the Orders of Honorable Calcutta High Court and the National Company Law Tribunal, Mumbai Bench (the" Honorable Courts"), the erstwhile L&T Finance Limited (U65990MH1994PLC083147) and L&T FinCorp Limited (U65910MH1997PLC108179) have been merged with Family Credit Limited (now known as L&T Finance Limited - U65910WB1993FLC060810) (the "Amalgamated Company"), effective from February 13, 2017 with the Appointed Date being April 1, 2016.

Consequent to the scheme becoming effective, net assets of Transferor Company amounting to ₹ 3,157.29 crore as on the Appointed Date have been transferred to the Transferee Company at their respective fair values and the fair value of Distribution and Customer Network Rights ("DCNR") as determined by an Independent Valuer, have been recognised as a part of Other Intangible Asset at a valuation of ₹ 438.80 crore. The balance amount of ₹ 2,828.51 crore has been recorded as Goodwill on amalgamation. These intangible assets, i.e. the DCNR and Goodwill on amalgamation, are being amortised on a straight line basis over a period of 5 years with effect from April 01, 2016 in terms of the Scheme of Arrangement of the Honorable Courts.

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note 11 : Other non-financials assets

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	50.01	9.59
Advances to others	5.38	25.75
Amount paid under protest	38.23	41.96
Capital advances	9.62	11.78
Assets acquired in settlement of claims	19.70	24.47
Total other non-financials Assets	**122.94**	**113.55**

Note 12 : Payables

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Trade payables		
Micro enterprises and small enterprises (refer note: 42)	-	-
Due to others	9.01	34.69
Due to related parties (refer note: 32)	22.39	51.34
Total trade payables (I)	**31.40**	**86.03**
(ii) Other payables		
Micro enterprises and small enterprises (refer note: 42)	-	-
Due to others	-	12.71
Due to related parties (refer note: 32)	-	0.40
Total other payables (i+ii)	**-**	**13.11**
Total payables	**31.40**	**99.14**

Note 13 : Debt securities

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(A)		
(i) At amortised cost		
- Commercial papers (net) (refer note 13 (b))	2,419.79	7,064.36
- Redeemable non convertible debentures (refer note 13 (a))	14,062.08	16,007.24
Total debt securities (A)	**16,481.87**	**23,071.60**
(B)		
(I) Debt securities in India		
(i) At amortised cost	16,481.87	23,071.60
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total debt securities in India (I = i+ii+iii)	**16,481.87**	**23,071.60**
(II) Debt securities outside India		
(i) At amortised cost	-	-
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total debt securities in outside India (II = i+ii+iii)	**-**	**-**
Total debt securities (B) = (I)+(II)	**16,481.87**	**23,071.60**

Note 13 (a)

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series V option 1 FY 2018-19 (Public issue-1)	` 1000 each	13-Mar-19	7.96	9.20%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series V option 2 FY 2018-19 (Public issue-1)	` 1000 each	13-Mar-19	110.25	9.35%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2018-19 (Public issue-1)	` 1000 each	13-Mar-19	0.70	8.84%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 2 FY 2018-19 (Public issue-1)	` 1000 each	13-Mar-19	101.11	8.98%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-1)	` 1000 each	15-Apr-19	11.30	8.85%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-1)	` 1000 each	15-Apr-19	378.68	9.05%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VII option 1 FY 2019-20 (Public issue-1)	` 1000 each	15-Apr-19	0.45	8.52%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VII option 2 FY 2019-20 (Public issue-1)	` 1000 each	15-Apr-19	17.35	8.70%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	25.31	8.50%	23-Dec-26	Redeemable at par at the end of 2557 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	402.90	8.65%	23-Dec-26	Redeemable at par at the end of 2557 days from the date of allotment
Series C FY 2019-20	` 10 lakh each	31-Jul-19	15.85	8.55%	31-Jul-26	Redeemable at par at the end of 2557 days from the date of allotment
Series B FY 2019-20	` 10 lakh each	28-May-19	913.15	8.80%	28-May-26	Redeemable at par at the end of 2557 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	23.50	8.45%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	329.40	8.60%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	0.79	8.15%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	74.59	8.29%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 1 FY 2019-20 (Public issue-1)	` 1000 each	15-Apr-19	78.27	8.80%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-1)	` 1000 each	15-Apr-19	200.15	9.00%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-1)	` 1000 each	15-Apr-19	1.54	8.48%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-1)	` 1000 each	15-Apr-19	21.76	8.66%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-1)	` 1000 each	15-Apr-19	0.25	8.81%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-1)	` 1000 each	15-Apr-19	19.74	9.01%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 1 FY 2018-19 (Public issue-1)	` 1000 each	13-Mar-19	30.16	9.10%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2018-19 (Public issue-1)	` 1000 each	13-Mar-19	234.49	9.25%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2018-19 (Public issue-1)	` 1000 each	13-Mar-19	1.75	8.75%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2018-19 (Public issue-1)	` 1000 each	13-Mar-19	59.77	8.89%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series N FY 2018-19 option 2	` 10 lakh each	01-Feb-19	25.37	9.02%	11-Mar-24	Redeemable at par at the end of 1865 days from the date of allotment
Series K FY 2018-19 option 2	` 10 lakh each	11-Jan-19	25.45	9.00%	09-Feb-24	Redeemable at par at the end of 1855 days from the date of allotment
Series J FY 2018-19	` 10 lakh each	04-Jan-19	817.31	9.00%	04-Jan-24	Redeemable at par at the end of 1826 days from the date of allotment
Series E FY 2018-19	` 10 lakh each	02-Aug-18	37.05	8.86%	02-Aug-23	Redeemable at par at the end of 1826 days from the date of allotment
Series F FY 2019-20	` 10 lakh each	04-Mar-20	75.39	7.68%	03-Mar-23	Redeemable at par at the end of 1094 days from the date of allotment
Series E FY 2019-20	` 10 lakh each	24-Jan-20	410.05	8.25%	24-Jan-23	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	30.12	8.25%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	422.19	8.45%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	6.33	8.26%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	63.08	8.46%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 1 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	0.84	7.96%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-2)	` 1000 each	23-Dec-19	42.97	8.15%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series T FY 2017-18	` 25 lakh each	12-Dec-17	86.97	7.95%	12-Dec-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance-Series G FY 2018-19 Opt 3 (Original issuance series T FY 2017-18)	` 10 lakh each	31-Oct-18	16.34	7.95%	12-Dec-22	Redeemable at par at the end of 1503 days from the date of allotment

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series N FY 2017-18	₹ 25 lakh each	06-Oct-17	321.61	7.70%	06-Oct-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance- Series H FY 2018-19 Opt 2 (Original issuance series N FY 2017-18)	₹ 10 lakh each	20-Nov-18	65.02	7.70%	06-Oct-22	Redeemable at par at the end of 1416 days from the date of allotment
Series M FY 2017-18	₹ 25 lakh each	08-Aug-17	488.11	7.71%	08-Aug-22	Redeemable at par at the end of 1826 days from the date of allotment
Series L FY 2018-19 option 2	₹ 10 lakh each	24-Jan-19	50.82	8.93%	08-Aug-22	Redeemable at par at the end of 1292 days from the date of allotment
Series H FY 2017-18 opt 2	₹ 25 lakh each	21-Jun-17	26.51	7.81%	21-Jul-22	Redeemable at par at the end of 1856 days from the date of allotment
Series C FY 2018-19 opt 1	₹ 10 lakh each	06-Jul-18	40.65	8.95%	10-Jun-22	Redeemable at par at the end of 1435 days from the date of allotment
Series A FY 2018-19	₹ 10 lakh each	06-Jun-18	63.98	8.65%	28-Apr-22	Redeemable at par at the end of 1422 days from the date of allotment
Reissuance- Series A1 FY 2018-19 (Original issuance series A FY 2018-19)	₹ 10 lakh each	14-Nov-18	34.39	8.65%	28-Apr-22	Redeemable at par at the end of 1261 days from the date of allotment
Series A FY 2019-20 - MLD	₹ 10 lakh each	24-Apr-19	85.11	8.36%	22-Apr-22	Redeemable at par at the end of 1094 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	119.22	8.70%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	202.67	8.90%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	3.75	8.71%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	17.35	8.91%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	176.35	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	686.15	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	5.52	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	87.53	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series G FY 2018-19 Opt 2	₹ 10 lakh each	31-Oct-18	86.25	9.48%	14-Mar-22	Redeemable at par at the end of 1230 days from the date of allotment
Series C FY 2018-19 opt 2	₹ 10 lakh each	06-Jul-18	132.49	8.92%	06-Oct-21	Redeemable at par at the end of 1188 days from the date of allotment
Reissuance - Series D3 FY 2018-19 Opt 3 (Original issuance series C FY 2018-19)	₹ 10 lakh each	31-Aug-18	52.23	8.92%	06-Oct-21	Redeemable at par at the end of 1132 days from the date of allotment
Series F FY 2018-19	₹ 10 lakh each	12-Sep-18	67.32	8.82%	03-Sep-21	Redeemable at par at the end of 1087 days from the date of allotment
Reissuance - Series G FY 2018-19 Opt 1 (Original issuance series F FY 2018-19)	₹ 10 lakh each	31-Oct-18	5.66	8.82%	03-Sep-21	Redeemable at par at the end of 1038 days from the date of allotment
Series D FY 2018-19 opt 2	₹ 10 lakh each	20-Jul-18	416.71	8.95%	16-Aug-21	Redeemable at par at the end of 1123 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 2 (Original issuance series D FY 2018-19 Opt 2)	₹ 10 lakh each	20-Aug-18	59.12	8.95%	16-Aug-21	Redeemable at par at the end of 1092 days from the date of allotment
Series D FY 2018-19 opt 1	₹ 10 lakh each	20-Jul-18	28.93	8.92%	30-Jul-21	Redeemable at par at the end of 1106 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 1 (Original issuance series D FY 2018-19 Opt 1)	₹ 10 lakh each	20-Aug-18	12.51	8.92%	30-Jul-21	Redeemable at par at the end of 1075 days from the date of allotment
Series W FY 2017-18	₹ 25 lakh each	28-Mar-18	95.07	8.25%	21-Jun-21	Redeemable at par at the end of 1181 days from the date of allotment
Reissuance - Series "W"1-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	27-Jul-18	79.71	8.25%	21-Jun-21	Redeemable at par at the end of 1060 days from the date of allotment
Reissuance - Series "W"2-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	09-Aug-18	54.71	8.25%	21-Jun-21	Redeemable at par at the end of 1047 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	13-Jun-16	10.70	8.80%	11-Jun-21	Redeemable at par at the end of 1824 days from the date of allotment
Series V FY 2017-18	₹ 25 lakh each	27-Mar-18	96.78	8.25%	08-Apr-21	Redeemable at par at the end of 1108 days from the date of allotment

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series M FY 2018-19 option 3- MLD	` 10 lakh each	18-Jan-19	32.53	8.61%	18-Jan-21	Redeemable at par at the end of 731 days from the date of allotment
Series S FY 2017-18	` 25 lakh each	06-Dec-17	218.87	7.84%	06-Jan-21	Redeemable at par at the end of 1127 days from the date of allotment
Series P FY 2017-18	` 25 lakh each	17-Oct-17	155.26	7.68%	18-Dec-20	Redeemable at par at the end of 1158 days from the date of allotment
Series Q FY 2017-18	` 25 lakh each	24-Nov-17	313.42	7.85%	11-Dec-20	Redeemable at par at the end of 1113 days from the date of allotment
Series R FY 2017-18	` 25 lakh each	04-Dec-17	769.14	7.90%	04-Dec-20	Redeemable at par at the end of 1096 days from the date of allotment
Series U FY 2017-18	` 25 lakh each	29-Dec-17	102.05	8.00%	27-Nov-20	Redeemable at par at the end of 1064 days from the date of allotment
Series O FY 2017-18	` 25 lakh each	13-Oct-17	517.77	7.65%	13-Nov-20	Redeemable at par at the end of 1127 days from the date of allotment
Series L FY 2017-18	` 25 lakh each	25-Jul-17	353.69	7.65%	20-Aug-20	Redeemable at par at the end of 1122 days from the date of allotment
Series D1 FY 2018-19 Opt 4	` 10 lakh each	20-Aug-18	84.30	8.75%	19-Aug-20	Redeemable at par at the end of 730 days from the date of allotment
Reissuance - Series D2 FY 2018-19 Opt 4 (Original issuance series D FY 2018-19 Opt 4)	` 10 lakh each	27-Aug-18	358.25	8.75%	19-Aug-20	Redeemable at par at the end of 723 days from the date of allotment
Series H FY 2017-18 opt 1	` 25 lakh each	21-Jun-17	53.02	7.76%	10-Aug-20	Redeemable at par at the end of 1146 days from the date of allotment
Series M FY 2018-19 option 2- MLD	` 10 lakh each	18-Jan-19	58.56	8.65%	10-Aug-20	Redeemable at par at the end of 570 days from the date of allotment
Series M FY 2018-19 option 1- MLD	` 10 lakh each	18-Jan-19	48.26	8.45%	17-Jul-20	Redeemable at par at the end of 546 days from the date of allotment
Series J FY 2017-18	` 25 lakh each	28-Jun-17	132.36	7.75%	26-Jun-20	Redeemable at par at the end of 1094 days from the date of allotment
Series I FY 2017-18	` 25 lakh each	23-Jun-17	132.49	7.75%	23-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2017-18	` 25 lakh each	19-Jun-17	212.31	7.85%	19-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series G FY 2017-18	` 25 lakh each	20-Jun-17	398.00	7.85%	19-Jun-20	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2017-18	` 25 lakh each	16-Jun-17	265.35	7.75%	16-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series D FY 2017-18	` 25 lakh each	09-Jun-17	223.37	7.85%	09-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2016-17	` 25 lakh each	31-Mar-17	300.07	8.07%	29-May-20	Redeemable at par at the end of 1155 days from the date of allotment
Series C FY 2017-18	` 25 lakh each	25-May-17	26.67	7.85%	25-May-20	Redeemable at par at the end of 1096 days from the date of allotment
Series O FY 2018-19	` 10 lakh each	01-Mar-19	277.10	8.75%	22-May-20	Redeemable at par at the end of 448 days from the date of allotment
Series C FY 2015-16 opt 5	` 25 lakh each	20-May-15	28.00	8.87%	20-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series A FY 2017-18 opt 2	` 25 lakh each	10-Apr-17	107.61	7.80%	08-May-20	Redeemable at par at the end of 1124 days from the date of allotment
Series E FY 2016-17	` 25 lakh each	29-Mar-17	100.06	7.90%	29-Apr-20	Redeemable at par at the end of 1127 days from the date of allotment
			14,062.08			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

Secured redeemable non convertible debentures public issue :

During the year, The Company has raised `2,407.82 crore from the public issue. The Company has utilised ` 2,403.42 crore for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/prepayment of principal of borrowings) and general corporate purpose. Total unutilised balance amount of `4.44 crore is in current account (includes `0.04 crore unutilised from amount raised in previous year).

Note 13 (b)

Commercial papers (net) as on March 31, 2020

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020
Bullet	Up to 1 years	upto 7.00%	1,999.69
		7.01% to 8.00%	172.71
		8.01% to 9.00%	247.39
Total			**2,419.79**

L&T Finance Limited
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Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series V option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	7.95	9.20%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series V option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	110.11	9.35%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	0.70	8.84%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	100.98	8.98%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series III option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	30.09	9.10%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	233.90	9.25%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	1.75	8.75%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	59.62	8.89%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series N FY 2018-19 option 2	₹ 10 lakh each	01-Feb-19	25.36	9.02%	11-Mar-24	Redeemable at par at the end of 1865 days from the date of allotment
Series K FY 2018-19 option 2	₹ 10 lakh each	11-Jan-19	25.43	9.00%	09-Feb-24	Redeemable at par at the end of 1855 days from the date of allotment
Series J FY 2018-19	₹ 10 lakh each	04-Jan-19	817.16	9.00%	04-Jan-24	Redeemable at par at the end of 1826 days from the date of allotment
Series E FY 2018-19	₹ 10 lakh each	02-Aug-18	37.04	8.86%	02-Aug-23	Redeemable at par at the end of 1826 days from the date of allotment
Series T FY 2017-18	₹ 25 lakh each	12-Dec-17	86.94	7.95%	12-Dec-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance-Series G FY 2018-19 Opt 3 (Original issuance series T FY 2017-18)	₹ 10 lakh each	31-Oct-18	16.13	7.95%	12-Dec-22	Redeemable at par at the end of 1503 days from the date of allotment
Series N FY 2017-18	₹ 25 lakh each	06-Oct-17	321.57	7.70%	06-Oct-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance- Series H FY 2018-19 Opt 2 (Original issuance series N FY 2017-18)	₹ 10 lakh each	20-Nov-18	64.05	7.70%	06-Oct-22	Redeemable at par at the end of 1416 days from the date of allotment
Series M FY 2017-18	₹ 25 lakh each	08-Aug-17	488.03	7.71%	08-Aug-22	Redeemable at par at the end of 1826 days from the date of allotment
Series L FY 2018-19 option 2	₹ 10 lakh each	24-Jan-19	50.80	8.93%	08-Aug-22	Redeemable at par at the end of 1292 days from the date of allotment
Series H FY 2017-18 opt 2	₹ 25 lakh each	21-Jun-17	26.51	7.81%	21-Jul-22	Redeemable at par at the end of 1856 days from the date of allotment
Series C FY 2018-19 opt 1	₹ 10 lakh each	06-Jul-18	37.30	8.95%	10-Jun-22	Redeemable at par at the end of 1435 days from the date of allotment
Series A FY 2018-19	₹ 10 lakh each	06-Jun-18	58.88	8.65%	28-Apr-22	Redeemable at par at the end of 1422 days from the date of allotment
Reissuance- Series A1 FY 2018-19 (Original issuance series A FY 2018-19)	₹ 10 lakh each	14-Nov-18	31.36	8.65%	28-Apr-22	Redeemable at par at the end of 1261 days from the date of allotment
Series I option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	175.64	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	683.40	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	5.04	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	79.85	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series G FY 2018-19 Opt 2	₹ 10 lakh each	31-Oct-18	78.77	9.48%	14-Mar-22	Redeemable at par at the end of 1230 days from the date of allotment
Series C FY 2018-19 opt 2	₹ 10 lakh each	06-Jul-18	132.46	8.92%	06-Oct-21	Redeemable at par at the end of 1188 days from the date of allotment
Reissuance - Series D3 FY 2018-19 Opt 3 (Original issuance series C FY 2018-19)	₹ 10 lakh each	31-Aug-18	52.27	8.92%	06-Oct-21	Redeemable at par at the end of 1132 days from the date of allotment
Series F FY 2018-19	₹ 10 lakh each	12-Sep-18	61.86	8.82%	03-Sep-21	Redeemable at par at the end of 1087 days from the date of allotment

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Reissuance - Series G FY 2018-19 Opt 1 (Original issuance series F FY 2018-19)	₹ 10 lakh each	31-Oct-18	5.16	8.82%	03-Sep-21	Redeemable at par at the end of 1038 days from the date of allotment
Series D FY 2018-19 opt 2	₹ 10 lakh each	20-Jul-18	382.41	8.95%	16-Aug-21	Redeemable at par at the end of 1123 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 2 (Original issuance series D FY 2018-19 Opt 2)	₹ 10 lakh each	20-Aug-18	54.32	8.95%	16-Aug-21	Redeemable at par at the end of 1092 days from the date of allotment
Series D FY 2018-19 opt 1	₹ 10 lakh each	20-Jul-18	26.56	8.92%	30-Jul-21	Redeemable at par at the end of 1106 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 1 (Original issuance series D FY 2018-19 Opt 1)	₹ 10 lakh each	20-Aug-18	11.49	8.92%	30-Jul-21	Redeemable at par at the end of 1075 days from the date of allotment
Series B FY 2018-19	₹ 10 lakh each	29-Jun-18	1,065.79	8.70%	29-Jun-21	Redeemable at par at the end of 1096 days from the date of allotment
Series W FY 2017-18	₹ 25 lakh each	28-Mar-18	95.06	8.25%	21-Jun-21	Redeemable at par at the end of 1181 days from the date of allotment
Reissuance - Series "W"1-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	27-Jul-18	79.21	8.25%	21-Jun-21	Redeemable at par at the end of 1060 days from the date of allotment
Reissuance - Series "W"2-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	09-Aug-18	54.43	8.25%	21-Jun-21	Redeemable at par at the end of 1047 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	13-Jun-16	10.70	8.80%	11-Jun-21	Redeemable at par at the end of 1824 days from the date of allotment
Series V FY 2017-18	₹ 25 lakh each	27-Mar-18	89.40	8.25%	08-Apr-21	Redeemable at par at the end of 1108 days from the date of allotment
Series M FY 2018-19 option 3- MLD	₹ 10 lakh each	18-Jan-19	29.86	8.61%	18-Jan-21	Redeemable at par at the end of 731 days from the date of allotment
Series S FY 2017-18	₹ 25 lakh each	06-Dec-17	218.74	7.84%	06-Jan-21	Redeemable at par at the end of 1127 days from the date of allotment
Series P FY 2017-18	₹ 25 lakh each	17-Oct-17	155.24	7.68%	18-Dec-20	Redeemable at par at the end of 1158 days from the date of allotment
Series Q FY 2017-18	₹ 25 lakh each	24-Nov-17	313.35	7.85%	11-Dec-20	Redeemable at par at the end of 1113 days from the date of allotment
Series R FY 2017-18	₹ 25 lakh each	04-Dec-17	768.89	7.90%	04-Dec-20	Redeemable at par at the end of 1096 days from the date of allotment
Series U FY 2017-18	₹ 25 lakh each	29-Dec-17	102.04	8.00%	27-Nov-20	Redeemable at par at the end of 1064 days from the date of allotment
Series O FY 2017-18	₹ 25 lakh each	13-Oct-17	517.56	7.65%	13-Nov-20	Redeemable at par at the end of 1127 days from the date of allotment
Series L FY 2017-18	₹ 25 lakh each	25-Jul-17	328.51	7.65%	20-Aug-20	Redeemable at par at the end of 1122 days from the date of allotment
Series D1 FY 2018-19 Opt 4	₹ 10 lakh each	20-Aug-18	84.28	8.75%	19-Aug-20	Redeemable at par at the end of 730 days from the date of allotment
Reissuance - Series D2 FY 2018-19 Opt 4 (Original issuance series D FY 2018-19 Opt 4)	₹ 10 lakh each	27-Aug-18	358.11	8.75%	19-Aug-20	Redeemable at par at the end of 723 days from the date of allotment
Series H FY 2017-18 opt 1	₹ 25 lakh each	21-Jun-17	53.02	7.76%	10-Aug-20	Redeemable at par at the end of 1146 days from the date of allotment
Series M FY 2018-19 option 2- MLD	₹ 10 lakh each	18-Jan-19	53.79	8.65%	10-Aug-20	Redeemable at par at the end of 570 days from the date of allotment
Series M FY 2018-19 option 1- MLD	₹ 10 lakh each	18-Jan-19	44.32	8.45%	17-Jul-20	Redeemable at par at the end of 546 days from the date of allotment
Series J FY 2017-18	₹ 25 lakh each	28-Jun-17	132.35	7.75%	26-Jun-20	Redeemable at par at the end of 1094 days from the date of allotment
Series I FY 2017-18	₹ 25 lakh each	23-Jun-17	132.48	7.75%	23-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2017-18	₹ 25 lakh each	19-Jun-17	212.28	7.85%	19-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series G FY 2017-18	₹ 25 lakh each	20-Jun-17	397.98	7.85%	19-Jun-20	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2017-18	₹ 25 lakh each	16-Jun-17	265.34	7.75%	16-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series D FY 2017-18	₹ 25 lakh each	09-Jun-17	223.34	7.85%	09-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	31-Mar-17	324.21	8.07%	29-May-20	Redeemable at par at the end of 1155 days from the date of allotment
Series C FY 2017-18	₹ 25 lakh each	25-May-17	26.67	7.85%	25-May-20	Redeemable at par at the end of 1096 days from the date of allotment

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series O FY 2018-19	` 10 lakh each	01-Mar-19	276.53	8.75%	22-May-20	Redeemable at par at the end of 448 days from the date of allotment
Series C FY 2015-16 opt 5	` 25 lakh each	20-May-15	27.99	8.87%	20-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series A FY 2017-18 opt II	` 25 lakh each	10-Apr-17	107.60	7.80%	08-May-20	Redeemable at par at the end of 1124 days from the date of allotment
Series E FY 2016-17	` 25 lakh each	29-Mar-17	100.06	7.90%	29-Apr-20	Redeemable at par at the end of 1127 days from the date of allotment
Series D FY 2016-17 opt 2	` 25 lakh each	27-Mar-17	25.03	7.90%	27-Mar-20	Redeemable at par at the end of 1096 days from the date of allotment
Series L FY 2018-19 option 1	` 10 lakh each	24-Jan-19	203.21	8.81%	13-Mar-20	Redeemable at par at the end of 414 days from the date of allotment
Series K FY 2018-19 option 1	` 10 lakh each	11-Jan-19	305.76	8.81%	11-Mar-20	Redeemable at par at the end of 425 days from the date of allotment
Series P FY 2014-15 opt 4	` 25 lakh each	24-Feb-15	25.22	9.25%	24-Feb-20	Redeemable at par at the end of 1826 days from the date of allotment
Series D3 FY 2018-19 Opt 2	` 10 lakh each	31-Aug-18	26.26	8.62%	30-Jan-20	Redeemable at par at the end of 517 days from the date of allotment
Reissuance- Series H FY 2018-19 Opt 1 (Original issuance series D3 FY 2018-19 Opt 2)	` 10 lakh each	20-Nov-18	54.21	8.62%	30-Jan-20	Redeemable at par at the end of 436 days from the date of allotment
Series J FY 2016-17 opt 2	` 25 lakh each	19-Jan-17	152.25	7.83%	20-Jan-20	Redeemable at par at the end of 1096 days from the date of allotment
Series I FY 2018-19	` 10 lakh each	05-Dec-18	1,233.76	9.36%	20-Dec-19	Redeemable at par at the end of 380 days from the date of allotment
Series D1 FY 2018-19 Opt 3	` 10 lakh each	20-Aug-18	26.32	8.60%	19-Dec-19	Redeemable at par at the end of 486 days from the date of allotment
Reissuance - Series D3 FY 2018-19 Opt 1 (Original issuance series D1 FY 2018-19 Opt 3)	` 10 lakh each	31-Aug-18	52.63	8.60%	19-Dec-19	Redeemable at par at the end of 475 days from the date of allotment
Series A FY 2016-17 opt 7	` 25 lakh each	13-Apr-16	4.34	8.68%	30-Sep-19	Redeemable at par at the end of 1265 days from the date of allotment
Series E FY 2016-17 opt 1	` 25 lakh each	23-Aug-16	14.56	8.54%	30-Sep-19	Redeemable at par at the end of 1133 days from the date of allotment
NCD 2009 series 4 (Public issue)	` 1000 each	17-Sep-09	479.60	10.24%	17-Sep-19	Redeemable at par at the end of 3652 days from the date of allotment
Series A FY 2016-17 opt 6	` 25 lakh each	13-Apr-16	81.29	8.68%	12-Sep-19	Redeemable at par at the end of 1247 days from the date of allotment
Series G FY 2016-17	` 25 lakh each	12-Sep-16	209.15	8.31%	12-Sep-19	Redeemable at par at the end of 1095 days from the date of allotment
Series F FY 2016-17	` 25 lakh each	08-Sep-16	52.31	8.31%	06-Sep-19	Redeemable at par at the end of 1093 days from the date of allotment
Series B FY 2016-17	` 25 lakh each	20-Apr-16	324.60	8.65%	20-Aug-19	Redeemable at par at the end of 1217 days from the date of allotment
Series I FY 2016-17	` 25 lakh each	09-Aug-16	52.70	8.40%	09-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series H FY 2016-17 opt 1	` 25 lakh each	05-Aug-16	75.96	7.37%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series B FY 2016-17 opt 2	` 25 lakh each	05-Aug-16	5.28	8.65%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series D FY 2016-17 opt 1	` 25 lakh each	18-Aug-16	3.10	8.55%	05-Aug-19	Redeemable at par at the end of 1082 days from the date of allotment
Series G FY 2016-17 opt 2	` 25 lakh each	03-Aug-16	79.18	8.45%	02-Aug-19	Redeemable at par at the end of 1094 days from the date of allotment
Series E FY 2016-17 opt 2	` 25 lakh each	29-Jun-16	3.15	8.71%	22-Jul-19	Redeemable at par at the end of 1118 days from the date of allotment
Series K FY 2017-18	` 25 lakh each	19-Jul-17	421.45	7.65%	19-Jul-19	Redeemable at par at the end of 730 days from the date of allotment
Series C FY 2016-17 opt 2	` 25 lakh each	24-May-16	3.80	8.64%	28-Jun-19	Redeemable at par at the end of 1130 days from the date of allotment
Series E FY 2016-17 opt 1	` 25 lakh each	29-Jun-16	138.57	8.72%	28-Jun-19	Redeemable at par at the end of 1094 days from the date of allotment
Series D FY 2016-17 opt 1	` 25 lakh each	14-Jun-16	53.48	8.72%	14-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series A FY 2016-17 opt 5	` 25 lakh each	13-Apr-16	298.11	8.69%	13-Jun-19	Redeemable at par at the end of 1156 days from the date of allotment
Series C FY 2016-17 opt 1	` 25 lakh each	13-Jun-16	10.70	8.80%	13-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2015-16 opt 7	` 25 lakh each	04-Jun-15	34.63	8.88%	04-Jun-19	Redeemable at par at the end of 1461 days from the date of allotment
Series A FY 2016-17 opt 4	` 25 lakh each	13-Apr-16	27.10	8.69%	31-May-19	Redeemable at par at the end of 1143 days from the date of allotment
Series D FY 2015-16 opt 3	` 25 lakh each	27-May-15	56.20	8.88%	27-May-19	Redeemable at par at the end of 1461 days from the date of allotment

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series C FY 2016-17 opt 1	` 25 lakh each	24-May-16	53.70	8.65%	24-May-19	Redeemable at par at the end of 1095 days from the date of allotment
Series B FY 2016-17 opt 2	` 25 lakh each	20-May-16	21.52	8.80%	20-May-19	Redeemable at par at the end of 1095 days from the date of allotment
Series N FY 2015-16	` 25 lakh each	29-Mar-16	185.14	8.90%	29-Apr-19	Redeemable at par at the end of 1126 days from the date of allotment
Series A FY 2016-17	` 25 lakh each	20-Apr-16	10.83	8.80%	19-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2016-17 opt 3	` 25 lakh each	13-Apr-16	10.84	8.70%	12-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2017-18 opt I	` 25 lakh each	10-Apr-17	161.28	7.71%	10-Apr-19	Redeemable at par at the end of 730 days from the date of allotment
			16,007.24			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

Secured redeemable non convertible debentures public issue :

During the year, The Company has raised `1,500 crore from the public issue. The Company has utilised ` 1,495.35 crore for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/prepayment of principal of borrowings) and general corporate purpose. The unutilised balance amount of `4.65 crore is in current account.

Note 13 (b)

Commercial papers (net) as on March 31,2019

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Bullet	Up to 1 years	7.01% to 8.00%	4,424.26
		8.01% to 9.00%	1,110.06
		9.01% to 10.00%	1,530.04
Total			7,064.36

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note 14 : Borrowings (other than debt securities)

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(A)		
(i) At amortised cost		
(a) Term loans		
(i) from banks (refer note 14 (a))	12,349.75	9,661.43
(ii) from financial institutions (refer note 14 (b))	1,398.74	1,477.13
(b) Term loans from bank - FCNR (refer note 14 (c-1))	-	107.32
(c) External commercial borrowings (refer note 14 (c-2))	2,874.92	-
(d) Loan from related parties (refer note 14 (d))	887.37	169.36
(e) Loan repayable on demand		
(i) from banks (refer note 14 (e))	8,118.05	8,781.30
(f) Corporate bond repo (refer note 14 (f))	-	323.62
(g) Collateralized borrowing and lending obligation (refer note 14 (g))	-	1,619.70
Total borrowings (other than debt securities) (A)	**25,628.83**	**22,139.86**
(B)		
(I) Borrowings (other than debt securities) in India		
(i) At amortised cost	22,753.91	22,139.86
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total borrowings (other than debt securities) in India (I = i+ii+iii)	**22,753.91**	**22,139.86**
(II) Borrowings (other than debt securities) outside India		
(i) At amortised Cost	2,874.92	-
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total borrowings (other than debt securities) in outside India (II = i+ii+iii)	**2,874.92**	**-**
Total borrowings (other than debt securities) (B) = (I)+(II)	**25,628.83**	**22,139.86**

Note 14 (a)
Term loans from bank as on March 31, 2020 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 5 Years	7.01% - 8.00%	1,199.68
	Above 5 Years	8.01% - 9.00%	300.00
Annually	Up to 5 Years	7.01% - 8.00%	900.19
	Above 5 Years	8.01% - 9.00%	174.94
Half Yearly	Up to 5 Years	7.01% - 8.00%	1,542.93
	Up to 5 Years	8.01% - 9.00%	3,880.02
	Above 5 Years	8.01% - 9.00%	999.99
Quarterly	Up to 5 Years	7.01% - 8.00%	537.39
	Up to 5 Years	8.01% - 9.00%	2,365.04
	Above 5 Years	7.01% - 8.00%	449.57
Total			**12,349.75**

Nature of Security :
Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Note 14 (b)
Term loans from financial institutions as on March 31, 2020 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹ crore)
Half Yearly	Up to 5 Years	8.01% - 9.00%	192.96
Quarterly	Up to 5 Years	7.01% - 8.00%	803.85
Quarterly	Above 5 Years	7.01% - 8.00%	401.93
Total			**1,398.74**

Nature of Security :
Term loan from financial institutions is secured by hypothecation of specified lease/term loan receivables.

Note 14 (c-2)
External commercial borrowings as on March 31, 2020 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 5 Years	8.01%-9.00%	2,874.92
Total			**2,874.92**

Nature of Security :
External commercial borrowings Loan is secured againt first charge on specific receivables pertaining to Farm Equipments.

Note 14 (d)
Loan from related parties as on March 31, 2020 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹ crore)
Bullet	Up to 1 Year	8.01% to 9.00%	887.37
Total			**887.37**

Note 14 (e)

Loan repayable on demand from bank as on March 31, 2020 : Secured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Line of credit	Bullet	Up to 5 Years	7.01% - 8.00%	249.50
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	769.43
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	555.47
Working Capital Demand	Bullet	Up to 5 Years	7.01% - 8.00%	2,059.88
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	785.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	480.00
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	7.01% - 8.00%	234.23
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	129.04
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	9.01% - 10.00%	134.15
Total				**5,396.70**

Nature of Security :

Loan repayable on demand from bank is secured by hypothecation of specified lease/term loan receivables.

Loan repayable on demand as on March 31, 2020 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	1,200.00
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	420.00
Working Capital Demand	Bullet	Up to 5 Years	7.01% - 8.00%	201.35
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	300.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	600.00
Total				**2,721.35**

Note 14 (a)

Term loans from bank as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 5 Years	8.01% - 9.00%	1,390.00
	Up to 5 Years	9.01% - 10.00%	250.00
	Above 5 Years	8.01% - 9.00%	700.00
Annually	Up to 5 Years	9.01% - 10.00%	750.00
	Above 5 Years	9.01% - 10.00%	185.00
Half Yearly	Up to 5 Years	8.01% - 9.00%	1,706.08
	Up to 5 Years	9.01% - 10.00%	3,180.35
	Above 5 Years	8.01% - 9.00%	1,500.00
Total			**9,661.43**

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Note 14 (b)

Term loans from financial institutions as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Half Yearly	Up to 5 Years	8.01% - 9.00%	271.35
Quarterly	Up to 5 Years	7.01% - 8.00%	805.78
	Above 5 Years	7.01% - 8.00%	400.00
Total			**1,477.13**

Nature of Security :

Term loan from financial institutions is secured by hypothecation of specified lease/term loan receivables.

Note 14 (c-1)

Term loans from bank- FCNR as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 5 Years	8.01%-9.00%	107.32
Total			**107.32**

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Note 14 (d)

Loan from related parties as on March 31, 2019 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 1 Year	7.01% to 8.00%	3.25
		9.01% to 10.00%	166.11
Total			**169.36**

Note 14 (e)

Loan repayable on demand from bank as on March 31, 2019 : Secured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	1,299.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	848.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	1,085.00
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	279.85
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	9.01% - 10.00%	29.45
Total				**3,541.30**

Nature of Security :

Loan repayable on demand from bank is secured by hypothecation of specified lease/term loan receivables.

Loan repayable on demand as on March 31, 2019 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	2,390.00
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	2,050.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	800.00
Total				**5,240.00**

Note 14 (f)

Corporate bond repo as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 1 month	8.01% to 9.00%	323.62
Total			**323.62**

Nature of Security :

Secured by hypothecation of any Corporate Bonds of Investment held by the Company.

Note 14 (g)

Collateralized borrowing and lending obligation as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Bullet	4 days	upto 7.00%	1,525.57
		7.01% to 8.00%	94.13
Total			**1,619.70**

Nature of Security :

Collateralized borrowing and lending obligation is secured by hypothecation of eligible Government Bonds as approved by The Clearing Corporation of India Limited.

Note 15 : Subordinated liabilities

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(A)		
(i) At amortised cost		
(a) Perpetual debt Instruments to the extent that do not qualify as equity (Refer note 15 (a))	255.87	260.81
(b) Subordinate debt Instruments (Refer note 15 (b))	885.88	863.61
Total subordinated liabilities (A)	**1,141.75**	**1,124.42**
(B)		
(I) Subordinated liabilities in India		
(i) At amortised cost	1,141.75	1,124.42
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total subordinated liabilities in India (I = i+ii+iii)	**1,141.75**	**1,124.42**
(II) Subordinated liabilities outside India		
(i) At amortised cost	-	-
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total subordinated liabilities in outside India (II = i+ii+iii)	-	-
Total subordinated liabilities (B) = (I)+(II)	**1,141.75**	**1,124.42**

Note 15 (a)

Unsecured redeemable non convertible debentures as on March 31,2020 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series I FY 2015-16	` 10 lakh each	30-Mar-16	50.03	10.10%	30-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series F FY 2011-12	` 10 lakh each	30-Dec-11	205.84	11.50%	30-Dec-21	Redeemable at par at the end of 3653 days from the date of allotment
			255.87			

Note 15 (b)

Unsecured redeemable non convertible debentures as on March 31,2020 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series D FY 2019-20	` 10 lakh each	13-Sep-19	26.98	8.90%	13-Sep-29	Redeemable at par at the end of 3653 days from the date of allotment
Series M FY 2015-16	` 10 lakh each	23-Mar-16	100.23	9.30%	23-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series H FY 2015-16	` 10 lakh each	04-Mar-16	50.36	9.48%	04-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series G FY 2015-16	` 10 lakh each	09-Feb-16	18.23	9.35%	09-Feb-26	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	` 10 lakh each	29-Jan-16	32.52	9.35%	29-Jan-26	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2015-16	` 10 lakh each	09-Sep-15	105.18	9.25%	09-Sep-25	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	` 10 lakh each	30-Mar-15	50.03	9.95%	28-Mar-25	Redeemable at par at the end of 3651 days from the date of allotment
Series M FY 2014-15	` 10 lakh each	31-Dec-14	51.25	9.95%	31-Dec-24	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2014-15	` 10 lakh each	30-Jun-14	43.13	10.40%	28-Jun-24	Redeemable at par at the end of 3651 days from the date of allotment
Series F FY 2013-14	` 10 lakh each	27-Mar-14	50.07	10.90%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	` 10 lakh each	27-Mar-14	50.07	10.35%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2013-14	` 10 lakh each	28-Feb-14	25.25	10.90%	28-Feb-24	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2012-13	` 10 lakh each	21-Dec-12	282.58	9.80%	21-Dec-22	Redeemable at par at the end of 3652 days from the date of allotment
			885.88			

Note 15 (a)

Unsecured redeemable non convertible debentures as on March 31,2019 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2019 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series I FY 2015-16	` 10 lakh each	30-Mar-16	55.08	10.10%	30-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series F FY 2011-12	` 10 lakh each	30-Dec-11	205.73	11.50%	30-Dec-21	Redeemable at par at the end of 3653 days from the date of allotment
			260.81			

Note 15 (b)

Unsecured redeemable non convertible debentures as on March 31,2019 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2019 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series M FY 2015-16	` 10 lakh each	23-Mar-16	100.18	9.30%	23-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series H FY 2015-16	` 10 lakh each	04-Mar-16	50.36	9.48%	04-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series G FY 2015-16	` 10 lakh each	09-Feb-16	18.23	9.35%	09-Feb-26	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	` 10 lakh each	29-Jan-16	32.51	9.35%	29-Jan-26	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2015-16	` 10 lakh each	09-Sep-15	105.14	9.25%	09-Sep-25	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	` 10 lakh each	30-Mar-15	55.00	9.95%	28-Mar-25	Redeemable at par at the end of 3651 days from the date of allotment
Series M FY 2014-15	` 10 lakh each	31-Dec-14	51.24	9.95%	31-Dec-24	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2014-15	` 10 lakh each	30-Jun-14	43.11	10.40%	28-Jun-24	Redeemable at par at the end of 3651 days from the date of allotment
Series F FY 2013-14	` 10 lakh each	27-Mar-14	50.07	10.90%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	` 10 lakh each	27-Mar-14	50.07	10.35%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2013-14	` 10 lakh each	28-Feb-14	25.24	10.90%	28-Feb-24	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2012-13	` 10 lakh each	21-Dec-12	282.46	9.80%	21-Dec-22	Redeemable at par at the end of 3652 days from the date of allotment
			863.61			

Note 16 : Other financial liabilities

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit and margin money received	12.28	14.91
Unclaimed interest on debentures	1.39	0.89
Liability for capital goods	0.12	0.12
Bank book credit balance	2.94	0.59
Liability for expenses	174.35	143.49
Short term obligation	9.32	19.58
Interim dividend payable	-	191.90
Other payables	43.45	35.18
Total other financial liabilities	**243.85**	**406.66**

Note 17 : Provisions

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Compensated absences	18.18	17.01
Gratuity	9.99	4.73
Total provisions	**28.17**	**21.74**

Note 18 : Other non-financial liabilities

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Revenue received in advance	-	0.58
Statutory dues payable	2.54	12.34
Dividend distribution tax payable	-	39.44
Total other non-financial liabilities	**2.54**	**52.36**

Note 19: Equity share capital

(a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in crore	No. of shares	₹ in crore
Authorised				
Equity shares of ₹ 10 each	2,65,43,09,610	2,654.31	2,65,43,09,610	2,654.31
Preference shares of ₹ 100 each	10,00,000	10.00	10,00,000	10.00
Issued, subscribed and paid up				
Equity shares of ₹ 10 each fully paid up	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14
		1,599.14		**1,599.14**

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in crore	No. of shares	₹ in crore
At the beginning of the year	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14
Add: Issued during the year	-	-	-	-
At the end of the year	**1,59,91,38,199**	**1,599.14**	**1,59,91,38,199**	**1,599.14**

(c) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	As at March 31, 2020	As at March 31, 2019
	No. of shares	No. of shares
Fully paid up pursuant to contract(s) without payment being received in cash	1,23,57,37,684	1,23,57,37,684

(d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Members of the Company holding equity shares capital therein have a right to vote, on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid up equity capital of the Company held by the shareholders. The Company declares dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year, the company has declared interim dividend of ` 1.15 per equity share (previous year : ₹ 1.20 per equity share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shares held by holding company:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in crore	No. of shares	₹ in crore
L&T Finance Holdings Limited (Holding company) directly or through it's beneficially nominee (Equity shares of ` 10 each fully paid up)	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14

(f) Shareholder holding more than 5% of equity shares as at the end of the year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
L&T Finance Holdings Limited (Holding company) directly or through it's beneficially nominee (Equity shares of ` 10 each fully paid up)	1,59,91,38,199	100%	1,59,91,38,199	100%

Note 20 : Other equity

₹ In crore

Particulars	As at March 31, 2020	As at March 31, 2019
Capital redemption reserve	3.20	3.20
Debenture redemption reserve[1]	5.15	114.18
Securities premium[2]	6,903.72	6,903.72
General reserve[3]	34.52	0.25
Reserve u/s 45 IC of Reserve Bank of India Act, 1934[4]	826.85	753.59
Reserve u/s 36(1)(viii) of Income tax Act, 1961[5]	72.45	44.93
Amalgamation adjustment account[6]	(463.30)	(538.06)
Retained earnings[7]	223.11	124.51
Change in fair value of debt instruments classified at fair value through other comprehensive income (Refer note 1.5)	(1.84)	(0.37)
Change in fair value of equity instruments measured at fair value through other comprehensive income (Refer note 1.5)	(56.16)	-
Cash flow hedging reserve (Refer note 1.10)	(88.38)	-
Total other equity	**7,459.32**	**7,405.95**

Notes:

1. Debenture redemption reserve: The Company had issued redeemable non-convertible debentures and created Debenture Redemption Reserve out of the profits available for payment of dividend in accordance with the provision of section 71(4) of the Companies Act, 2013 to be utilised for the redemption of debentures. The Ministry of Corporate Affairs, vide notification dated August 19, 2019 has amended the Companies (Share Capital & Debentures) Rules and accordingly the Company is no longer required to create Debenture Redemption Reserve on issuance of redeemable non-covertible debentures.

2. Securities premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

3. General Reserve: The Companies (Transfer of Profits to Reserves) Rules, 1975 read with Section 205(2A) of the Companies Act, 1956, prohibited declaration of dividend for any financial year out of profits of the company for that year except after the transfer of a specified percentage of the profits not exceeding 10%, to its reserves. Amounts were transferred to General Reserve to comply with these provisions. The Companies Act, 2013, does not mandate such a transfer.General reserve is a free reserve available to the Company

4. Reserve u/s 45 IC of Reserve Bank of India Act, 1934: The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.

5. Reserve u/s 36(1)(viii) of Income tax Act, 1961: In respect of any special reserve created and maintained by a specified entity, an amount not exceeding twenty percent of the profits derived from eligible business computed under the head "Profits and gains of business or profession" (before making any deduction under this clause) carried to such reserve account.

6. Amalgamation Adjustment Account: Upon amalgamation of the erstwhile L&T Finance Limited and the erstwhile L&T Fincorp Limited (the "Transferor Companies") with Family Credit Limited (the "Transferee Company" which was renamed as L&T Finance Limited") the statutory reserves (i.e. Debenture Redemption Reserve, Reserve under section 45 IC of the Reserve Bank of India Act, 1934 and Reserve under section 36(1)(Viii) of the Income tax Act, 1961) of the Transferor Companies as on April 01, 2016 (the Appointed Date") with a corresponding debit to Amalgamation Adjustment Account. As the corresponding statutory reserve unwind, the Amalgamation Adjustment Account is also reversed.

7. Retained earnings: Retained earnings represent the amount of accumulated earnings of the Company.

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note 21 : Interest Income

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) On financial assets measured at amortised cost		
- Interest on loans	6,171.26	5,589.91
- Interest income from investments	45.30	74.24
- Interest on deposits with banks	50.85	13.02
- Other interest income	1.17	5.68
Total interest income on financial assets measured at amortised cost (i)	**6,268.58**	**5,682.85**
(ii) On financial assets measured at fair value through other comprehensive income		
- Interest income from investments	108.84	189.81
Total interest income on financial assets measured at fair value through other comprehensive income (ii)	**108.84**	**189.81**
(iii) On financial assets classified at fair value through profit or loss		
- Interest on loans	1,795.78	1,129.88
- Interest income from investments	11.21	9.18
Total Interest income on financial assets classified at fair value through profit or loss (iii)	**1,806.99**	**1,139.06**
Total interest income (i+ii+iii)	**8,184.41**	**7,011.72**

Note 22 : Rental income

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Lease rental income	9.04	16.15
Other rental income	-	2.69
Total rental income	**9.04**	**18.84**

Note 23 : Fees and commission Income

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Consultancy fees and financial advisory fee	106.70	71.70
Other financial activities	103.40	80.55
Total fees and commission Income	**210.10**	**152.25**

Note 24 : Net gain/(loss) on fair value changes

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(A) Net gain/(loss) on financial instruments classified at fair value through profit or loss		
On trading portfolio		
- Gain on sale of investments	70.01	76.46
- Gain/(loss) on sale of loan assets	-	7.28
- Fair value changes on loan assets	(61.82)	(63.81)
- Fair value changes on investments	(87.09)	(37.99)
(B) Net gain on disposal of financial instruments classified at fair value through other comprehensive income		
- Gain on sale of Investments	121.46	9.44
Total net gain/(loss) on fair value changes (A+B)	**42.56**	**(8.62)**
(C) Fair value changes:		
-Realised	191.47	93.18
-Unrealised	(148.91)	(101.80)
Total net gain/(loss) on fair value changes (D)	**42.56**	**(8.62)**

L&T Finance Limited
Notes forming part of the Consolidated financial statements

Note 25 : Other income

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Income on cross sell	228.24	199.43
Other income	5.95	0.35
Total other Income	**234.19**	**199.78**

Note 26 : Finance costs

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
On financial liabilities measured at amortised cost		
Interest on debt securities	1,636.33	1,778.02
Interest on borrowings	2,009.72	1,422.12
Interest on subordinated liabilities	111.86	110.42
Other interest expense	9.94	17.36
Total finance costs	**3,767.85**	**3,327.92**

Note 27 : Net loss on derecognition of financial instruments under amortised cost category

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loss on foreclosure and writeoff of loan	1,069.71	1,181.43
Less: Provision held reversed on derecognition of financial instruments	(838.39)	(856.46)
Total net loss on derecognition of financial instruments under amortised cost category	**231.32**	**324.97**

Note 28 : Impairment on financial instruments

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) On Financial instruments measured at fair value through other comprehensive income:		
- Investments	250.59	-
Total impairment on financial instruments on financial instruments measured at fair value through other comprehensive income (a)	**250.59**	-
(b) On financial instruments measured at amortised cost:		
- Loans	1,508.33	637.06
- Trade receivables	8.77	-
Total impairment on financial Instruments on financial Instruments measured at at amortised cost (b)	**1,517.10**	**637.06**
Total impairment on financial instruments (a+b)	**1,767.69**	**637.06**

Note 29 : Employee benefits expenses

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries	654.45	467.18
Contribution provident and pension fund (refer note: 33)	28.18	16.19
Contribution to gratuity fund (refer note: 33)	4.76	2.93
Share based payments to employees (refer note: 36)	44.66	25.91
Staff welfare expenses	34.03	36.10
Total employee benefits expenses	**766.08**	**548.31**

Note 30 : Depreciation, amortization and impairment

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment (refer note: 9)	19.52	25.53
Depreciation on Right of use assets (refer note : 34)	7.80	-
Amortisation of Intangible assets (refer note: 10)	108.18	99.70
Amortisation of Goodwill (refer note: 10)	565.71	565.70
Total depreciation, amortization and impairment	**701.21**	**690.93**

Note 31 : Other expenses

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent	35.99	48.20
Rates and taxes	1.76	3.24
Repairs and maintenance	68 02	56.96
Advertisement and publicity	14.30	13.03
Printing and stationery	15.03	10.00
Telephone and postage	8.90	9.87
Directors sitting fees	0.16	0.28
Auditor's remuneration (refer footnote)	1.11	0.82
Legal and professional charges	118.10	99.44
Insurance	7.81	5.13
Electricity charges	5.05	5.94
Travelling and conveyance	30.41	29.02
Stamping charges	1.14	2.57
Collection charges	212.50	152.93
Loan processing charges	8.90	12.68
Corporate social responsibility expenses (refer note: 35)	11.81	4.01
Donation	11.96	1.39
Corporate support charges	14.08	8.02
Bank charges	38.62	22.25
Non executive directors remunerations	0.39	0.62
Loss on sale of property, plant and equipment (net)	2.66	7.62
Brand license fees	22.39	46.53
Miscellaneous expenses	1.10	1.15
Total administration and other expenses	**632.19**	**541.70**

footnote: Auditor's remuneration comprises the following

Statutory audit fees	0.37	0.34
Limited review fees	0.22	0.13
Tax audit Fees	0.04	0.03
Certification and other service	0.34	0.27
Expenses reimbursed	0.06	0.02
GST/Service tax (net of input credit)	0.09	0.03
	1.11	**0.82**

L&T Finance Limited
Notes forming part of the consolidated financial statements

Note: 32 Disclosure pursuant to Ind AS 24 "Related Party Disclosures"

(a) List of Related Parties (with whom transactions were carried out during current or previous year)

A. Ultimate Holding Company
1. Larsen & Toubro Limited

B. Holding Company
2. L&T Finance Holdings Limited

C. Fellow Subsidiary Companies
3. L&T Infrastructure Finance Company Limited
4. Larsen & Toubro Infotech Limited
5. L&T Capital Company Limited
6. L&T Capital Markets Limited
7. L&T Housing Finance Limited
8. L&T Investment Management Limited
9. L&T Financial Consultants Limited
10. L&T Infra Investment Partners Advisory Private Limited

D. Associate
11. L&T Infra Debt Fund Limited

E. Key Management Personnel
12. Mr. Dinanath Dubhashi
13. Mr. Sunil Prabhune
14. Mr. P. V. Bhide
15. Mr. D. R. Dongra *(Ceased to be a Director with effect from June 06, 2018)*
16. Mr. Mannil Venugopalan *(Ceased to be a Director with effect from June 11, 2018)*
17. Dr (Mrs). Rajni R Gupte
18. Mr. Prabhakar B. *(Ceased to be a Director with effect from May 30, 2018)*
19. Mr. Ashish Kotecha *(Ceased to be a Director with effect from April 28, 2019)*
20. Mr. Rishi Mandawat *(Appointed as Director with effect from April 28, 2019)*

(b) Disclosure of related party transactions :

₹ in crore

Sr. No.	Nature of transaction*	2019-20	2018-19
1	**Inter corporate deposits borrowed**		
	Larsen & Tourbo Limited	-	2,000.00
	L&T Finance Holdings Limited	9,034.37	8,036.51
	L&T Infrastructure Finance Company Limited	200.00	410.00
	L&T Housing Finance Limited	195.00	100.00
	L&T Capital Company Limited	1.20	5.97
	L&T Investment Management Limited	628.13	133.25
	L&T Capital Markets Limited	61.90	155.82
	L&T Infra Investment Partners Advisory Private Limited	-	61.26
2	**Inter corporate deposits repaid**		
	Larsen & Tourbo Limited	-	2,000.00
	L&T Finance Holdings Limited	8,412.41	8,529.96
	L&T Infrastructure Finance Company Limited	200.00	410.00
	L&T Housing Finance Limited	125.00	100.00
	L&T Capital Company Limited	4.35	9.19
	L&T Investment Management Limited	600.33	133.25
	L&T Capital Markets Limited	61.90	155.82
	L&T Infra Investment Partners Advisory Private Limited	-	61.26
3	**Interest expense on inter corporate deposits**		
	Larsen & Tourbo Limited	-	16.57
	L&T Finance Holdings Limited	27.51	95.08
	L&T Infrastructure Finance Company Limited	0.16	0.35
	L&T Housing Finance Limited	0.05	0.02
	L&T Capital Company Limited	0.13	0.36
	L&T Investment Management Limited	0.69	0.26
	L&T Capital Markets Limited	0.06	0.67
	L&T Infra Investment Partners Advisory Private Limited	-	0.27

L&T Finance Limited

Notes forming part of the consolidated financial statements

(b) Disclosure of related party transactions :

₹ in crore

Sr. No.	Nature of transaction*	2019-20	2018-19
4	**Inter corporate deposits given**		
	L&T Infrastructure Finance Company Limited	1,782.00	75.00
	L&T Housing Finance Limited	-	12.57
	L&T Financial Consultants Limited	161.64	-
5	**Inter corporate deposits received back**		
	L&T Infrastructure Finance Company Limited	1,782.00	75.00
	L&T Housing Finance Limited	-	12.57
	L&T Financial Consultants Limited	161.64	-
6	**Interest received on inter corporate deposits**		
	L&T Infrastructure Finance Company Limited	10.65	0.04
	L&T Housing Finance Limited	-	0.02
	L&T Financial Consultants Limited	0.43	-
7	**Portfolio related transaction**		
	L&T Housing Finance Limited	0.58	0.57
8	**Corporate support charges paid to**		
	L&T Finance Holdings Limited	12.92	7.36
9	**Branch sharing cost paid to**		
	Larsen & Toubro Limited	-	0.00
	L&T Financial Consultants Limited	24.11	24.28
	L&T Investment Management Limited	0.21	0.05
	L&T Housing Finance Limited	0.49	0.08
10	**Branch sharing cost recovered from**		
	L&T Infrastructure Finance Company Limited	0.18	0.23
	Larsen & Toubro Limited	-	0.05
	L&T Investment Management Limited	2.29	2.38
	L&T Capital Markets Limited	0.56	0.74
	L&T Housing Finance Limited	4.11	3.06
11	**IT/Professional fees paid to**		
	Larsen & Toubro Limited	5.45	7.63
	Larsen & Toubro Infotech Limited	3.20	1.19
12	**Sale/Assignment of loan portfolio to**		
	L&T Infra Debt Fund Limited	39.86	248.03
	L&T Infrastructure Finance Company Limited	2,919.85	1,514.86
	L&T Housing Finance Limited	183.54	-
13	**Purchase of loan portfolio from**		
	L&T Housing Finance Limited	-	1,769.38
	L&T Infrastructure Finance Company Limited	-	120.02
14	**Brand license fees paid to**		
	Larsen & Toubro Limited	21.12	45.16
15	**Expenses on employee stock option plan**		
	L&T Finance Holdings Limited	44.66	25.91
16	**Corporate support charges recovered**		
	L&T Infra Investment Partners Advisory Private Limited	0.84	-
17	**Service cost for loan portfolio**		
	L&T Housing Finance Limited	-	0.30

L&T Finance Limited
Notes forming part of the consolidated financial statements

(b) Disclosure of related party transactions :

₹ in crore

Sr. No.	Nature of transaction*	2019-20	2018-19
18	**Reimbursement of expenses to**		
	Larsen & Toubro Limited	-	0.11
19	**Interest on security deposit**		
	L&T Financial Consultants Limited	-	0.43
20	**Interest on non convertible debenture (Borrowings)**		
	L&T Infrastructure Finance Company Limited	1.32	-
	Larsen & Toubro Limited	6.15	-
21	**Processing fees sharing on sale of loan portfolio**		
	L&T Infra Debt Fund Limited	0.08	-
	L&T Infrastructure Finance Company Limited	12.69	-
	L&T Housing Finance Limited	1.97	-
22	**Interim dividend**		
	L&T Finance Holdings Limited	183.90	191.90

23 Compensation Paid to Key Managerial Personnel**

₹ in crore

Name of Key Management Personnel	2019-20				2018-19			
	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total
Mr. Sunil Prabhune	3.82	-	0.13	3.95	2.32	-	-	2.32
Mr. P. V. Bhide	0.17	-	-	0.17	0.19	-	-	0.19
Mr. D. R. Dongra	-	-	-	-	0.02	-	-	0.02
Mr. Mannil Venugopalan	-	-	-	-	0.05	-	-	0.05
Dr (Mrs). Rajni R Gupte	0.17	-	-	0.17	0.20	-	-	0.20
Mr. Prabhakar B.	-	-	-	-	0.02	-	-	0.02
Mr. Ashish Kotecha	-	-	-	-	0.11	-	-	0.11
Mr. Rishi Mandawat	0.12	-	-	0.12	-	-	-	-

L&T Finance Limited
Notes forming part of the consolidated financial statements

(c) Amount due to/from related parties:

₹ in crore

S. No.	Nature of transactions	As at March 31,2020	As at March 31,2019
1	**Inter corporate borrowings**		
	L&T Finance Holdings Limited	787.84	165.89
	L&T Capital Company Limited	-	3.15
	L&T Housing Finance Limited	70.00	-
	L&T Investment Management Limited	27.80	-
2	**Interest accrued on inter corporate borrowings**		
	L&T Finance Holdings Limited	1.71	0.22
	L&T Capital Company Limited	-	0.10
	L&T Housing Finance Limited	0.01	-
	L&T Investment Management Limited	0.01	-
3	**Investment in equity share**		
	L&T Infra Debt Fund Limited	341.36	281.16
4	**Non convertible debenture (Borrowings)**		
	Larsen & Toubro Limited	40.45	-
	L&T Infrastructure Finance Company Limited	25.00	-
5	**Interest accrued on non convertible debenture (Borrowings)**		
	Larsen & Toubro Limited	0.81	-
	L&T Infrastructure Finance Company Limited	5.49	-
6	**Rent deposit**		
	L&T Financial Consultants Limited	8.46	7.89
7	**Account payable**		
	L&T Finance Holdings Limited	-	3.47
	L&T Infrastructure Finance Company Limited	-	0.02
	L&T Capital Company Limited	-	***0.00
	L&T Financial Consultants Limited	-	0.03
	L&T Infra Debt Fund Limited	-	0.35
8	**Account receivable**		
	Larsen & Toubro Limited	2.66	3.03
	L&T Finance Holdings Limited	7.45	-
	L&T Investment Management Limited	0.03	0.40
	L&T Capital Markets Limited	-	2.44
	L&T Housing Finance Limited	10.01	5.76
	L&T Financial Consultants Limited	0.05	-
9	**Security deposit payable**		
	L&T Investment Management Limited	0.22	0.22
10	**Interim dividend payable**		
	L&T Finance Holdings Limited	-	191.90
11	**Brand license fees payable**		
	Larsen & Tourbo Limited	22.39	47.87

* Transactions shown above are excluding GST, if any.

** Managerial Remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the company as a whole.

*** Amount less than ` 1 lakh.

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(i) Defined Contribution plan:

The Company's state governed provident fund scheme are defined contribution plan for its employees and for a certain categories of employees made to a trust viz. The Larsen & Toubro Officers & Supervisory Staff Provident Fund constituted by the ultimate parent company, which is permitted under The employee's Provident Funds and Miscellaneous Provisions Act, 1952. The Contribution by the employer and employee together with interest accumulated there on are payable to the employee at the time of separation from company or retirement whichever is earlier. The benefit vets immediately on rendering of services by the employee. In addition to the above, information relating to the scheme operated by the trust constituted by the holding company is given in the note (iii) below.

The Company has recognised charges of ` 28.18 crore (previous year: ` 16.19 crore) for provident fund contribution contribution is included in "Note 29 Employee Benefits Expenses" in the Statement of Profit and Loss.

(ii) Defined Benefits Gratuity Plan :

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days last salary drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

(a) The amounts recognised in Balance Sheet are as follows:

₹ in crore

	Particulars	Gratuity Plan	
		As at March 31, 2020	As at March 31, 2019
A)	Present Value of Defined Benefit Obligation		
	- Wholly funded	21.71	12.92
	- Wholly unfunded	-	-
		21.71	**12.92**
	Less : Fair Value of plan assets	(11.72)	(8.19)
	Amount to be recognised as liability or (asset)	**9.99**	**4.73**
B)	Amounts reflected in Balance Sheet		
	Liabilities	9.99	4.73
	Assets	-	-
	Net liability/(asset)	**9.99**	**4.73**

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

₹ in crore

Sr. No.	Particulars	Gratuity Plan	
		As at March 31, 2020	As at March 31, 2019
1	Current Service Cost	4.76	2.93
2	Net Interest Cost	0.22	0.01
3	Actuarial losses/(gains):		
	i) Actuarial (gains)/losses arising from changes in financial assumptions	1.44	0.23
	ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	**0.00
	iii) Actuarial (gains)/losses arising from changes in experience adjustments	2.37	1.81
	iv) Actuarial losses/(gains) - difference between actuarial return on plan assets	0.68	(0.50)
4	Past Service Cost	-	-
	Total (1 to 4)	**9.47**	**4.48**
i	Amount included in "employee benefits expenses"	4.76	2.93
ii	Amount included in as part of "finance cost'	0.22	0.01
iii	Amount included as part of "Other Comprehensive income"	4.49	1.54
	Total (i + ii + iii)	**9.47**	**4.48**

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

₹ in crore

Particulars	Gratuity Plan	
	As at March 31, 2020	As at March 31, 2019
Opening balance of the present value of defined benefit obligation	12.92	9.55
Add : Current Service Cost	4.76	2.93
Add : Interest Cost	0.82	0.63
Add : Actuarial losses/(gains)		
i) Actuarial (gains)/losses arising from changes in financial assumptions	1.44	0.23
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	**0.00
iii) Actuarial (gains)/losses arising from changes in experience adjustments	2.37	1.81
Less : Benefits paid	(1.12)	(2.48)
Add : Past service cost	-	-
Add : Liability assumed/(settled)*	0.52	0.25
Closing balance of the present value of defined benefit obligation	**21.71**	**12.92**

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in crore

Particulars	Gratuity Plan	
	As at March 31, 2020	As at March 31, 2019
Opening balance of the fair value of the plan assets	8.19	7.92
Add : interest income of plan assets	0.60	0.62
Add/(less) : Actuarial gains/(losses)		
Difference between actual return on plan assets and interest income	(0.68)	0.50
Add : Contribution by the employer	4.73	1.63
Less : Benefits paid	(1.12)	(2.48)
Add: Assets acquired/(settled)*	-	-
Closing balance of the fair value of the plan assets	**11.72**	**8.19**

(e) The fair value of major categories of plan assets are as follows:

₹ in crore

Sr. No	Particulars	Gratuity Plan	
		As at March 31, 2020	As at March 31, 2019
1	Government of India Securities	1.99	1.84
2	Insurer managed funds - unquoted	4.22	3.10
3	Others debt instruments	2.55	2.55
4	Others - unquoted	2.96	0.70

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Gratuity Plan	
		As at March 31, 2020	As at March 31, 2019
1	Discount rate	5.60%	6.90%
2	Salary escalation rate	9.00%	9.00%

(A) **Discount rate:**
The discount rate based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

(B) **Salary escalation rate:**
The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

(g) Attrition Rate:
The attrition rate varies from 15% to 25% (previous year: 15% to 25%) for various age groups.

(h) Mortality:
Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

(i) Sensitivity Analysis:
One percentage point change in actuarial assumption would have the following effects on the defined benefit obligation:

₹ in crore

Sr. No.	Particulars	Gratuity Plan			
		Effect of 1% Increase		Effect of 1% Decrease	
		AS at March 31, 2020	AS at March 31, 2019	AS at March 31, 2020	AS at March 31, 2019
1	Impact of change in discount rate	(1.12)	(0.63)	1.24	0.69
2	Impact of change salary escalation rate	1.18	0.67	(1.09)	(0.63)

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(iii) Defined Benefits Provident Fund Plan

In respect of the contribution by the employer and employee to the provident fund trust constituted by the ultimate parent company, in terms of the guidance note issued by the Institution of Actuarial of India for the measurement of provident fund liabilities, the actuary engaged by the Company has provide the following information in this regards:

(a) The amounts recognised in Balance Sheet are as follows:

₹ in crore

	Particulars	Provident Fund Plan	
		As at March 31, 2020	As at March 31, 2019
A)	Present Value of Defined Benefit Obligation		
	- Wholly funded	14.32	15.72
	- Wholly unfunded	-	-
		14.32	**15.72**
	Assets acquired on acquisition	-	-
	Less : Fair Value of plan assets	(15.18)	(15.82)
	Add : Amount not recognised as an asset	-	-
	Amount to be recognised as liability or (asset)	**(0.86)**	**(0.10)**
B)	Amounts reflected in Balance Sheet		
	Liabilities	-	-
	Assets	(0.86)	(0.10)
	Net liability/(asset)	**(0.86)**	**(0.10)**

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

₹ in crore

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2020	As at March 31, 2019
1	Current Service Cost		-
2	Interest Cost	1.25	1.67
3	Interest Income on Plan Assets	-	-
4	Expected return on Plan Assets	(1.25)	(1.67)
5	Actuarial losses/(gains)	(0.76)	0.10
6	Actuarial gain/(loss) not recognised in Books	0.76	(0.10)
	Total (1 to 6)	-	-
i	Amount included in "employee benefits expenses"	-	-
ii	Amount included in as part of "finance cost'	-	-
iii	Amount included as part of "Other Comprehensive income"	-	-
	Total (i + ii + iii)	-	-

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

₹ in crore

Particulars	Provident Fund Plan	
	As at March 31, 2020	As at March 31, 2019
Opening balance of the present value of defined benefit obligation	15.72	24.07
Add : Assets acquired on acquisition	-	-
Add : Current Service Cost	-	-
Add : Interest Cost	1.25	1.67
Add : Actuarial (gains)/losses		
i) Actuarial (gains)/losses arising from changes in financial assumptions	-	-
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
iii) Actuarial (gains)/losses arising from changes in experience adjustments	-	-
Less : Benefits paid	(2.65)	(10.53)
Add : Contribution by the employer	-	-
Add : Liability assumed/(settled)*	-	0.51
Closing balance of the present value of defined benefit obligation	**14.32**	**15.72**

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in crore

Particulars	Provident Fund Plan	
	As at March 31, 2020	As at March 31, 2019
Opening balance of the fair value of the plan assets	15.82	24.27
Add : Assets acquired on acquisition	-	-
Add : interest income of plan assets	1.25	1.67
Add/(less) : Actuarial gains/(losses)		
Difference between actual return on plan assets and interest income	0.76	(0.10)
Add : Contribution by the employer	-	-
Add/(less) : Contribution by plan participants	-	-
Less : Benefits paid	(2.65)	(10.53)
Add: Assets acquired/(settled)*	-	0.51
Closing balance of plan assets	**15.18**	**15.82**

(e) The fair value of major categories of plan assets are as follows:

₹ in crore

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2020	As at March 31, 2019
1	Government of India Securities	7.12	7.53
2	Corporate Bonds	4.38	3.51
3	Special Deposit Scheme	0.65	0.82
4	Public Sector Unit Bond	2.44	3.48
5	Others	0.59	0.48

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2020	As at March 31, 2019
1	Discount rate for the term of the obligation	5.60%	6.90%
2	Average historic yield on the investment portfolio	8.81%	8.78%
3	Discount rate for the remaining term to maturity of the investment portfolio	6.60%	7.65%
4	Future derived return on assets	7.81%	8.03%
5	Guaranteed rate of return	8.25%	8.65%

(A) **Discount rate:**
The discount rate is based on the prevailing market yields of Indian government securities as at the valuation date for the estimated term of the obligations.

(B) **Average historic yield on the investment portfolio:**
The average rate of return earned on the investment portfolio of provident fund in the previous three years.

(C) **Expected investment return:**

Expected investment return is determined by adding the yield spread to the discount rate for a term of the obligation, where yield spread is the difference between the average historic yield on the investment portfolio & discount rate for the remaining term to maturity of the investment portfolio.

(D) **Guaranteed rate of return:**
The latest interest rate declared by the Regional Provident Fund Commissioner to its own subscribers.

*On account of business combination or inter group transfer
**Amount less than ` 1 lakh

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Note: 34 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 -Leases

I) Transition Disclosure :
Reconcilation of operating lease commitments as at March 31, 2019 (under Ind AS 17) to the opening lease liability as at April 1, 2019 (under Ind AS 116)

₹ in crore

Particulars	April 1, 2019		
	Total Impact	External Impact	Within Group
Opening retained earning impact as on April 1, 2019			
Lease liability on transition date (A)	25.24	25.24	-
Right-of-Use assets as on transition date (net off accumulated depreciation)	22.49	22.49	-
Gross impact	(2.75)	(2.75)	-
Deferred tax	(0.69)	(0.69)	-
Opening retained earning impact (Net)	(2.06)	(2.06)	-
Profit & loss charge for existing leases			
As per Ind AS 17 (old standard)	9.71	9.71	-
Interest expense - As per Ind AS 116	2.49	2.49	-
Depreciation - As per Ind AS 116	7.80	7.80	-
Profit before tax Impact	(0.58)	(0.58)	-
Reconciliation of operating lease commitments as at March 31, 2019 with lease liability as on April 1, 2019			
1. Existing Operating lease rental commitment (Present value for outstanding lease term for existing operating lease)	3.71	2.37	1.34
2. Lease commitments pertaining to short term leases	-	-	-
3. Lease commitments pertaining to low value leases	(2.66)	(1.32)	(1.34)
4. Impact of discounting of lease payments under Ind AS 116	(4.63)	(4.63)	-
5. Extension and termination options reasonably certain to be exercised	28.82	28.82	-
6. Commitments relating to leases previously classified as finance leases	-	-	-
Lease liability on transition date (1 + 2 + 3 + 4 + 5 + 6) (B)	25.24	25.24	-

II) **Company as Lesseee**

a) **Operating Lease**

i) The company has taken various assets on lease such as, plant and machinery, buildings, office premises, vehicles.Generally, leases are renewed only on mutual consent and at a prevalent market price.

ii) Details with respect to right of use assets:-

₹ in crore

Class of Assets	Opening as on April 1, 2019	Additions to right to use assets during 2019-20	Depreciation for 2019-20	Carrying amount as on March 31, 2020
Building / Office Premises	22.49	11.26	7.80	25.95

iii) Interest expense on lease liabilities amounts : `2.49 crore

iv) Expense relating to leases for which underlying asset is of low value is : `14.01 crore

v) Expense related to short-term leases is : `21.98 crore

vi) Expense related to variable lease payments : Nil

vii) Income from sub-leasing of right of use assets : `6.20 crore

b) **Finance Lease : Not Applicable**

Note: 34 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 -Leases

III) Company as Lessor

a) Finance Lease

i) The Company has given on finance leases certain items of plant and equipment. The leases have a primary period that is fixed and noncancellable and a secondary period. There are no exceptional/restrictive covenants in the lease agreement.There are no significant risks associated with rights that the Company retains in underlying assets.

ii) Maturity analysis of minimum undiscounted lease receivables and the present value of minimum lease payments receivable is as under:

₹ in crore

Particulars	As at March 31, 2020
Receivable not later than 1 year	25.42
Receivable later than 1 year but not later than 2 year	20.70
Receivable later than 2 year but not later than 3 year	4.85
Receivable later than 3 year but not later than 4 year	0.01
Receivable later than 4 year but not later than 5 year	-
Receivable later than 5 years	-
Gross investment in lease	50.98
Less: Unearned finance income	6.26
Present value of minimum lease payment receivable	44.72

iii) Finance lease income on net investment in lease recognised in statement of Profit & loss during the financial year 2019-20 : `6.47 crore

iv) Finance lease income relating to variable lease payments not depending on index/rate - NIL

v) Changes in carrying amount of net investment in finance lease

₹ in crore

Particulars	Current	Non Current	Total
Opening value of Lease Receivables as on April 1, 2019	29.20	50.98	80.18
Add: Finance lease income recognised in P&L	6.47	-	6.47
Less: Lease rental received (cash payment)	(35.67)	-	(35.67)
Add/Less: Change on account of any other factors	25.42	(25.42)	-
Closing value of Lease Receivables as on March 31, 2020	**25.42**	**25.56**	**50.98**

b) Operating Lease :

i) The company has given certain assets under operating lease. There are no significant risks associated with rights that the Company retains in underlying assets. Leases are renewed only on mutual consent and at a prevalent market price.

ii) Maturity analysis of undiscontinued lease receivables:

₹ in crore

Particulars	As at March 31, 2020
Receivable not later than 1 year	1.42
Receivable later than 1 year but not later than 2 year	0.46
Receivable later than 2 year but not later than 3 year	0.23
Receivable later than 3 year but not later than 4 year	-
Receivable later than 4 year but not later than 5 year	-
Receivable later than 5 years	-
Total	**2.11**

iii) Lease income recognised in Profit & Loss account (Other than variable lease payment) : `2.57 crore

iv) Lease income relating to variable lease payments not depending on index/rate : Nil

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Disclosure pursuant to Ind AS 17 "Leases" (Applicable upto 31 March 2019)

(i) Operating lease:

(a) Company as Leases:

The Company has taken motor vehicles, furniture and fixtures and premises on operating leases. Lease payments recognized in the Statement of Profit and Loss during the year 31 March 2019 is ` 48.20 crore. The total of future minimum lease payments on non-cancellable operating lease as at March 31, 2019 are as follows:

₹ in crore

Particulars	As at 31 March, 2019
Not later than 1 year	3.39
Later than 1 year and not later than 5 years	0.32
Later than 5 years	-
Total	**3.71**

(b) Company as Lessor:

The Company has given motor vehicles, furniture and fixtures, office equipments, plant and machineries and computers under non-cancellable operating lease. The total of future minimum lease payment receivables on non-cancellable operating lease as at March 31, 2019 are as follows:

₹ in crore

Particulars	As at 31 March, 2019
Not later than 1 year	5.79
Later than 1 year and not later than 5 years	1.50
Later than 5 years	-
Total	**7.29**

(ii) Finance lease

(a) Company as Lessor:

The Company has given assets on finance lease to its customers with respective underlying assets/equipments as security. The details of gross investment, unearned finance income and present value of minimum lease payment receivable as at March 31, 2019 in respect of these assets are as under:

₹ in crore

Particulars	As at March 31, 2019	
	Minimum lease payment receivable	Present value of minimum lease payment receiavble
Not Later than 1 year	29.20	22.37
Later than 1 year and not later than 5 years	50.98	44.72
Later than 5 years	-	-
Gross investment in lease	**80.18**	**67.09**
Less: Unearned finance income	(13.09)	-
Present value of minimum lease payment receivable	**67.09**	**67.09**

Note: 35 Corporate Social Responsibility (CSR)

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year is ₹ 11.81 crore (previous year: ₹ 4.01 crore).

(a) The amount recognised as expense in the Statement of Profit and Loss on CSR related activities is ₹ 11.81 crore (previous year: ₹ 4.01 crore) (Refer note no. 31 of financial statements), which comprises of:

₹ in crore

Particulars	2019-20			2018-19		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(a) Amount spent during the year on:						
(i) Construction/ acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	11.81	-	11.81	4.01	-	4.01

Note: 36 Pursuant to the Employees Stock Options Scheme established by the holding company (i.e. L&T Finance Holdings Limited), stock options have been granted to the employees of the Company. Total cost incurred by the holding company in respect of options granted to employees of the company amounts, recovery of the same and future period expense details are following:

₹ in crore

Particulars	Total cost incurred by holding company (i.e. L&T Finance Holdings Limited)	Expense recovered by holding company till end of financial year	Expenses charged to Statement of Profit and Loss for the year	Remaining expenses to be recovered in future year
(A)	(B)	(C)	(D)	(E = B-C)
As at March 31, 2020	178.21	110.00	44.66	68.21
As at March 31, 2019	113.73	65.34	25.91	48.39

Note: 37 Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings Per Share"

Particulars		2019-20	2018-19
Basic Earning Per Share			
Profit after tax as per statement of profit and loss (₹ in crore)	A	426.53	883.20
Weighted average number of equity shares outstanding during the year (Nos.)	B	1,59,91,38,199	1,59,91,38,199
Basic Earning Per Share (₹)	A/B	2.67	5.52
Diluted Earning Per Share			
Profit after tax as per statement of profit and loss (₹ in crore)	A	426.53	883.20
Weighted average number of equity shares outstanding (Nos.)	B	1,59,91,38,199	1,59,91,38,199
Diluted Earning Per Share (₹)	A/B	2.67	5.52
Face value of shares (₹)		10.00	10.00

Note: 38 Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Contingent Liabilities:		
a) Claim against the Company not acknowledged as debt:		
- Income Tax matter in dispute*	0.71	0.71
- Sales tax/ VAT / Service Tax matter in dispute*	494.62	56.14
- Legal matter in dispute*	2.10	1.20
b) Bank Guarantees;	29.69	22.27
c) Other money for which the Company is contingently liable Liability towards Letter of Credit(net of margin money)	812.64	1,537.36
Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	88.85	82.20
b) Undisbursed Commitment	-	32.00

*In respect of disputes, the company is hopeful of succeeding in appeals and does not expect any significant liabilities to materialise.

Note: 39 Frauds committed against the company:

₹ in crore

Particulars	2019-20	2018-19
No. of cases of fraud which occurred during the year	161	44
Amount involved	1.38	0.64
Amount recovered	0.36	*0.00
Amount provided/loss	1.37	0.49

* Amount less than ₹1 lakh.

Note: 40 The Company has invoked pledge of equity shares and Non-convertible debentures ("NCD") in the following companies, pledged with the Company as collateral by the borrowers and these shares and NCD are being held by the Company as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding.

Sr. No.	Name of Company	Quantity held as bailee	
		As at March 31, 2020	As at March 31, 2019
i)	Saumya Mining Limited	5,13,012	5,13,012
ii)	SEW Vizag Coal Terminal Private Limited*	7,03,833	7,03,833
iii)	Bhushan Steel Limited	71,89,089	71,89,089
iv)	Sterling International Enterprises Limited	2,17,309	2,17,309
v)	Tulip Telecom Limited	14,01,762	14,01,762
vi)	Punj Lloyed Limited	5	5
vii)	Golden Tobacco Limited	10,000	10,000
viii)	Gujurat Highway Corporation Limited	70,000	70,000
ix)	Hindusthan National Glass & Industries Limited	34,04,499	34,04,499
x)	Automobile Corporation Of Goa	8,784	-
xi)	Bajaj Holdings And Investment Ltd	20,220	-
xii)	Kinetic Engineering Limited	17,556	-
xiii)	Motherson Sumi Systems Limited	91,125	-
xiv)	Munjal Showa Limited	25,000	-
xv)	NTPC Limited	19,000	-
xvi)	Reliance Capital	4,500	-
xvii)	State Bank Of India	10,000	-
xviii)	Tata Consultancy Services Limited	220	-
xix)	Tata Motors Limited – DVR	31,814	-
xx)	NTPC Limited (NCD)	16,300	-

**Shares held on behalf of L&T Infrastructure Finance Company Limited.*

Note: 41 Expenditure in foreign currency:

₹ in crore

Particulars	2019-2020	2018-2019
Professional Fees	0.68	1.48
License Fees	4.02	3.95
Business Promotion Expenses	0.02	-
Finance Cost	77.78	-

Note: 42 Dues to micro enterprises and small enterprises:

₹ in crore

Sr. No.	Particulars	2019-2020	2018-2019
i	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
ii.	the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
iii.	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
iv.	the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
v.	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

footnote: The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company. Based on the information available with the Company, as at the year end, there are no dues to micro and small Enterprises that are reportable under the MSMED Act, 2006

L&T Finance Limited
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Note: 43 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures" and pursuant to Ind AS 1 "Presentation of financial statements"
Maturity profile of financial assets and financial liabilities

₹ in crore

Particular	31-Mar-20			31-Mar-19		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
ASSETS:						
Financial assets						
Cash and cash equivalents	2,717.76	-	2,717.76	1,530.51	-	1,530.51
Bank Balance other than (a) above	676.61	7.95	684.56	0.89	29.68	30.57
Derivative financial instruments	-	141.74	141.74	7.20	-	7.20
Receivables						
Trade receivables	18.85	-	18.85	11.50	-	11.50
Other receivables	35.83	-	35.83	18.95	-	18.95
Loans	25,378.60	18,512.62	43,891.22	28,019.96	19,093.71	47,113.67
Investments	873.74	2,368.57	3,242.31	2,359.14	2,429.82	4,788.96
Other financial assets	49.91	16.50	66.41	102.97	4.57	107.54
Non-financial assets						
Current tax assets (net)	-	194.76	194.76	-	77.78	77.78
Deferred tax assets (net)	-	819.02	819.02	-	727.21	727.21
Property, plant and equipment	-	35.31	35.31	-	49.34	49.34
Intangible assets under development	-	44.56	44.56	-	18.48	18.48
Goodwill	-	565.70	565.70	-	1,131.41	1,131.41
Other intangible assets	-	134.67	134.67	-	214.71	214.71
Right of use assets	-	25.95	25.95	-	-	-
Other non-financial assets	75.09	47.85	122.94	59.81	53.74	113.55
Total Assets	**29,826.39**	**22,915.20**	**52,741.59**	**32,110.93**	**23,830.45**	**55,941.38**
LIABILITIES :						
Financial liabilities						
Payables						
Trade payables	31.40	-	31.40	86.03	-	86.03
Other payables	-	-	-	13.11	-	13.11
Debt securities	7,944.64	8,537.23	16,481.87	12,383.23	10,688.37	23,071.60
Borrowings (other than debt securities)	11,511.17	14,117.66	25,628.83	7,337.02	14,802.84	22,139.86
Subordinated liabilities	26.04	1,115.71	1,141.75	34.42	1,090.00	1,124.42
Lease liabilities	7.85	21.44	29.29	-	-	-
Other financial liabilities	243.85	-	243.85	406.66	-	406.66
Non-financial liabilities						
Current tax liabilities (net)	95.43	-	95.43	20.51	-	20.51
Provisions	28.17	-	28.17	21.74	-	21.74
Other non-financial liabilities	2.54	-	2.54	52.36	-	52.36
Total liabilities	**19,891.09**	**23,792.04**	**43,683.13**	**20,355.08**	**26,581.21**	**46,936.29**

Note: 44 Disclosure persuant to Ind AS 7 "Statement of Cash Flows"
Change in liabilities arising from financing activities:

₹ in crore

Particulars	April 1, 2018	Net Cash flows	Non - cash changes			March 31, 2019
			Changes in fair values	Exchange Difference	Others	
Debt securities	16,980.60	6,093.24	-	-	(2.24)	23,071.60
Borrowings (other than debt securities)	17,353.47	4,795.12	-	7.23	(15.96)	22,139.86
Subordinated liabilities	1,124.35	-	-	-	0.07	1,124.42
Total liabilities from financing activities	**35,458.42**	**10,888.36**	**-**	**7.23**	**(18.13)**	**46,335.88**

₹ in crore

Particulars	April 1, 2019	Net Cash flows	Non - cash changes			March 31, 2020
			Changes in fair values	Exchange Difference	Others	
Debt securities	23,071.60	(6,553.37)	-	-	(36.36)	16,481.87
Borrowings (other than debt securities)	22,139.86	3,224.26	-	248.86	15.85	25,628.83
Subordinated liabilities	1,124.42	26.00	-	-	(8.67)	1,141.75
Total liabilities from financing activities	**46,335.88**	**(3,303.11)**	**-**	**248.86**	**(29.18)**	**43,252.45**

Footnote: Others include mainly amortisation of Issue issue cost and changes in accrued interest.

Note: 45 Disclosure pursuant to Ind AS 108 "Operating Segment"

The company has identified operating segments based on performance assessment and resource allocation by the management. Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly attributable to each reportable segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocated. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. As the operations of the Company are carried out within India, there are no geographical segments.

Rural Finance comprises of Farm Equipment Finance, Two Wheeler Finance, Micro Loans and Consumer Finance.

Housing Finance comprises of Home Loans, Loan against Property and Real Estate Finance.

Infrastructure Finance comprises of Infrastructure business.

Defocused Finance comprises of Structured Corporate Loans, Debt Capital Market, Commercial Vehicle Finance, Construction Equipment Finance, Supply Chain Finance, SME term loans and Leases.

₹ in crore

Sr. No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	Gross segment revenue from continuing operations		
a	Rural Finance	5,308.80	4,066.35
b	Housing Finance	1,522.91	1,086.92
c	Infrastructure Finance	1,042.08	795.07
d	Defocused Finance	572.32	1,234.47
	Revenue as per the statement of profit and loss	**8,446.11**	**7,182.81**
	Segment Result (Profit/(loss) before tax)		
a	Rural Finance	1,225.87	1,127.33
b	Housing Finance	585.98	478.18
c	Infrastructure Finance	222.60	204.51
d	Defocused Finance	(567.02)	146.53
e	Unallocated *	(653.47)	(653.47)
	Profit before tax	**813.96**	**1,303.08**

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
	Segment assets		
a	Rural Finance	28,491.28	25,517.39
b	Housing Finance	11,293.39	11,435.43
c	Infrastructure Finance	6,680.00	7,915.53
d	Defocused Finance	4,609.69	8,961.11
	Subtotal	**51,074.36**	**53,829.46**
e	Unallocated **	1,667.23	2,111.92
	Total assets	**52,741.59**	**55,941.38**
	Segment liabilities		
a	Rural Finance	24,613.01	22,181.29
b	Housing Finance	9,442.29	9,940.38
c	Infrastructure Finance	5,575.92	7,004.56
d	Defocused Finance	3,956.48	7,789.55
	Subtotal	**43,587.70**	**46,915.78**
e	Unallocated ***	95.43	20.51
	Total liabilities	**43,683.13**	**46,936.29**

*Unallocated represents goodwill and Distribution and customer network right amortization

**Unallocated represents advance/tax deducted (net), deferred tax asset (net) and goodwill and Distribution and customer network right amortization

***Unallocated represents tax liabilities

L&T Finance Limited
Notes forming part of the financial statements

Note : 46 Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/(income):

₹ in crore

Sr. No.	Particulars	2019-20	2018-19
	Statement of Profit and Loss:		
(a)	Profit and Loss section:		
	(i) Current tax :		
	Current tax expense for the year	507.92	488.47
	Tax expense in respect of earlier years	-	-
		507.92	**488.47**
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	(263.65)	(31.35)
	Effect on deferred tax balances due to the change in income tax rate **(refer footnote)**	203.40	-
		(60.25)	**(31.35)**
	Income tax expense reported in the statement of profit or loss[(i)+(ii)]	**447.67**	**457.12**
(b)	Other Comprehensive Income (OCI) Section:		
	(i) Items that will not be reclassified to profit or loss in subsequent years:		
	(A) Current tax expense/(income):	-	-
	(B) Deferred tax expense/(income):		
	On re-measurement of the defined benefit plans	(1.13)	(0.54)
		(1.13)	**(0.54)**
	(ii) Items that will be reclassified to profit or loss in subsequent years:		
	(A) Current tax expense/(income):	-	-
	(B) Deferred tax expense/(income):		
	On gains and loss on hedging instruments in a cash flow hedge	(29.73)	-
	On gain/(loss) on fair value of debt securities	-	-
		(29.73)	**-**
	Income tax expenses reported in the other comprehensive income [i+ii]	**(30.86)**	**(0.54)**
(c)	**Other directly reported in balance sheet (opening retained earning):**		
	Current tax expense	-	-
	Deferred tax (assets)/liabilities		
	-Transition impact of Ind-AS 116	(0.69)	-
	Income tax expense reported directly in balance sheet	**(0.69)**	**-**

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

₹ in crore

Sr. No.	Particulars		2019-20	2018-19
(a)	Profit before tax		813.96	1,303.08
(b)	Corporate tax rate as per Income tax Act, 1961		25.168%	34.944%
(c)	Tax on accounting profit	(c)=(a)*(b)	204.86	455.35
(d)	(i) Tax on Income exempt from tax :			
	(A) Deduction of Special reserve u/s 36(1)(viii) of the Income Tax Act, 1961		(6.93)	(7.46)
	(B) Deduction u/s 80JJA of the Income Tax Act, 1961		(10.13)	-
	(ii) Tax on Income which are taxed at different rates		(9.16)	(1.97)
	(iii) Tax on non deductible expenses:			
	(A) Corporate Social Responsibility (CSR) expenses		1.65	0.74
	(B) Provision for dimunition of investments		63.76	1.68
	(iv) Tax effect of reversal of deferred tax asset (MTM investments) recognised in earlier year		-	9.79
	(v) Tax effect on various other Items		0.22	(1.01)
	Total effect of tax adjustments [(i) to (v)]		**39.41**	**1.77**
(e)	**Tax expense (before one-time deferred tax impact)**	(e)=(c)+(d)	**244.27**	**457.12**
(f)	**Effective tax rate (before one-time deferred tax impact)**	(f)=(e)/(a)	30.01%	35.08%
(g)	Effect on deferred tax due to change in Income tax rate (Refer footnote)		203.40	-
(h)	**Tax expense recognised during the year**	(h)=(e)+(g)	**447.67**	**457.12**
(i)	**Effective tax rate**	(i)=(h)/(a)	55.00%	35.08%

footnote: The recently promulgated Taxation Laws (Amendment) Ordinance 2019, has inserted section 115BAA in the Income Tax Act, 1961, providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/ incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961, for assessment year (AY) 2020-21 or subsequent AYs. Once exercised, such an option cannot be withdrawn for the same or subsequent AYs.

These financial statement are prepared on the basis that the Company would avail the option to pay income tax at the lower rate. Consequently, the opening deferred tax asset (net) has been measured at the lower rate, with a one-time corresponding charge of ₹203.40 crore to the Statement of Profit and Loss.

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(c) (i) Unused tax losses and unused tax credits for which no deferred tax asset is recognised in Balance sheet

Particulars	As at March 31, 2020		As at March 31, 2019	
	₹ in crore	Expiry year	₹ in crore	Expiry year
Tax losses (Business loss and unabsorbed depreciation)				
- Amount of losses having expiry	-	-	-	-
- Amount of losses having no expiry	-	-	-	-
Tax losses (Capital loss)	-	-	-	-
Unused tax credits [Minimum Alternate Tax (MAT) credit not recognised]	-	-	-	-
Total	-		-	

(c) (ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet

₹ In crore

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
(a)	Towards provision for diminution in value of investments	366.31	55.37
(b)	Arising out of upward revaluation of tax base of assets (on account of indexation benefit)	-	-
(c)	Other items	-	-
	Total	**366.31**	**55.37**

(d) Major components of deferred tax liabilities and deferred tax assets:

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at March 31, 2018	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities/ (assets) as at March 31, 2019
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	45.59	(24.03)	-	-	21.56
-Unamortised borrowing cost	2.12	(1.31)	-	-	0.81
-Other items giving rise to temporary differences	22.64	0.39	-	-	23.03
Net deferred tax liabilities	**70.35**	**(24.95)**	**-**	**-**	**45.40**
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss	(691.69)	52.32	-	-	(639.37)
-Provision on trade receivables	-	-	-	-	-
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(27.78)	11.15	-	-	(16.63)
-Fair value of investments	(11.94)	0.35	-	-	(11.59)
-Defined benefit obligation (Gratuity and Leave encashment)	(4.13)	(2.94)	(0.54)	-	(7.60)
-Amortisation of expenditure incurred for amalgamation	(5.94)	1.98	-	-	(3.96)
-Liability for expenses	(7.64)	(2.87)	-	-	(10.51)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(16.38)	(66.57)	-	-	(82.95)
-Other items giving rise to temporary differences	(0.18)	0.18	-	-	-
Net Deferred tax (assets)	**(765.68)**	**(6.40)**	**(0.54)**	**-**	**(772.61)**
Net deferred tax liability/(assets)	**(695.33)**	**(31.35)**	**(0.54)**	**-**	**(727.21)**

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at March 31, 2019	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities/ (assets) as at March 31, 2020
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	21.56	(11.08)	-	-	10.48
-Unamortised borrowing cost	0.81	(0.66)	-	-	0.15
-Other items giving rise to temporary differences	23.03	2.77	-	-	25.80
Net deferred tax liabilities	**45.40**	**(8.97)**	**-**	**-**	**36.43**
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss	(639.37)	(5.35)	-	-	(644.72)
-Provision on trade receivables	-	(2.21)	-	-	(2.21)
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(16.63)	9.12	-	-	(7.51)
-Fair value of investments	(11.59)	(7.30)	-	-	(18.89)
-Defined benefit obligation (Gratuity and Leave encashment)	(7.60)	1.64	(1.13)	-	(7.09)
-Amortisation of expenditure incurred for amalgamation	(3.96)	2.53	-	-	(1.43)
-Fair valuation of derivative financial instrument	-	-	(29.73)	-	(29.73)
-Impact on account of Ind AS 116 – Leases	-	(0.15)	-	(0.69)	(0.84)
-Liability for expenses	(10.51)	1.31	-	-	(9.20)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(82.95)	(50.87)	-	-	(133.82)
Net Deferred tax (assets)	**(772.61)**	**(51.28)**	**(30.86)**	**(0.69)**	**(855.44)**
Net deferred tax liability/(assets)	**(727.21)**	**(60.25)**	**(30.86)**	**(0.69)**	**(819.01)**

Note: 47.1 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Expected credit loss - Loans:

₹ in crore

Particulars		As at March 31, 2020			As at March 31, 2019		
		Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision	Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	30,167.59	418.73	29,748.86	33,597.80	397.97	33,199.83
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	1,953.39	167.93	1,785.46	1,127.47	106.13	1,021.34
	Financial assets for which credit risk has increased significantly and credit-impaired	2,991.12	1,826.13	1,164.99	1,845.98	1,238.75	607.23
Total		**35,112.10**	**2,412.79**	**32,699.31**	**36,571.25**	**1,742.85**	**34,828.40**

Note: 47.2 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(b) Reconciliation of loss allowance provision - Loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on March 31, 2018	**216.19**	**56.99**	**1,692.95**	**1,966.13**
New assets originated or purchased	306.85	32.22	122.11	461.18
Amount written off	-	-	(856.46)	(856.46)
Transfers to Stage 1	21.73	(13.50)	(8.23)	-
Transfers to Stage 2	(2.75)	5.06	(2.31)	-
Transfers to Stage 3	(4.41)	(4.32)	8.73	-
Impact on year end ECL of Exposure transferred between stages during the year	(16.22)	46.39	324.95	355.12
Increase/ (Decrease) provision on existing financial assets including recovery	(123.42)	(16.71)	(42.99)	(183.12)
ECL as on March 31, 2019	**397.97**	**106.13**	**1,238.75**	**1,742.85**
New assets originated or purchased	297.32	33.44	74.49	405.25
Amount written off	(1.61)	-	(815.56)	(817.17)
Transfers to Stage 1	6.72	(1.78)	(4.94)	-
Transfers to Stage 2	(11.37)	13.12	(1.76)	-
Transfers to Stage 3	(22.18)	(74.47)	96.64	-
Impact on year end ECL of Exposure transferred between stages during the year	(6.20)	63.57	1,059.65	1,117.03
Increase/ (Decrease) provision on existing financial assets including recovery	(241.92)	27.91	178.84	(35.17)
ECL as on March 31, 2020	**418.73**	**167.93**	**1,826.13**	**2,412.79**

(c) Reconciliation of Gross carrying amount - Loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on March 31, 2018	**28,956.17**	**1,108.60**	**2,595.77**	**32,660.54**
New assets originated or purchased	22,253.29	351.72	179.82	22,784.83
Amount written off	-	-	(856.46)	(856.46)
Transfers to Stage 1	161.65	(142.02)	(19.63)	-
Transfers to Stage 2	(407.12)	412.00	(4.88)	-
Transfers to Stage 3	(482.58)	(134.58)	617.16	-
Net recovery	(16,883.61)	(468.25)	(665.80)	(18,017.66)
Gross carrying amount as on March 31, 2019	**33,597.80**	**1,127.47**	**1,845.98**	**36,571.25**
New assets originated or purchased	18,775.34	493.53	117.12	19,385.99
Amount written off	(22.96)	-	(825.99)	(848.95)
Transfers to Stage 1	115.93	(103.55)	(12.38)	-
Transfers to Stage 2	(1,295.78)	1,299.93	(4.15)	-
Transfers to Stage 3	(1,691.66)	(485.33)	2,176.98	-
Net recovery	(19,311.09)	(378.67)	(306.43)	(19,996.19)
Gross carrying amount as on March 31, 2020	**30,167.59**	**1,953.39**	**2,991.12**	**35,112.10**

Note: 47.3 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

₹ in crore

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
I	**Measured at fair value through profit or loss (FVTPL):**		
	(i) Investment in equity instruments	2.05	7.75
	(ii) Investment in preference shares	0.68	4.55
	(iii) Investment in bonds/debentures	59.48	59.48
	(iv) Investment in mutual funds	5.02	40.09
	(v) Investment in security receipt	1,555.62	279.48
	(vi) Investment in units of fund	101.52	183.77
	(vii) Loans	11,191.91	12,285.27
	(viii) Derivative financial instruments	-	7.20
	Sub-total (I)	**12,916.28**	**12,867.59**
II	**Measured at amortised cost:**		
	(i) Loans	32,699.31	34,828.40
	(ii) Trade receivables	18.85	11.50
	(iii) Other receivables	35.83	18.95
	(iv) Other financial assets	66.41	107.54
	(v) Cash and cash equivalents and bank balances	3,402.32	1,561.08
	(vi) Investment in government securities	-	1,643.53
	Sub-total (II)	**36,222.72**	**38,171.00**
III	**Measured at fair value through other comprehensive income (FVTOCI):**		
	(i) Investment in bonds/Debentures	1,137.88	2,243.12
	(ii) Investment in government securities	-	37.62
	(iii) Investment in equity instruments	31.61	-
	(iv) Investment in pass through certificates	7.09	8.41
	(v) Derivative financial instruments	141.74	-
	Sub-total (III)	**1,318.32**	**2,289.15**
	Total (I+II+III)	**50,457.32**	**53,327.74**

(b) Category-wise classification for applicable financial liabilities:

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
I	**Measured at fair value through profit or loss (FVTPL):**		
	(i) Derivative Instruments not designated as cash flow hedges	-	-
	Sub-total (I)	-	-
II	**Measured at amortised cost:**		
	(i) Debt securities	16,481.87	23,071.60
	(ii) Borrowings (other than debt securities)	25,628.83	22,139.86
	(iii) Subordinated liabilities	1,141.75	1,124.42
	(iv) Trade payables	31.40	86.03
	(v) Other payables	-	13.11
	(vi) Lease liabilities	29.29	-
	(vii) Other financial liabilities	243.85	406.66
	Sub-total (II)	**43,556.99**	**46,841.68**
III	**Measured at fair value through other comprehensive income (FVTOCI):**	-	-
	Sub-total (III)	-	-
	Total (I+II+III)	**43,556.99**	**46,841.68**

Note: 47.4 : Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"
(c) Fair value of financial assets and financial liabilities measured at amortised cost:

₹ in crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Loans	32,699.31	32,699.31	34,828.40	34,828.40
Investment in government securities	-	-	1,643.54	1,710.43
Total	**32,699.31**	**32,699.31**	**36,471.94**	**36,538.83**
Financial liabilities:				
Debt Securities	16,481.87	16,662.34	23,071.60	23,247.75
Borrowings (other than debt securities)	25,628.83	25,718.27	22,139.86	22,133.77
Subordinated liabilities	1,141.75	1,179.34	1,124.42	1,131.56
Lease liabilities	29.29	29.29	-	-
Total	**43,281.74**	**43,589.24**	**46,335.88**	**46,513.08**

The carrying amounts of cash & cash equivalents, bank balance, trade receivables, other receivables, other financial assets, trade payables, other payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

(d) Disclosure pursuant to Ind AS 113 "Fair Value Measurement" - Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:

₹ in crore

As at March 31, 2020	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	32,699.31	32,699.31	Discounted cashflow approach
Investment in government securities	-	-	-	-	
Total financial assets	-	-	**32,699.31**	**32,699.31**	
Financial liabilities:					
Debt Securities	-	-	16,662.34	16,662.34	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	25,718.27	25,718.27	Discounted cashflow approach
Subordinated liabilities	-	-	1,179.34	1,179.34	Discounted cashflow approach
Lease liabilities	-	-	29.29	29.29	Discounted cashflow approach
Total financial liabilities	-	-	**43,589.24**	**43,589.24**	

₹ in crore

As at March 31, 2019	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	34,828.40	34,828.40	Discounted cashflow approach
Investment in government securities	-	1,710.43	-	1,710.43	
Total financial assets	-	**1,710.43**	**34,828.40**	**36,538.83**	
Financial liabilities:					
Debt Securities	-	-	23,247.75	23,247.75	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	22,133.77	22,133.77	Discounted cashflow approach
Subordinated liabilities	-	-	1,131.56	1,131.56	Discounted cashflow approach
Lease liabilities	-	-	-	-	
Total financial liabilities	-	-	**46,513.08**	**46,513.08**	

Note: 47.5

Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

₹ in crore

Particulars	As at March 31, 2020				As at March 31, 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets:								
Financial assets at fair value through profit and loss:								
Investments								
- Equity instruments	2.05	-	-	2.05	5.62	-	2.13	7.75
- Preference shares	-	-	0.68	0.68	-	-	4.55	4.55
- Bonds and debentures	-	-	59.48	59.48	-	-	59.48	59.48
- Mutual funds	5.02	-	-	5.02	40.09	-	-	40.09
- Security receipts	-	-	1,555.62	1,555.62	-	-	279.48	279.48
- Units of fund	-	-	101.52	101.52	-	-	183.77	183.77
Loans	-	-	11,191.91	11,191.91	-	-	12,285.27	12,285.27
Derivative financial instruments	-	-	-	-	-	7.20	-	7.20
Sub total	**7.07**	**-**	**12,909.21**	**12,916.28**	**45.71**	**7.20**	**12,814.68**	**12,867.59**
Financial assets at fair value through other comprehensive income:								
Investments								
- Bonds and debentures	-	1,137.88	-	1,137.88	-	2,243.12	-	2,243.12
- Mutual funds				-	-	-	-	-
- Government securities	-	-	-	-	-	37.62	-	37.62
- Pass through certificates	-	-	7.09	7.09	-	-	8.41	8.41
- Equity instruments	31.61	-	-	31.61	-	-	-	
Derivative financial instruments	-	141.74	-	141.74	-	-	-	-
Sub total	**31.61**	**1,279.62**	**7.09**	**1,318.32**	**-**	**2,280.74**	**8.41**	**2,289.15**
Total Financial assets at fair value	**38.68**	**1,279.62**	**12,916.30**	**14,234.60**	**45.71**	**2,287.94**	**12,823.09**	**15,156.74**
Financial liabilities:								
Financial liabilities at fair value through profit and loss:	-	-	-	-	-	-	-	-
Total Financial liabilities at fair value	-	-	-	-	-	-	-	-

Note: 47.6 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table presents the changes in level 3 items for the year ended March 31, 2019 and March 31, 2020 :

₹ in crore

Particulars	- Equity instruments	- Preference shares	- Bonds and debentures	- Pass Through Certificates	- Security Receipts	- Units of fund	Loans	Total
As at March 31, 2018	**2.13**	**5.98**	**57.91**	**22.33**	**226.38**	**122.11**	**7,504.00**	**7,940.84**
Acquisitions	-	-	1.57	-	112.83	65.11	7,596.82	**7,776.33**
Deletions	-	-	-	(13.92)	(27.08)	(3.45)	(2,815.55)	**(2,860.00)**
Gains/(losses) recognised in profit or loss	-	(1.43)	-	-	(32.65)	-	-	**(34.08)**
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	-	-
As at March 31, 2019	**2.13**	**4.55**	**59.48**	**8.41**	**279.48**	**183.77**	**12,285.27**	**12,823.09**
Acquisitions	-	-	-	-	1,345.53	-	2,748.82	**4,094.35**
Deletions	-	-	-	(1.32)	(27.95)	(45.99)	(3,842.18)	**(3,917.44)**
Gains/(losses) recognised in profit or loss	(2.13)	(3.87)	-	-	(41.44)	(36.26)	-	**(83.70)**
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	-	-
As at March 31, 2020	-	**0.68**	**59.48**	**7.09**	**1,555.62**	**101.52**	**11,191.91**	**12,916.30**
Unrealised gains/(losses) recognised in profit and loss related to assets and liabilities held at the end of the reporting period								
As at March 31, 2019	-	(1.43)	-	-	(32.65)	-	-	(34.08)
As at March 31, 2020	(2.13)	(3.87)	-	-	(41.44)	(36.26)	-	(83.70)
Unrealised gains/(losses) recognised in Other Comprehensive Income related to assets and liabilities held at the end of the reporting period								
As at March 31, 2019	-	-	-	-	-	-	-	-
As at March 31, 2020	-	-	-	-	-	-	-	-

Note: 47.7 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

₹ in crore

Particulars	Fair value as at		Rates for Sensitivity	Impact of Increase in Rates on Total Comprehensive Income statement			
	March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
				Favourable	Unfavourable	Favourable	Unfavourable
Investments							
- Equity instruments	-	2.13	5.00%	-	-	0.11	(0.11)
- Preference shares	0.68	4.55	5.00%	0.03	(0.03)	0.23	(0.23)
- Bonds and debentures	59.48	59.48	0.25%	0.15	(0.15)	0.15	(0.15)
- Pass Through Certificates	7.09	8.41	0.25%	0.02	(0.02)	0.02	(0.02)
- Security Receipts	1,555.62	279.48	5.00%	77.78	(77.78)	13.97	(13.97)
- Units of fund	101.52	183.77	5.00%	5.08	(5.08)	9.19	(9.19)
Loans	11,191.91	12,285.27	0.25%	27.98	(27.98)	30.71	(30.71)

Note: 47.8 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Liquidity risk management :

(a) Maturity profile of financial liabilities based on undiscounted cashflows

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Within twelve month	After twelve month	Total	Within twelve month	After twelve month	Total
A. Non-derivative liabilities:						
Borrowings*	21,795.51	28,031.25	49,826.76	20,980.56	30,442.56	51,423.12
Trade payables	31.40	-	31.40	86.03	-	86.03
Other payables	-	-	-	13.11	-	13.11
Lease liabilities	7.85	21.44	29.29	-	-	-
Other financial liabilities	243.85	-	243.85	406.66	-	406.66
Total	**22,078.61**	**28,052.69**	**50,131.30**	**21,486.36**	**30,442.56**	**51,928.92**
B. Derivative liabilities:						
Currency swap	-	-	-	-	-	-
Total	-	-	-	-	-	-

* Borrowings include debt securities,borrowings (other than debt securities)and subordinated liabilities and are net off offsetting respective derivative gain/loss

(b) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Undrawn backup lines	2,149.54	3,580.94
Line of credit from Ultimate Holding Company	700.00	700.00

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Note: 47.10 Market risk management :

(a) Foreign currency risk :

Particulars	As at March 31, 2020	As at March 31, 2019
Liability – External Commercial Borrowings	USD 37,50,00,000.00	USD 1,55,06,280.04
Assets – Currency Swap Contracts	USD 37,50,00,000.00	USD 1,55,06,280.04

(b) Interest rate risk :

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Variable rate borrowings	18,514.93	17,003.97
Fixed rate borrowings	23,891.74	28,797.02
Total borrowings	**42,406.67**	**45,800.99**

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

Particulars	As at March 31, 2020			As at March 31, 2019		
	Weighted average interest rate	Balance	% of total borrowing	Weighted average interest rate	Balance	% of total borrowing
Variable rate borrowings	8.89%	18,514.93	43.66%	8.56%	17,003.97	37.13%
Interest rate swap at variable rate	-	-	-	-	-	-
Net exposure to cash flow interest raterisk	**8.89%**	**18,514.93**	**43.66%**	**8.56%**	**17,003.97**	**37.13%**

(c) Sensitivity :

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

₹ in crore

Particulars	Impact on profit after tax		Impact on other components of equity	
	FY 2019-20	FY 2018-19	31 March 2020	31-Mar-19
Interest rates – increase by 25 basis points *	(23.82)	(21.19)	(23.82)	(21.19)
Interest rates – decrease by 25 basis points*	23.82	21.19	23.82	21.19

** Impact on P/L upto 1 year, holding all other variables constant*

Note: 47.11 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Transfer of financial assets

The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Securitisations		
Carrying amount of transferred assets measured at amortised cost (Held as collateral)	-	-
Carrying amount of associated liabilities	-	-
Fair value of assets	-	-
Fair value of associated liabilities	-	-
Net position at FV	-	-

L&T Finance Limited
Notes forming part of the consolidated financial statements

Note : 48 Moratorium in accordance with the Reserve Bank of India (RBI) guidelines :

The outbreak of Covid-19 pandemic across the globe & India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, the Company has proposed to offer a moratorium of three months on the payment of instalments falling due between March 1, 2020 and May 31, 2020 to eligible borrowers. For all such accounts classified as standard and overdue as on February 29, 2020, where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the policy).

Note : 49 Estimation uncertainty relating to COVID-19 global health pandemic:

In assessing the recoverability of loans, receivables, intangible assets and investments, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of approval of these financial statement. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statement and the Company will continue to monitor any material changes to the future economic conditions. The Company has developed estimates and applied management overlays for the purpose of determination of the provision for impairment of financial assets.

Note : 50 Proposed Amalgamation of L&T Infrastructure Finance Company Ltd ("LTIFC") and L&T Housing Finance Ltd ("LTHFC") with the Company

The Board of Directors of the Company have approved a scheme of amalgamation by way of merger by absorption ("Scheme" or "Scheme of Amalgamation") on March 20, 2020, resulting in amalgamation of LTIFC and LTHFC with the Company, leading to creation of a single unified lending entity with appointed date of April 1, 2020 subject to requisite regulatory approvals.

Note: 51 Previous year figures have been regrouped/reclassified whenever necessary, to make them comparable with the current year

Note: 52 The above consolidated financial statements have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 14, 2020.

For and on behalf of board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 14, 2020

Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th -32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai – 400 013
Maharashtra, India

Tele: + 91 22 6185 4000
Fax: +91 22 6185 4001

INDEPENDENT AUDITOR'S REPORT

To The Members of L&T Finance Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **L&T Finance Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

As more fully described in note 50 to the standalone financial statements, to assess the recoverability of certain assets, the Company has considered internal and external information upto the date of the standalone financial statements in respect of the current and estimated future global economic indicators consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets.

Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Allowances for Expected Credit Losses:** (Refer Note 1, 6, 47.1 and 47.2 to the financial statements) As at March 31, 2020, loan assets aggregated ₹46,452.67 crore, constituting 84% of the Company's total assets. Of these, loan assets aggregating ₹35,112.10 crore are measured at amortised cost. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. As part of our risk assessment, we determined that the allowance for ECL on loan assets (including undisbursed commitments) has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. • Basis used for estimating Probabilities of Default ("PD"), • Basis used for estimating Loss Given Default ("LGD") • Judgements used in projecting economic scenarios and probability weights applied to	**Principal audit procedures:** We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models (including policies for sale out of amortised cost business model). We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Audit Committee of the Board of Directors Our audit procedures related to the allowance for ECL included the following, among others: • Testing the design and effectiveness of internal controls over the: – completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied. – Completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and

	reflect future economic conditions. • Adjustments to model driven ECL results to address emerging trends.	– computation of the ECL including methodology used to determine macro economic overlays and adjustments to the output of the ECL Model. • Also, for a sample of ECL on loan assets tested: – we tested the input data such as ratings and period of default and other related information used in estimating the PD; – we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD. – we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We also tested the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 20046930AAAABV3644)

Mumbai, May 29, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **L&T Finance Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 20046930AAAABV3644)

Mumbai, May 29, 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed and other relevant document provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date except the following:

Particulars of the land and building	Gross block as at March 31, 2020 Rs. crore	Carrying amount as at March 31, 2020 Rs. crore	Remarks
Building located at Baroda	0.38	0.35	The title deeds are in the name of erstwhile Company L&T Finance Limited, which was merged with the Company in terms of the approval of the Honourable High Courts of judicature.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities. To the best of our knowledge and belief, the Company was not required to deposit or pay any dues in respect of Custom Duty, Excise Duty and corresponding cess during the year.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(c) Details of dues of Sales Tax, Service Tax and Goods and Service Tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of statute	**Nature of dues**	**Forum where dispute is pending**	**Period to which the amount relates**	**Sum of Amount involved Rs. Crore**	**Sum of Amount unpaid Rs. Crore**
The Central Sales Tax Act, 1956 and Local Sales Tax Acts	Disallowance of exemption claimed for deemed sale in the course of interstate and import transactions	Joint Commissioner (Appeal)	2005-06	0.00	0.00
			2015-16	0.05	0.05
		Deputy Commissioner (Appeal)	1995-96	0.00	0.00
			1996-97	0.05	0.04
			1998-99	0.01	0.01
			2000-01	0.00	0.00
			2002-03	0.00	0.00
			2011-12	0.28	0.22
			2012-13	0.04	0.04
		Tribunal	2004-05	1.11	1.04
			2006-07	0.17	0.00
			2007-08	0.30	0.00
			2013-14	0.34	0.29
	Local hire purchase turnover considered taxable	High Court	1999-00	0.07	0.07

Name of statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Sum of Amount involved Rs. Crore	Sum of Amount unpaid Rs. Crore
	Refusal of input tax credit (ITC)	Joint Commissioner (Appeal)	2012-13	0.06	0.06
			2013-14	1.02	0.97
			2014-15	0.06	0.06
		Deputy Commissioner (Appeal)	2011-12	3.39	3.05
			2012-13	3.43	3.13
		Appellate Board	2007-08	2.10	2.10
	Demand of Tax on Repossessed Assets	Joint Commissioner (Appeal)	2007-08	0.53	0.53
			2011-12	2.37	2.37
			2013-14	6.16	6.16
			2014-15	7.00	6.99
		Deputy Commissioner (Appeal)	2012-13	3.32	3.32
			2014-15	13.32	13.32
		Sr. Joint Commissioner (Appeal)	2011-12	0.03	0.03
			2013-14	0.01	0.01
			2016-17	0.39	0.39
Service Tax under Finance Act, 1994	Refusal of input tax credit (ITC)	Appellate Board	2011-12	2.62	2.62
			2012-13	3.50	3.50
			2013-14	5.19	5.19
	Service tax levied on receipt of interest on delayed payment	Appellate Board	2005-06 to 2010-11	0.84	0.84
			2011-12	0.06	0.06
	Additional Interest / Penal Interest / Default Interest under Declared Services	#CESTAT	2013-14	39.86	39.86
			2013-18	0.00	0.00
			2014-15	70.01	70.01
			2015-16	105.02	105.02
			2016-17	143.68	143.68
			2017-18	36.02	36.02

Name of statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Sum of Amount involved Rs. Crore	Sum of Amount unpaid Rs. Crore
	Cenvat Credit on account of Branches disallowed	#CESTAT	2007-08	0.12	0.12
			2007-10	0.00	0.00
			2008-09	0.15	0.15
			2009-10	6.52	6.52

0.00 represents less than a crore.

the Company is in process of filing appeal as at March 31, 2020

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of further public offer of debt instruments and term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013, as amended.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 20046930AAAABV3644)

Mumbai, May 29, 2020

L&T Finance Limited
Balance Sheet as at March 31, 2020

₹ in crore

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
A. ASSETS:			
1. Financial assets			
(a) Cash and cash equivalents	2	2,717.76	1,530.51
(b) Bank balance other than (a) above	3	684.56	30.57
(c) Derivative financial instruments	4	141.74	7.20
(d) Receivables	5		
(i) Trade receivables		18.85	11.50
(ii) Other receivables		[illegible]	[illegible]
(e) Loans	6	[illegible]	[illegible]
(f) Investments	7	[illegible]	[illegible]
(g) Other financial assets	8	[illegible]	[illegible]
		[illegible]	[illegible]
2. Non-financial assets			
(a) Current tax assets (net)		194.76	77.78
(b) Deferred tax assets (net)		819.01	727.21
(c) Property, plant and equipment	9	35.31	49.34
(d) Intangible assets under development	10	44.56	18.48
(e) Goodwill	10	565.70	1,131.41
(f) Other intangible assets	10	134.67	214.71
(g) Right of use assets		[illegible]	
(h) Other non-financial assets	11	[illegible]	[illegible]
		[illegible]	[illegible]
Total Assets		[illegible]	[illegible]
B. LIABILITIES AND EQUITY :			
1. LIABILITIES			
a. Financial liabilities			
(a) Payables	12		
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		31.40	86.03
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	13.11
(b) Debt securities	13	[illegible]	[illegible]
(c) Borrowings (other than debt securities)	14	[illegible]	[illegible]
(d) Subordinated liabilities	15	[illegible]	[illegible]
(e) Lease liabilities		[illegible]	
(f) Other financial liabilities	16	[illegible]	[illegible]
		[illegible]	[illegible]
b. Non-financial liabilities			
(a) Current tax liabilities (net)		95.43	20.51
(b) Provisions	17	28.17	21.74
(c) Other non-financial liabilities	18	2.54	52.36
		126.14	94.61
2. Equity			
(a) Equity share capital	19	[illegible]	[illegible]
(b) Other equity	20	[illegible]	[illegible]
		[illegible]	[illegible]
Total Liabilities and Equity		[illegible]	[illegible]
Significant accounting policies	1		
See accompanying notes forming part of the financial statements	2 to 53		

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Rupen K. Bhatt
Partner

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : [illegible]

[illegible]
Head-Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 29, 2020

Place : Mumbai
Date : May 14, 2020

L&T Finance Limited

Statement of Profit and Loss for the year ended March 31, 2020

₹ in crore

	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
	Revenue from operations			
(i)	Interest income	21	8,184.41	7,011.72
(ii)	Rental income	22	9.04	18.84
(iii)	Fees and commission income	23	210.10	152.25
(iv)	Net gain on fair value changes	24	42.56	-
I	Total revenue from operations		8,446.11	7,182.81
II	Other income	25	234.19	199.78
III	Total income (I + II)		8,680.30	7,382.59
	Expenses			
(i)	Finance costs	26	3,767.85	3,327.92
(ii)	Net loss on fair value changes	24	-	8.62
(iii)	Net loss on derecognition of financial instruments under amortised cost category	27	231.32	324.97
(iv)	Impairment on financial instruments	28	1,767.69	637.06
(v)	Employee benefits expenses	29	766.08	548.31
(vi)	Depreciation, amortisation and impairment	30	701.21	690.93
(vii)	Other expenses	31	632.19	541.70
IV	Total expenses (IV)		7,866.34	6,079.51
V	Profit before tax (III - IV)		813.96	1,303.08
VI	Tax expense			
	(1) Current tax		507.92	[illegible]
	(2) Deferred tax		(263.05)	[illegible]
VII	Profit before impact of change in the rate on opening deferred tax (V-VI)		569.09	845.96
VIII	Impact of change in the rate on opening deferred tax (Refer note 46)		[illegible]	
IX	Profit for the year (VII - VIII)		366.29	845.96
X	Other comprehensive income			
A.	(i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans		(4.49)	(1.54)
	b) Change in fair value of equity instruments measured at fair value through other comprehensive income		(56.16)	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		1.13	0.54
	Subtotal (A)		(59.52)	(1.00)
B.	(i) Items that will be reclassified to profit or loss			
	a) Change in fair value of debt instruments measured at fair value through other comprehensive income		(1.47)	(0.37)
	b) The effective portion of gains and loss on hedging instruments in a cash flow hedge		(118.11)	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		29.73	-
	Subtotal (B)		(89.85)	(0.37)
	Total other comprehensive income (A+B)		(149.37)	(1.37)
XI	Total comprehensive income for the year (IX+X)		216.92	844.59
XII	Earnings per equity share:	37		
	Basic earnings per equity share (₹)		2.29	5.29
	Diluted earnings per equity share (₹)		2.29	5.29
	Significant accounting policies	1		
	See accompanying notes forming part of the financial statements	2 to 53		

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Rupen K. Bhatt
Partner

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 29, 2020

Place : Mumbai
Date : May 14, 2020

L&T Finance Limited
Statement of Cash Flow for the year ended March 31, 2020

		₹ in crore
	Year ended March 31, 2020	Year ended March 31, 2019
A. Cash flows from operating activities :		
Profit before tax for the year	813.96	1,303.08
Adjustments for:		
Net loss on sale of property, plant and equipment	2.66	7.62
Net (gain)/Loan arising on financial assets (investments) measured at fair value through profit or loss	(104.38)	(47.91)
Net loss on derecognition of financial instruments under amortised cost category	231.32	324.97
Impairment on financial instruments	1,767.69	637.06
Net (gain)/Loan arising on financial assets (Loans) measured at fair value through profit or loss	61.82	63.81
Depreciation, amortisation and impairment	701.21	690.93
Operating profit before working capital changes	**3,474.28**	**2,979.56**
Changes in working capital		
Adjustments for increase/(decrease) in operating liabilities		
Other financial liabilities	(6.62)	(43.71)
Lease liabilities	29.29	-
Provisions	1.94	9.91
Trade and other payables	(67.74)	(24.33)
Other non-financial liabilities	(10.41)	(21.18)
Adjustments for (increase)/decrease in operating assets		
Other non-financial assets	(41.00)	(11.46)
Right of use assets	(33.75)	-
Other financial assets	83.00	(109.46)
Trade and other receivables	(33.00)	(16.21)
Cash generated from operations	**3,395.99**	**2,763.12**
Direct taxes refund/(paid) (net)	(549.98)	(380.16)
Loans disbursed (net of repayments)	1,420.98	(9,943.66)
Net cash used in operating activities (A)	**4,266.99**	**(7,560.70)**
B. Cash flows from investing activities :		
Change in other bank balance not available for immediate use	(653.99)	13.33
Purchase of property, plant and equipment	(9.55)	(21.35)
Proceeds from sale of property, plant and equipment	3.56	11.30
Purchase of intangible assets	(54.22)	(46.15)
Purchase of investments	(1,433.30)	(2,761.95)
Proceeds on sale of investments	2,823.91	659.01
Net cash (used in)/generated from by investing activities (B)	**676.41**	**(2,145.81)**
C. Cash flows from financing activities		
Proceeds from borrowings	15,977.40	17,822.06
Repayment of borrowings	(19,280.51)	(6,933.70)
Dividend paid	(375.80)	-
Additional tax on dividend	(77.24)	-
Net cash (used in)/generated from financing activities (C)	**(3,756.15)**	**10,888.36**
Net increase in cash and cash equivalents (A+B+C)	**1,187.25**	**1,181.85**
Cash and cash equivalents at beginning of the year	1,530.51	348.66
Cash and cash equivalents at the end of the year	2,717.76	1,530.51
Net increase in cash and cash equivalents	**1,187.25**	**1,181.85**

L&T Finance Limited
Statement of Cash Flow for the year ended March 31, 2020

Notes:

1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2. Purchase of fixed assets represents additions to property, plant and equipment and other intangible assets adjusted for movement of (a) capital-work-in-progress for property, plant and equipment and (b) intangible assets under development during the year.

3. Net cash used in investing activity exclude investments aggregating to ₹ Nil crore (Previous period ₹2.25 crore) acquired against claims.

4. Net cash used in operating activity is determined after adjusting the following:

		Year ended March 31, 2020	Year ended March 31, 2019
Interest received		7,775.74	6,760.36
Interest paid		3,688.66	3,286.92
Significant accounting policies	1		
See accompanying notes forming part of the financial statements	2 to 53		

In terms of our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Rupen K. Bhatt
Partner

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 29, 2020

Place : Mumbai
Date : May 14, 2020

L&T Finance Limited

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity share capital

₹ in crore

Particulars	Number of Shares	Equity share capital
Issued, subscribed and fully paid up equity shares outstanding at April 1, 2018	1,59,91,38,199	1,599.14
Changes in equity share capital during the year		
Issue of equity shares	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year March 31, 2019	1,59,91,38,199	1,599.14
Changes in equity share capital during the year		
Issue of equity shares	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year March 31, 2020	1,59,91,38,199	1,599.14

B. Other equity

₹ in crore

Particulars	Reserves and Surplus								Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total
	Capital redemption reserve	Debenture redemption reserve	Securities premium	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Retained earnings				
Balance at April 1, 2018	3.20	97.61	6,903.72	0.24	584.40	23.57	(538.06)	(386.64)	-	-	-	6,688.04
Profit for the year	-	-	-	-	-	-	-	845.96	-	-	-	845.96
Actuarial loss on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	(1.00)	-	-	-	(1.00)
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	(0.37)	-	-	(0.37)
Total comprehensive income for the year	-	-	-	-	-	-	-	844.96	(0.37)	-	-	844.59
Payment of interim dividends (₹ 1.20 per share)	-	-	-	-	-	-	-	(191.90)	-	-	-	(191.90)
Tax on interim dividend	-	-	-	-	-	-	-	(39.44)	-	-	-	(39.44)
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	169.19	-	-	(169.19)	-	-	-	-
Transfer to debenture redemption reserve	-	16.58	-	-	-	-	-	(16.58)	-	-	-	-
Transfer to general reserve	-	(0.01)	-	0.01	-	-	-	-	-	-	-	-
Transfer to amalgamation adjustment account	-	*(0.00)	-	-	-	-	*0.00	-	-	-	-	-
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	21.36	-	(21.36)	-	-	-	-
Balance at March 31, 2019	3.20	114.18	6,903.72	0.25	753.59	44.93	(538.06)	19.85	(0.37)	-	-	7,301.29

L&T Finance Limited

Statement of Changes in Equity for the year ended March 31, 2020

₹ in crore

Particulars	Reserves and Surplus								Fair value changes of debt instruments measured at fair value through other comprehensive income	Fair value changes of equity instruments measured at fair value through other comprehensive income	Cash flow hedging reserve	Total
	Capital redemption reserve	Debenture redemption reserve	Securities premium	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Retained earnings				
Balance at April 1, 2019	3.20	94.18	6,983.72	20.25	733.62	49.93	(538.06)	19.86	(6.27)	-	-	7,301.29
Profit for the year	-	-	-	-	-	-	-	364.29	-	-	-	364.29
Actuarial loss on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	(1.34)	-	-	-	(1.34)
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	-	-	(1.47)	(56.30)	(88.20)	(146.01)
Total comprehensive income for the year	-	-	-	-	-	-	-	362.95	(1.47)	(56.30)	(88.20)	216.97
Transition impact of Ind AS 116	-	-	-	-	-	-	-	(2.30)	-			(2.30)
Payment of interim dividend (₹ 1.15 per share)	-	-	-	-	-	-	-	(163.80)				(163.80)
Tax on interim Dividend	-	-	-	-	-	-	-	(37.00)				(37.00)
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	73.23	-	-	(73.23)		-		-
Transfer to general reserve	-	(14.27)	-	14.27	-	-	-	-				-
Transfer to amalgamation adjustment account	-	(74.76)	-	-	-	-	74.76	-				-
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	27.52	-	(27.52)				-
Balance at March 31, 2020	3.20	5.15	6,983.72	34.52	806.85	77.45	(463.30)	58.14	(7.74)	(56.30)	(88.20)	7,356.45

*Amount less than ₹ 1 lakh

Significant accounting policies 1

See accompanying notes forming part of the financial statements 1 to 51

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Rasesh R. Shah
Partner

Place: Mumbai
Date: May 28, 2020

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN: 03545900

Sachinn Joshi
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place: Mumbai
Date: May 28, 2020

1. **Significant Accounting Policies:**

1.1. Statement of compliance:

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

1.2. Basis of preparation:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at reporting date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

1.3. Presentation of financial statements:

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees in Crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupee to two decimal places.

1.4. Investments in associates:

Investment in equity instrument issued by associate company is measured at cost less impairment.

1.5. Financial instruments:

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

(i) Financial assets

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Company's business model for managing the asset. For an asset to be classified and measured at amortised cost, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

The Company has more than one business model for managing its financial instruments which reflect how the Company manages its financial assets in order to generate cash flows. The Company's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Company considers all relevant information available when making the business model assessment. However, this assessment is performed on the basis of scenarios that the Company expects to occur and not to occur, such as so-called 'worst case' or 'stress case' scenarios. The Company takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Company's financial assets.

The Company considers sale of financial assets measured at amortised cost portfolio as consistent with a business model whose objective is to hold financial assets in order to collect contractual cash flows if these sales are

- due to an increase in the assets' credit risk or
- due to other reasons such as sales made to manage credit concentration risk (without an increase in the assets' credit risk) and are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent).

In addition, the Company also considers sale of such financial assets as consistent with the objective of holding financial assets in order to collect contractual cash flows if the sale is made close to the maturity of the financial assets and the proceeds from sale approximate the collection of the remaining contractual cash flows.

(a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

(c) Debt instruments at amortised cost or at FVTOCI

For an asset to be classified and measured at FVTOCI, the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

(d) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Investments in equity instruments are classified as FVTPL, unless the related instruments are not held for trading and the Group irrevocably elects on initial recognition of financial asset on an asset-by-asset basis to present subsequent changes in fair value in other comprehensive income.

(e) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Sale from amortised cost portfolio will be regarded as consistent with a business model whose objective is to hold financial assets in order to collect contractual cash flows if these sales are infrequent (even if significant in value) or insignificant in value both individually and in aggregate (even if frequent). In addition, sale of assets may be consistent with the objective of holding financial assets in order to collect contractual cash flows if the sale is made close to the maturity of the financial assets and the proceeds from sale approximate the collection of the remaining contractual cash flows.

(ii) Financial liabilities

(a) Financial liabilities, including derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher.

All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

(b) A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

1.6. Write off:

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

1.7. Impairment:

The Company recognises loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Debt investment securities;
- Trade and other receivable;
- Lease receivables;
- Irrevocable loan commitments issued; and
- Financial guarantee contracts issued.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost or FVTOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default (see below) includes unlikeliness to pay indicators and a back-stop if amounts are overdue for more than 90 days.

Significant increase in credit risk

The Company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

As a back-stop when loan asset not being a corporate loans becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL in respect of all retail assets. In respect of the corporate loan assets, shifting to Stage 2 has been rebutted using historical evidence from own portfolio to a threshold of 60 days past due, which is reviewed annually.

For the purpose of counting of day past due for the assessment of significant increase in credit risk, the special dispensations to any class of assets in accordance with COVID19 Regulatory Package notified by the Reserve Bank of India (RBI) has been applied by the company.

Purchased or originated credit-impaired (POCI) financial assets

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Company recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in profit or loss. A favourable change for such assets creates an impairment gain.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Company considers the following as constituting an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Company; or
- the borrower is unlikely to pay its credit obligations to the Company in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. For the purpose of counting of day past due for the assessment of default, the special dispensations to any class of assets in accordance with COVID19 Regulatory Package notified by the Reserve Bank of India (RBI) has been applied by the company.

When assessing if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Company Law Tribunal, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Company uses a variety of sources of information to assess default which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument

With the exception of POCI financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition (and consequently to credit impaired financial assets). For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

- for financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Company expects to receive from the holder, the debtor or any other party.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics.

1.8. Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Company assesses whether this modification results in derecognition. In accordance with the Company's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI,
- Change in currency or change of counterparty,
- The extent of change in interest rates, maturity, covenants.

If these do not clearly indicate a substantial modification, then;

(a) In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

(b) When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
- the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain/loss allocated to it that had been recognised in OCI is recognised in profit or loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

1.9. Presentation of allowance for ECL in the Balance Sheet

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognised in Balance Sheet as the carrying amount is at fair value.

1.10. Derivative financial instruments :

The Group enters into swap contracts and other derivative financial instruments to hedge its exposure to foreign exchange and interest rates. The Company does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

Cash flow hedges: In case of transaction related hedges, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item. The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

1.11. Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

(i) Interest and dividend income

Interest income for all financial instruments except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL) are recognised in 'Interest income' in the profit or loss account using the effective interest method (EIR).

The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

(ii) Fee and commission income:

Fee and commission income and expense include fees other than those that are an integral part of EIR. The fees included in the Company statement of profit and loss include among other things fees charged for servicing a loan, non-utilisation fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement and loan advisory fees.

Fee and commission expenses with regards to services are accounted for as the services are received.

(iii) Net gain or fair value change:

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss.

(iv) Other operational revenue:

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

1.12. Borrowing costs:

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.13. Property, plant and equipment (PPE):

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes all direct cost related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

Land and buildings held for use are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land)) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets held under finance leases are depreciated over the shorter of lease term and their useful life on the same basis as owned assets. However, when there is no reasonable certainty that the Company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the Company for similar assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

1.14. Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Direct expenses and administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognised in profit or loss when the asset is derecognised.

1.15. Impairment of tangible and intangible assets other than goodwill

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (the smallest identifiable Company of assets that generates independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit), except for allocated goodwill, is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

1.16. Employee benefits:

(i) Short term employee benefits:

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(ii) Post-employment benefits:

(a) Defined contribution plans: The Company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(b) Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the Company, the post-retirement medical care plan and the Parent Company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(iii) Long term employee benefits:

The obligation recognised in respect of long term benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii) (b) above.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

1.17. Leases:

a. The Company as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation /impairment losses.

The right-of-use assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- Low value leases; and
- Leases which are short-term.

b. The Company as a lessor, classifies leases as either operating lease or finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease. Accordingly, the Company recognises lease payments as income on a straight-line basis in case of assets given on operating leases. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

c. **Transition Disclosure:**

The Company has applied Ind AS 116 "Leases" ("Standard") effective April 1, 2019 (Initial application date). Ind AS 116 supersedes Ind AS 17 "Leases". The Standard sets out the principles for recognition, measurement, presentation and disclosure of leases. The Standard has brought major changes with respect to lease accounting for the lessee. It requires a lessee to account for right-of-use asset and lease liability for all the leases without lease classification into operating and finance lease.

Under modified retrospective method of transition, the Company has applied the Standard retrospectively and recognised the cumulative effect of initially applying the Standard as an adjustment to the opening balance of retained earnings at the date of initial application (refer note 34). Accordingly, the figures of the previous year have not been restated.

The Company has availed of following practical expedients as on the transition date as provided by the Standard:

- Leases for which the lease term ends within 12 months of the date of initial application are accounted in the same way as short-term leases.
- The Company has not reassessed whether a contract is or contains a lease at the date of initial application and instead applied the Standard to those contracts that were previously identified as leases under Ind AS 17.
- The Company has excluded initial direct costs from the measurement of the right of use asset at the date of initial application.

1.18. Cash and bank balances:

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

1.19. Securities premium account:

(i) Securities premium includes:
- The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.
- The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

1.20. Share-based payment arrangements:

The stock options granted to employees by the holding company's (i.e. L&T Finance Holdings Limited) Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. The cost incurred by the holding company, in respect of options granted to employees of the Company, is being recovered by holding company and it is charged to the Statement of Profit and Loss of the Company over the period of vesting.

1.21. Accounting and reporting of information for Operating Segments:

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. Segment accounting policies are in line with the accounting policies of the Company.

1.22. Foreign currencies:

(i) The functional currency and presentation currency of the Company is Indian Rupee. Functional currency of the Company and foreign operations has been determined based on the primary economic environment in which the Company and its foreign operations operate considering the currency in which funds are generated, spent and retained.

(ii) Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the prevailing closing spot rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

(iii) Financial statements of foreign operations whose functional currency is different than Indian Rupees are translated into Indian Rupees as follows:

A. assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;

B. income and expenses for each income statement are translated at average exchange rates; and

C. all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations.

1.23. Taxation:

Current Tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unutilised tax credits which mainly relate to minimum alternate tax are recognised to the extent it is probable of such unutilised tax credits will get realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

1.24. Provisions, contingent liabilities and contingent assets:

Provisions are recognised only when:

(i) an Company entity has a present obligation (legal or constructive) as a result of a past event; and

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

a. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

b. a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

1.25. Commitment

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

(a) estimated amount of contracts remaining to be executed on capital account and not provided for;

(b) uncalled liability on shares and other investments partly paid;

(c) funding related commitment to associate companies; and

(d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.26. Statement of cash flows

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the profit before tax for the effects of:

(i) changes during the period in operating receivables and payables transactions of a non-cash nature;

(ii) non-cash items such as depreciation, provisions, deferred taxes, unrealised gains and losses; and

(iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

1.27. Earnings per share:

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

1.28. Key source of estimation :

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, expected credit loss on loan books, future obligations in respect of retirement benefit plans, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

1.29. Operating cycle for current and non-current classification :

Based on the nature of products / activities of the Company entities and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

L&T Finance Limited
Notes forming part of the financial statements

Note 2 : Cash and cash equivalents ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Cash on hand	0.20	28.46
Balances with banks in current accounts#	547.37	1,499.46
Cheques, drafts on hand	-	2.59
Bank deposit with original maturity less than three months	2,170.19	-
Total cash and cash equivalents	2,717.76	1,530.51

includes ₹4.44 crore (PY : 4.65 Crore) towards unutilised funds raised through public issue.

Note 3 : Bank balance other than note 2 above ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Earmarked balances with banks	1.39	0.89
Balances with banks to the extent held as margin money or security against borrowing, guarantees, other commitments	683.17	29.68
Total bank balance other than note 2 above	684.56	30.57

L&T Finance Limited
Notes forming part of the financial statements

Note 4 : Derivative financial instruments

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Part I		
(i) Currency derivatives:		
Notional Amounts		
-Currency swaps	2,588.58	100.00
Fair value assets		
-Currency swaps	141.74	7.20
Fair value liabilities		
-Currency swaps	-	-
Total derivative financial instruments	**141.74**	**7.20**

Part II

Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
(ii) Cash flow hedging:		
Notional Amounts		
- Currency derivatives	2,588.58	-
Fair Value Assets		
- Currency derivatives	141.74	-
Fair Value Liabilities		
- Currency derivatives	-	-
Total Derivative Financial Instruments	**141.74**	**-**

Note: The company has not designated any derivatives as hedging instruments as at March 31, 2019.

Note 5 : Receivables

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Trade receivables		
(a) Receivables considered good - secured	-	0.30
(b) Receivables considered good - unsecured	12.18	11.20
(c) Receivables - credit impaired		
Receivables	15.44	-
Impairment loss allowance	(8.77)	-
Total trade receivables (i)	**18.85**	**11.50**
(ii) Other receivables		
(a) Receivables considered good - unsecured	15.63	7.32
(b) Receivables from related parties (refer note : 32)	20.20	11.63
Total other receivables (ii)	**35.83**	**18.95**
Total receivables (i+ii)	**54.68**	**30.45**

Note 6 : Loans

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(A)		
(i) At amortised cost		
- Bills purchased and bills discounted	87.22	295.60
- Loans repayable on demand	31.41	238.08
- Term loans	34,019.09	34,656.85
- Leasing	45.48	72.61
- Debentures (refer note 6(i))	928.90	1,308.11
Total gross loans at amortised cost	**35,112.10**	**36,571.25**
Less: Impairment loss allowance	(2,412.79)	(1,742.85)
Total net loans at amortised cost (i)	**32,699.31**	**34,828.40**
(ii) At fair value through profit or Loss		
- Loans repayable on demand	-	69.32
- Term loans	10,990.25	11,952.17
- Debentures (refer note 6(i))	350.32	350.62
Total gross loans at fair value through profit or loss	**11,340.57**	**12,372.11**
Less: Impact on fair value changes	(148.66)	(86.84)
Total net loans at fair value through profit or loss (ii)	**11,191.91**	**12,285.27**
Total net loans (A) = (i)+(ii)	**43,891.22**	**47,113.67**

Note 6 : Loans

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(B)		
(i) At amortised cost		
-Secured by tangible assets	20,754.72	22,150.16
-Unsecured	14,357.38	14,421.09
Total gross loans at amortised cost	**35,112.10**	**36,571.25**
Less: Impairment loss allowance	(2,412.79)	(1,742.85)
Total net loans at amortised cost (i)	**32,699.31**	**34,828.40**
(ii) At fair value through profit or loss:		
-Secured by tangible assets	11,340.57	12,372.11
-Unsecured	-	-
Total gross loans at fair value through profit or loss	**11,340.57**	**12,372.11**
Less: Impact on fair value changes	(148.66)	(86.84)
Total net loans at fair value through profit or loss (ii)	**11,191.91**	**12,285.27**
Total net loans (B) = (i)+(ii)	**43,891.22**	**47,113.67**
(C)		
(I) Loans in India		
(i) At amortised cost		
- Public sector	-	-
- Others	35,112.10	36,571.25
Total gross loans at amortised cost	**35,112.10**	**36,571.25**
Less: Impairment loss allowance	(2,412.79)	(1,742.85)
Total net loans in India at amortised cost (i)	**32,699.31**	**34,828.40**
(ii) At fair value through profit or loss:		
- Public sector	-	-
- Others	11,340.57	12,372.11
Total gross loans at fair value through profit or loss	**11,340.57**	**12,372.11**
Less: Impact on fair value changes	(148.66)	(86.84)
Total net loans at fair value through profit or loss (ii)	**11,191.91**	**12,285.27**
Total net loans in India (C)(I) = (i)+(ii)	**43,891.22**	**47,113.67**
(II) Loans outside India		
(i) At amortised cost	-	-
Less: Impairment loss allowance	-	-
Total net loans outside India at amortised cost (i)	-	-
(b) At fair value through profit or loss:	-	-
Less: Impact on fair value changes	-	-
Total net loans at fair value through profit or loss (b)	-	-
Total net loans outside India (C)(I) = (i)+(ii)	-	-
Total net loans (C) = (I)+(II)	**43,891.22**	**47,113.67**

Note: 6(i) Following are the details of debentures in the nature of Loan:

Name of Company	As at March 31, 2020			As at March 31, 2019		
	Nos.	Face Value	₹ in crore	Nos.	Face Value	₹ in crore
Debenture - Secured						
Avantha Holding Limited	-	-	-	2,250	10,00,000	308.55
Diamond Power Infrastructure Limited	3,000	83,441	28.78	3,000	83,441	27.89
Oriental Nagpur Betul Highway Limited	3,094	1,00,000	30.71	3,094	1,00,000	30.68
Regen Infrastructure And Services Private Limited	2,794	8,48,862	248.13	2,794	8,83,341	245.15
Renew Akshay Urja Private Limited	180	9,93,902	17.89	180	9,96,341	17.94
SINTEX-BAPL Limited	-	-	-	27,000	1,00,000	282.45
SP Jammu Udhampur Highway Limited	2,950	10,00,000	307.30	7,950	10,00,000	312.17
GB Global Limied (erstwhile Mandhana Industries Limited)	200	5,73,234	14.58	200	6,00,000	14.17
Karvy Solar Power Limited	-	-	-	2,000	96,500	19.27
New Era Enviro Ventures (Mahabubnagar) Private Limited	-	-	-	1,600	95,700	15.31
Pennar Renewables Private Limited	3,800	91,200	34.49	3,800	95,700	36.34
Premier Photovoltiac Medak Private Limited	-	-	-	2,600	95,700	24.84
Debenture - Unsecured						
Avantha Holding Limited	4,500	8,06,359	582.59	2,250	10,00,000	309.22
Bhoruka Power Holdings Private Limited	1,00,000	1,000	14.74	1,00,000	1,000	14.74
Total Debenture			1,279.22			1,658.73

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2020 Face value (₹)	Quantity (No.)	Net carrying value	As at March 31, 2019 Face value (₹)	Quantity (No.)	Net carrying value
A. Investments in fully paid equity shares						
(a) Associate (at cost)						
(i) Unquoted						
L&T Infra Debt Fund Limited	10.00	13,86,52,953	176.50	10.00	13,86,52,953	176.50
(b) Other equity shares						
(i) Quoted						
(a) Investments carried at fair value through profit or loss						
Integrated Digital Info Services Limited	10.00	3,83,334	-	10.00	3,83,334	-
Elque Polyesters Limited	10.00	1,94,300	-	10.00	1,94,300	-
Monnet Industries Limited	10.00	5,640	-	10.00	5,640	-
Monnet Ispat And Energy Limited	10.00	992	-	10.00	992	-
Monnet Project Developers Limited	10.00	11,280	-	10.00	11,280	-
Bhushan Steel Limited	2.00	3,67,118	0.60	2.00	3,67,118	1.98
Jaihind Projects Limited	10.00	24,797		10.00	24,797	-
Diamond Power Infrastructure Limited	10.00	28,89,921	-	10.00	28,89,921	-
3I Infotech Limited	10.00	24,26,383	0.32	10.00	24,26,383	0.93
Gol Offshore Limited	10.00	15,52,907	-	10.00	15,52,907	-
SVOGL Oil Gas and Exploration Services Limited	10.00	19,40,514	-	10.00	19,40,514	-
Glodyne Technoserve Limited	6.00	3,19,262	-	6.00	3,19,262	-
MIC Electronics Limited	2.00	53,84,616	-	2.00	53,84,616	-
Usher Agro Limited	10.00	3,35,344	-	10.00	3,35,344	-
Amara Raja Batteries Limited	-	-	-	1.00	2,728	0.20
Hindusthan National Glass & Industries Ltd	2.00	4,09,674	1.13	2.00	4,12,808	3.40
(b) Investment carried at fair value through other comprehensive income						
CG Power and Industrial Solutions Limited	10.00	6,26,00,000	31.61	-	-	-
(ii) Unquoted						
(a) Investments carried at fair value through profit or loss						
Grameen Capital India Private Limited	10.00	21,26,000	-	10.00	21,26,000	2.13
Alpha Micro Finance Consultants Private Limited	10.00	2,00,000	-	10.00	2,00,000	-
Metropoli Overseas Limited	10.00	99,400	-	10.00	99,400	-
Anil Chemicals and Industries Limited	10.00	40,000	-	10.00	40,000	-
VMC Systems Limited	10.00	7,33,611	-	10.00	7,33,611	-
Saumya Mining Limited	10.00	10,77,986	-	10.00	10,77,986	-
Total investment in equity shares (A)			210.16			184.24
B. Investments in debt securities						
(a) Investment carried at fair value through profit or loss						
Bhoruka Power Corporation Limited	1,00,000.00	3,800	52.50	1,00,000.00	3,800	52.50
Soma Enterprises Limited	10.00	1,45,53,210	6.98	10.00	1,45,53,210	6.98
(b) Investment carried at fair value through other comprehensive income						
TATA AIG General Insurance Company Limited	10,00,000.00	310	32.25	10,00,000.00	310	31.50
U. P. Power Corporation Limited	10,00,000.00	301	32.25	10,00,000.00	301	30.61
Axis Bank	-	-	-	10,00,000.00	500	50.83
Union Bank of India	-	-	-	10,00,000.00	780	77.92
Cholamandlam MS General Insurance Company Limited	10,00,000.00	418	44.84	10,00,000.00	418	43.91
Dewan Housing Finance Corporation Limited	10,00,000.00	2,496	241.45	10,00,000.00	2,746	272.26
Dewan Housing Finance Corporation Limited	1,000.00	27,50,000	295.10	1,000.00	27,50,000	286.62
State Bank of India	-	-	-	10,00,000.00	4,100	418.65
The South Indian Bank Limited	1,00,000.00	38,759	416.20	1,00,000.00	38,759	407.19
Kotak Mahindra Bank Limited	-	-	-	5.00	5,00,00,000	27.59
Power Finance Corporation Limited	-	-	-	10,00,000.00	1,213	163.19
Power Finance Corporation Limited	-	-	-	1,000.00	1,00,000	12.89
ECL Finance Limited	-	-	-	10,00,000.00	900	96.49
ECL Finance Limited	1,000.00	30,00,000	326.38	1,000.00	30,00,000	323.47
Total investment in debt securities (B)			1,447.95			2,302.60

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2020 Face value (₹)	Quantity (No.)	Net carrying value	As at March 31, 2019 Face value (₹)	Quantity (No.)	Net carrying value
C. Investments in mutual funds						
(a) Investment carried at fair value through profit or loss						
Canara Robeco Liquid fund - Direct Growth	1,000.00	21,004.04	5.02	-	-	-
L&T banking and PSU debt fund DP - Growth	-	-	-	10.00	2,38,50,695	40.09
Total investment in mutual funds (C)			5.02			40.09
D. Investments in fully paid preference shares (Unquoted)						
(a) Investment carried at fair value through profit or loss						
Grameen Capital India Private Limited	10.00	38,74,000	-	10.00	38,74,000	3.87
3I Infotech Limited	5.00	38,96,954	0.68	5.00	38,96,954	0.68
10% SEW Vizag Coal Terminal Private Limited	10.00	40,91,423	-	10.00	40,91,423	-
Total investment in preference shares (D)			0.68			4.55
E. Investments in government securities						
(a) Investment carried at amortised cost						
12% National Saving Certificate 2002	-	-	*0.00	-	-	*0.00
Government of India	-	-	-	100.00	16,55,00,000	1,643.54
(b) Investment carried at fair value through other comprehensive income						
Rural Electrification Corporation Limited	-	-	-	10,00,000.00	240	32.29
National Highways Authority of India	-	-	-	10,00,000.00	50	5.33
Total investment in government securities (E)			-			1,681.16
F. Investment in other securities						
(a) Investment carried at fair value through profit or loss						
KKR India debt Opportunities Fund II	1,000.00	13,56,565	101.32	1,000.00	17,76,074	177.61
KKR India debt Opportunities Fund III	1,000.00	21,226	0.20	1,000.00	61,640	6.16
Total investment in other securities (F)			101.52			183.77
G. Investment in pass through certificates						
(a) Investment carried at fair value through other comprehensive income						
Goldstein IFMR Capital	43.00	8,57,170	2.45	43.00	8,57,170	2.91
Smith IFMR Capital	4.00	1,20,96,782	3.30	4.00	1,20,96,782	3.85
Syme IFMR Capital	1.00	1,42,10,515	1.12	1.00	1,42,10,515	1.42
Moses IFMR Capital	1.00	22,50,000	0.22	1.00	22,50,000	0.23
Total investment in pass through certificate (G)			7.09			8.41

Note 7 : Investments

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
H. Investment in security receipts						
(a) Investment carried at fair value through profit or loss						
Phoenix ARF Scheme 6	1,000.00	9,843	-	1,000.00	9,843	0.25
Phoenix ARF Scheme 9	1.00	6,612	*0.00	1.00	6,612	*0.00
Phoenix ARF Scheme 11	1.00	44,208	*0.00	1.00	44,208	*0.00
Phoenix ARF Scheme 13	5.00	27,404	0.01	5.00	27,404	0.01
Phoenix ARF Scheme 14	1,000.00	34,882	2.61	1,000.00	34,882	2.61
Phoenix Trust FY19-6	899.00	12,49,500	112.33	903.00	12,49,500	112.83
JM Financial Asset Reconstruction Company Private Limited (Series I - JMFARC-IRIS December 2016 - Trust)	1,000.00	6,885	-	1,000.00	6,885	-
EARC Trust SC - 258 - Series I	551.40	6,46,510	1.78	932.90	6,46,510	27.14
JMFARC LTF June 2017 Trust	710.67	2,97,500	9.71	748.14	2,97,500	22.21
JMFARC LTF June 2017 Trust	710.67	1,80,849	17.95	748.14	1,80,849	[illegible]
Suraksha ARC - 024 Trust	1,000.00	7,85,400	78.54	1,000.00	7,85,400	78.54
Phoenix Trust FY 20-4	[illegible]	5,16,000	41.60			
Omkara PS10/2019-20 Trust	1,000.00	3,48,500	23.51		-	
EARC TRUST SC 367	999.91	1,02,27,115	1,021.13		-	
ARCIL-CPS-062-I-Trust	1,000	13,55,750	135.58		-	-
Suraksha ARC - 037 Trust	1,000.00	1,10,71,25,000	109.47			-
Total investment in security receipts (H)			1,555.62			279.48
Total investments (I)			3,328.04			4,684.30
(i) Investments outside India			-			-
(ii) Investments in India			3,328.04			4,684.30
Total Investments (II)			3,328.04			4,684.30
Less: Allowance for Impairment loss (III)						
Investment carried at fair value through other comprehensive income			250.59			-
Net total investment (IV)= (I)-(III)			3,077.45			4,684.30

***Amount less than ₹ 1 lakh**

L&T Finance Limited

Notes forming part of the financial statements

Note 8 : Other financials assets

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit	62.69	76.97
Other advances	3.27	3.26
Receivable on sale of Investment	-	14.92
Margin money deposits	0.45	12.15
Accrued interest on fixed deposit	-	0.24
Total other financials assets	**66.41**	**107.54**

L&T Finance Limited
Notes forming part of the financial statements

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	For the year	Disposals	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Buildings : Owned	0.38	-	-	0.38	0.02	0.01	-	0.03	0.35	0.36
Lease hold renovation : Owned	14.17	0.55	3.65	11.07	8.53	2.57	3.38	7.72	3.35	5.64
Plant and equipments : Lease out	11.84	-	5.14	6.70	4.92	1.58	2.77	3.73	2.97	6.92
Computers : Owned	32.97	6.27	-	39.24	12.62	9.53	-	22.15	17.09	20.35
Furniture and fixtures										
Owned	8.16	1.73	0.01	9.88	4.54	1.76	0.01	6.29	3.59	3.62
Leased out	4.74	-	-	4.74	3.00	0.56	-	3.56	1.18	1.74
Sub total - Furniture and fittings	12.90	1.73	0.01	14.62	7.54	2.32	0.01	9.85	4.77	5.36
Office equipment										
Owned	5.93	2.48	0.21	8.20	3.11	1.79	0.14	4.76	3.44	2.82
Leased out	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub total - Office equipment	5.94	2.48	0.21	8.21	3.11	1.79	0.14	4.76	3.45	2.83
Vehicles										
Owned	1.20	0.68	-	1.88	0.50	0.38	-	0.88	1.00	0.70
Leased out	11.06	-	6.69	4.37	3.88	1.34	3.18	2.04	2.33	7.18
Sub total - Vehicles	12.26	0.68	6.69	6.25	4.38	1.72	3.18	2.92	3.33	7.88
Total	90.46	11.71	15.70	86.47	41.12	19.52	9.48	51.16	35.31	49.34

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Buildings : Owned	0.38	-	-	0.38	0.01	0.01	-	0.02	0.36	0.37
Lease hold renovation : Owned	12.53	1.64	-	14.17	4.33	4.20	-	8.53	5.64	8.20
Plant and equipments : Lease out	25.81	-	13.97	11.84	5.06	4.93	5.07	4.92	6.92	20.75
Computers										
Owned	19.76	14.01	0.80	32.97	6.10	7.14	0.62	12.62	20.35	13.66
Leased out	0.74	-	0.74	-	0.55	0.10	0.65	-	-	0.19
Sub total - Computers	20.50	14.01	1.54	32.97	6.65	7.24	1.27	12.62	20.35	13.85
Furniture and fixtures										
Owned	6.40	1.81	0.05	8.16	2.15	2.41	0.02	4.54	3.62	4.25
Leased out	7.95	-	3.21	4.74	2.08	1.51	0.59	3.00	1.74	5.87
Sub total - Furniture and fittings	14.35	1.81	3.26	12.90	4.23	3.92	0.61	7.54	5.36	10.12
Office equipment										
Owned	4.26	1.80	0.13	5.93	1.44	1.75	0.08	3.11	2.82	2.82
Leased out	0.45	-	0.44	0.01	0.31	0.05	0.36	-	0.01	0.14
Sub total - Office equipment	4.71	1.80	0.57	5.94	1.75	1.80	0.44	3.11	2.83	2.96
Vehicles										
Owned	1.20	-	-	1.20	0.21	0.29	-	0.50	0.70	0.99
Leased out	21.65	-	10.59	11.06	4.36	3.14	3.62	3.88	7.18	17.29
Sub total - Vehicles	22.85	-	10.59	12.26	4.57	3.43	3.62	4.38	7.88	18.28
Total	101.13	19.26	29.93	90.46	26.60	25.53	11.01	41.12	49.34	74.53

Note 10 : Other intangible assets, Goodwill and Intangible assets under development

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	For the year	Disposals	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Other intangible assets										
Specialised software	77.22	28.14	-	105.36	38.03	20.42	-	58.45	46.91	39.19
Distribution and customer network rights (refer footnote)	438.80	-	-	438.80	263.28	87.76	-	351.04	87.76	175.52
(a) Total other intangible assets	516.02	28.14	-	544.16	301.31	108.18	-	409.49	134.67	214.71
(b) Goodwill (refer footnote)	2,828.51	-	-	2,828.51	1,697.10	565.71	-	2,262.81	565.70	1,131.41
(c) Intangible assets under development									44.56	18.48

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2018	Additions	Disposals	As at March 31, 2019	As at April 1, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Other intangible assets										
Specialised software	40.35	36.90	0.03	77.22	26.09	11.94	0.00	38.03	39.19	14.26
Distribution and customer network rights (refer footnote)	438.80	-	-	438.80	175.52	87.76	-	263.28	175.52	263.28
(a) Total other intangible assets	479.15	36.90	0.03	516.02	201.61	99.70	-	301.31	214.71	277.54
(b) Goodwill (refer footnote)	2,828.51	-	-	2,828.51	1,131.40	565.70	-	1,697.10	1,131.41	1,697.11
(c) Intangible assets under development									18.48	9.23

Footnote:

Pursuant to the Orders of Honorable Calcutta High Court and the National Company Law Tribunal, Mumbai Bench (the" Honorable Courts"), the erstwhile L&T Finance Limited (U65990MH1994PLC083147) and L&T FinCorp Limited (U65910MH1997PLC108179) have been merged with Family Credit Limited (now known as L&T Finance Limited - U65910WB1993FLC060810) (the "Amalgamated Company"), effective from February 13, 2017 with the Appointed Date being April 1, 2016.

Consequent to the scheme becoming effective, net assets of Transferor Company amounting to ₹ 3,157.29 crore as on the Appointed Date have been transferred to the Transferee Company at their respective fair values and the fair value of Distribution and Customer Network Rights ("DCNR") as determined by an Independent Valuer, have been recognised as a part of Other Intangible Asset at a valuation of ₹438.80 crore. The balance amount of ₹ 2,828.51 crore has been recorded as Goodwill on amalgamation. These intangible assets, i.e. the DCNR and Goodwill on amalgamation, are being amortised on a straight line basis over a period of 5 years with effect from April 01, 2016 in terms of the Scheme of Arrangement of the Honorable Courts.

Note 11 : Other non-financials assets

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	50.01	9.59
Advances to others	5.38	25.75
Amount paid under protest	38.23	41.96
Capital advances	9.62	11.78
Assets acquired in settlement of claims	19.70	24.47
Total other non-financials Assets	**122.94**	**113.55**

Note 12 : Payables

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Trade payables		
Micro enterprises and small enterprises (refer note: 42)	-	-
Due to others	9.01	34.69
Due to related parties (refer note: 32)	22.39	51.34
Total trade payables (i)	**31.40**	**86.03**
(ii) Other payables		
Micro enterprises and small enterprises (refer note: 42)	-	-
Due to others	-	12.71
Due to related parties (refer note: 32)	-	0.40
Total other payables (i+ii)	**-**	**13.11**
Total payables	**31.40**	**99.14**

Note 13 : Debt securities

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(A)		
(i) At amortised cost		
- Commercial papers (net) (refer note 13 (b))	2,419.79	7,064.36
- Redeemable non convertible debentures (refer note 13 (a))	14,062.08	16,007.24
Total debt securities (A)	**16,481 87**	**23,071 60**
(B)		
(I) Debt securities in India		
(i) At amortised cost	16,481.87	23,071.60
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total debt securities in India (I = i+ii+iii)	**16,481.87**	**23,071.60**
(II) Debt securities outside India		
(i) At amortised cost	-	-
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total debt securities in outside India (II = i+ii+iii)	**-**	**-**
Total debt securities (B) = (I)+(II)	**16,481.87**	**23,071.60**

L&T Finance Limited
Notes forming part of the financial statements

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series V option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	7.96	9.20%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series V option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	110.25	9.35%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	0.70	8.84%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	101.11	8.98%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	11.30	8.85%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	378.68	9.05%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VII option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	0.45	8.52%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VII option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	17.35	8.70%	15-Apr-27	Redeemable at par at the end of 2922 days from the date of allotment
Series VI option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	25.31	8.50%	23-Dec-26	Redeemable at par at the end of 2557 days from the date of allotment
Series VI option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	402.90	8.65%	23-Dec-26	Redeemable at par at the end of 2557 days from the date of allotment
Series C FY 2019-20	₹ 10 lakh each	31-Jul-19	15.85	8.55%	31-Jul-26	Redeemable at par at the end of 2557 days from the date of allotment
Series B FY 2019-20	₹ 10 lakh each	28-May-19	913.15	8.80%	28-May-26	Redeemable at par at the end of 2557 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	23.50	8.45%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	329.40	8.60%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	0.79	8.15%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	74.59	8.29%	23-Dec-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	78.27	8.80%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	200.15	9.00%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	1.54	8.48%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	21.76	8.66%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	0.25	8.81%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	19.74	9.01%	15-Apr-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	30.16	9.10%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	234.49	9.25%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	1.75	8.75%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	59.77	8.89%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series N FY 2018-19 option 2	₹ 10 lakh each	01-Feb-19	25.37	9.02%	11-Mar-24	Redeemable at par at the end of 1865 days from the date of allotment
Series K FY 2018-19 option 2	₹ 10 lakh each	11-Jan-19	25.45	9.00%	09-Feb-24	Redeemable at par at the end of 1855 days from the date of allotment
Series J FY 2018-19	₹ 10 lakh each	04-Jan-19	817.31	9.00%	04-Jan-24	Redeemable at par at the end of 1826 days from the date of allotment
Series E FY 2018-19	₹ 10 lakh each	02-Aug-18	37.05	8.86%	02-Aug-23	Redeemable at par at the end of 1826 days from the date of allotment
Series F FY 2019-20	₹ 10 lakh each	04-Mar-20	75.39	7.68%	03-Mar-23	Redeemable at par at the end of 1094 days from the date of allotment
Series E FY 2019-20	₹ 10 lakh each	24-Jan-20	410.05	8.25%	24-Jan-23	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	30.12	8.25%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	422.19	8.45%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	6.33	8.26%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	63.08	8.46%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 1 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	0.84	7.96%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series III option 2 FY 2019-20 (Public issue-2)	₹ 1000 each	23-Dec-19	42.97	8.15%	23-Dec-22	Redeemable at par at the end of 1096 days from the date of allotment
Series T FY 2017-18	₹ 25 lakh each	12-Dec-17	86.97	7.95%	12-Dec-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance-Series G FY 2018-19 Opt 3 (Original issuance series T FY 2017-18)	₹ 10 lakh each	31-Oct-18	16.34	7.95%	12-Dec-22	Redeemable at par at the end of 1503 days from the date of allotment

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series N FY 2017-18	₹ 25 lakh each	06-Oct-17	321.61	7.70%	06-Oct-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance- Series H FY 2018-19 Opt 2 (Original issuance series N FY 2017-18)	₹ 10 lakh each	20-Nov-18	65.02	7.70%	06-Oct-22	Redeemable at par at the end of 1416 days from the date of allotment
Series M FY 2017-18	₹ 25 lakh each	08-Aug-17	488.11	7.71%	08-Aug-22	Redeemable at par at the end of 1826 days from the date of allotment
Series L FY 2018-19 option 2	₹ 10 lakh each	24-Jan-19	50.82	8.93%	08-Aug-22	Redeemable at par at the end of 1292 days from the date of allotment
Series H FY 2017-18 opt 2	₹ 25 lakh each	21-Jun-17	26.51	7.81%	21-Jul-22	Redeemable at par at the end of 1856 days from the date of allotment
Series C FY 2018-19 opt 1	₹ 10 lakh each	06-Jul-18	40.65	8.95%	10-Jun-22	Redeemable at par at the end of 1435 days from the date of allotment
Series A FY 2018-19	₹ 10 lakh each	06-Jun-18	63.98	8.65%	28-Apr-22	Redeemable at par at the end of 1422 days from the date of allotment
Reissuance- Series A1 FY 2018-19 (Original issuance series A FY 2018-19)	₹ 10 lakh each	14-Nov-18	34.39	8.65%	28-Apr-22	Redeemable at par at the end of 1261 days from the date of allotment
Series A FY 2019-20 - MLD	₹ 10 lakh each	24-Apr-19	85.11	8.36%	22-Apr-22	Redeemable at par at the end of 1094 days from the date of allotment
Series I option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	119.22	8.70%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	202.67	8.90%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 1 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	3.75	8.71%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series II option 2 FY 2019-20 (Public issue-1)	₹ 1000 each	15-Apr-19	17.35	8.91%	15-Apr-22	Redeemable at par at the end of 1096 days from the date of allotment
Series I option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	176.35	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	686.15	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	5.52	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 2 FY 2018-19 (Public issue-1)	₹ 1000 each	13-Mar-19	87.53	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series G FY 2018-19 Opt 2	₹ 10 lakh each	31-Oct-18	86.25	9.48%	14-Mar-22	Redeemable at par at the end of 1230 days from the date of allotment
Series C FY 2018-19 opt 2	₹ 10 lakh each	06-Jul-18	132.49	8.92%	06-Oct-21	Redeemable at par at the end of 1188 days from the date of allotment
Reissuance - Series D3 FY 2018-19 Opt 3 (Original issuance series C FY 2018-19)	₹ 10 lakh each	31-Aug-18	52.23	8.92%	06-Oct-21	Redeemable at par at the end of 1132 days from the date of allotment
Series F FY 2018-19	₹ 10 lakh each	12-Sep-18	67.32	8.82%	03-Sep-21	Redeemable at par at the end of 1087 days from the date of allotment
Reissuance - Series G FY 2018-19 Opt 1 (Original issuance series F FY 2018-19)	₹ 10 lakh each	31-Oct-18	5.66	8.82%	03-Sep-21	Redeemable at par at the end of 1038 days from the date of allotment
Series D FY 2018-19 opt 2	₹ 10 lakh each	20-Jul-18	416.71	8.95%	16-Aug-21	Redeemable at par at the end of 1123 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 2 (Original issuance series D FY 2018-19 Opt 2)	₹ 10 lakh each	20-Aug-18	59.12	8.95%	16-Aug-21	Redeemable at par at the end of 1092 days from the date of allotment
Series D FY 2018-19 opt 1	₹ 10 lakh each	20-Jul-18	28.93	8.92%	30-Jul-21	Redeemable at par at the end of 1106 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 1 (Original issuance series D FY 2018-19 Opt 1)	₹ 10 lakh each	20-Aug-18	12.51	8.92%	30-Jul-21	Redeemable at par at the end of 1075 days from the date of allotment
Series W FY 2017-18	₹ 25 lakh each	28-Mar-18	95.07	8.25%	21-Jun-21	Redeemable at par at the end of 1181 days from the date of allotment
Reissuance - Series "W"1-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	27-Jul-18	79.71	8.25%	21-Jun-21	Redeemable at par at the end of 1060 days from the date of allotment
Reissuance - Series "W"2-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	09-Aug-18	54.71	8.25%	21-Jun-21	Redeemable at par at the end of 1047 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	13-Jun-16	10.70	8.80%	11-Jun-21	Redeemable at par at the end of 1824 days from the date of allotment
Series V FY 2017-18	₹ 25 lakh each	27-Mar-18	96.78	8.25%	08-Apr-21	Redeemable at par at the end of 1108 days from the date of allotment

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Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2020

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series M FY 2018-19 option 3- MLD	₹ 10 lakh each	18-Jan-19	32.53	8.61%	18-Jan-21	Redeemable at par at the end of 731 days from the date of allotment
Series S FY 2017-18	₹ 25 lakh each	06-Dec-17	218.87	7.84%	06-Jan-21	Redeemable at par at the end of 1127 days from the date of allotment
Series P FY 2017-18	₹ 25 lakh each	17-Oct-17	155.26	7.68%	18-Dec-20	Redeemable at par at the end of 1158 days from the date of allotment
Series Q FY 2017-18	₹ 25 lakh each	24-Nov-17	313.42	7.85%	11-Dec-20	Redeemable at par at the end of 1113 days from the date of allotment
Series R FY 2017-18	₹ 25 lakh each	04-Dec-17	769.14	7.90%	04-Dec-20	Redeemable at par at the end of 1096 days from the date of allotment
Series U FY 2017-18	₹ 25 lakh each	29-Dec-17	102.05	8.00%	27-Nov-20	Redeemable at par at the end of 1064 days from the date of allotment
Series O FY 2017-18	₹ 25 lakh each	13-Oct-17	517.77	7.65%	13-Nov-20	Redeemable at par at the end of 1127 days from the date of allotment
Series L FY 2017-18	₹ 25 lakh each	25-Jul-17	353.69	7.65%	20-Aug-20	Redeemable at par at the end of 1122 days from the date of allotment
Series D1 FY 2018-19 Opt 4	₹ 10 lakh each	20-Aug-18	84.30	8.75%	19-Aug-20	Redeemable at par at the end of 730 days from the date of allotment
Reissuance - Series D2 FY 2018-19 Opt 4 (Original issuance series D FY 2018-19 Opt 4)	₹ 10 lakh each	27-Aug-18	358.25	8.75%	19-Aug-20	Redeemable at par at the end of 723 days from the date of allotment
Series H FY 2017-18 opt 1	₹ 25 lakh each	21-Jun-17	53.02	7.76%	10-Aug-20	Redeemable at par at the end of 1146 days from the date of allotment
Series M FY 2018-19 option 2- MLD	₹ 10 lakh each	18-Jan-19	58.56	8.65%	10-Aug-20	Redeemable at par at the end of 570 days from the date of allotment
Series M FY 2018-19 option 1- MLD	₹ 10 lakh each	18-Jan-19	48.26	8.45%	17-Jul-20	Redeemable at par at the end of 546 days from the date of allotment
Series J FY 2017-18	₹ 25 lakh each	28-Jun-17	132.36	7.75%	26-Jun-20	Redeemable at par at the end of 1094 days from the date of allotment
Series I FY 2017-18	₹ 25 lakh each	23-Jun-17	132.49	7.75%	23-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2017-18	₹ 25 lakh each	19-Jun-17	212.31	7.85%	19-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series G FY 2017-18	₹ 25 lakh each	20-Jun-17	398.00	7.85%	19-Jun-20	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2017-18	₹ 25 lakh each	16-Jun-17	265.35	7.75%	16-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series D FY 2017-18	₹ 25 lakh each	09-Jun-17	223.37	7.85%	09-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	31-Mar-17	300.07	8.07%	29-May-20	Redeemable at par at the end of 1155 days from the date of allotment
Series C FY 2017-18	₹ 25 lakh each	25-May-17	26.67	7.85%	25-May-20	Redeemable at par at the end of 1096 days from the date of allotment
Series O FY 2018-19	₹ 10 lakh each	01-Mar-19	277.10	8.75%	22-May-20	Redeemable at par at the end of 448 days from the date of allotment
Series C FY 2015-16 opt 5	₹ 25 lakh each	20-May-15	28.00	8.87%	20-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series A FY 2017-18 opt 2	₹ 25 lakh each	10-Apr-17	107.61	7.80%	08-May-20	Redeemable at par at the end of 1124 days from the date of allotment
Series E FY 2016-17	₹ 25 lakh each	29-Mar-17	100.06	7.90%	29-Apr-20	Redeemable at par at the end of 1127 days from the date of allotment
			14,062.08			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

Secured redeemable non convertible debentures public issue :

During the year, The Company has raised ₹2,407.82 crore from the public issue. The Company has utilised ₹ 2,403.42 crore for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/prepayment of principal of borrowings) and general corporate purpose. Total unutilised balance amount of ₹4.44 crore is in current account (includes ₹0.04 crore unutilised from amount raised in previous year).

Note 13 (b)

Commercial papers (net) as on March 31, 2020

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020
Bullet	Up to 1 years	upto 7.00%	1,999.69
		7.01% to 8.00%	172.71
		8.01% to 9.00%	247.39
Total			2,419.79

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series V option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	7.95	9.20%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series V option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	110.11	9.35%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	0.70	8.84%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	100.98	8.98%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series III option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	30.09	9.10%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	233.90	9.25%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	1.75	8.75%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	59.62	8.89%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series N FY 2018-19 option 2	₹ 10 lakh each	01-Feb-19	25.36	9.02%	11-Mar-24	Redeemable at par at the end of 1865 days from the date of allotment
Series K FY 2018-19 option 2	₹ 10 lakh each	11-Jan-19	25.43	9.00%	09-Feb-24	Redeemable at par at the end of 1855 days from the date of allotment
Series J FY 2018-19	₹ 10 lakh each	04-Jan-19	817.16	9.00%	04-Jan-24	Redeemable at par at the end of 1826 days from the date of allotment
Series E FY 2018-19	₹ 10 lakh each	02-Aug-18	37.04	8.86%	02-Aug-23	Redeemable at par at the end of 1826 days from the date of allotment
Series T FY 2017-18	₹ 25 lakh each	12-Dec-17	86.94	7.95%	12-Dec-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance-Series G FY 2018-19 Opt 3 (Original issuance series T FY 2017-18)	₹ 10 lakh each	31-Oct-18	16.13	7.95%	12-Dec-22	Redeemable at par at the end of 1503 days from the date of allotment
Series N FY 2017-18	₹ 25 lakh each	06-Oct-17	321.57	7.70%	06-Oct-22	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance- Series H FY 2018-19 Opt 2 (Original issuance series N FY 2017-18)	₹ 10 lakh each	20-Nov-18	64.05	7.70%	06-Oct-22	Redeemable at par at the end of 1416 days from the date of allotment
Series M FY 2017-18	₹ 25 lakh each	08-Aug-17	488.03	7.71%	08-Aug-22	Redeemable at par at the end of 1826 days from the date of allotment
Series L FY 2018-19 option 2	₹ 10 lakh each	24-Jan-19	50.80	8.93%	08-Aug-22	Redeemable at par at the end of 1292 days from the date of allotment
Series H FY 2017-18 opt 2	₹ 25 lakh each	21-Jun-17	26.51	7.81%	21-Jul-22	Redeemable at par at the end of 1856 days from the date of allotment
Series C FY 2018-19 opt 1	₹ 10 lakh each	06-Jul-18	37.30	8.95%	10-Jun-22	Redeemable at par at the end of 1435 days from the date of allotment
Series A FY 2018-19	₹ 10 lakh each	06-Jun-18	58.88	8.65%	28-Apr-22	Redeemable at par at the end of 1422 days from the date of allotment
Reissuance- Series A1 FY 2018-19 (Original issuance series A FY 2018-19)	₹ 10 lakh each	14-Nov-18	31.36	8.65%	28-Apr-22	Redeemable at par at the end of 1261 days from the date of allotment
Series I option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	175.64	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	683.40	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	5.04	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	79.85	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series G FY 2018-19 Opt 2	₹ 10 lakh each	31-Oct-18	78.77	9.48%	14-Mar-22	Redeemable at par at the end of 1230 days from the date of allotment
Series C FY 2018-19 opt 2	₹ 10 lakh each	06-Jul-18	132.46	8.92%	06-Oct-21	Redeemable at par at the end of 1188 days from the date of allotment
Reissuance - Series D3 FY 2018-19 Opt 3 (Original issuance series C FY 2018-19)	₹ 10 lakh each	31-Aug-18	52.27	8.92%	06-Oct-21	Redeemable at par at the end of 1132 days from the date of allotment
Series F FY 2018-19	₹ 10 lakh each	12-Sep-18	61.86	8.82%	03-Sep-21	Redeemable at par at the end of 1087 days from the date of allotment

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Reissuance - Series G FY 2018-19 Opt 1 (Original issuance series F FY 2018-19)	₹ 10 lakh each	31-Oct-18	5.16	8.82%	03-Sep-21	Redeemable at par at the end of 1038 days from the date of allotment
Series D FY 2018-19 opt 2	₹ 10 lakh each	20-Jul-18	382.41	8.95%	16-Aug-21	Redeemable at par at the end of 1123 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 2 (Original issuance series D FY 2018-19 Opt 2)	₹ 10 lakh each	20-Aug-18	54.32	8.95%	16-Aug-21	Redeemable at par at the end of 1092 days from the date of allotment
Series D FY 2018-19 opt 1	₹ 10 lakh each	20-Jul-18	26.56	8.92%	30-Jul-21	Redeemable at par at the end of 1106 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 1 (Original issuance series D FY 2018-19 Opt 1)	₹ 10 lakh each	20-Aug-18	11.49	8.92%	30-Jul-21	Redeemable at par at the end of 1075 days from the date of allotment
Series B FY 2018-19	₹ 10 lakh each	29-Jun-18	1,065.79	8.70%	29-Jun-21	Redeemable at par at the end of 1096 days from the date of allotment
Series W FY 2017-18	₹ 25 lakh each	28-Mar-18	95.06	8.25%	21-Jun-21	Redeemable at par at the end of 1181 days from the date of allotment
Reissuance - Series "W"1-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	27-Jul-18	79.21	8.25%	21-Jun-21	Redeemable at par at the end of 1060 days from the date of allotment
Reissuance - Series "W"2-FY 2017-18 (Original issuance series W FY 2017-18)	₹ 10 lakh each	09-Aug-18	54.43	8.25%	21-Jun-21	Redeemable at par at the end of 1047 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	13-Jun-16	10.70	8.80%	11-Jun-21	Redeemable at par at the end of 1824 days from the date of allotment
Series V FY 2017-18	₹ 25 lakh each	27-Mar-18	89.40	8.25%	08-Apr-21	Redeemable at par at the end of 1108 days from the date of allotment
Series M FY 2018-19 option 3- MLD	₹ 10 lakh each	18-Jan-19	29.86	8.61%	18-Jan-21	Redeemable at par at the end of 731 days from the date of allotment
Series S FY 2017-18	₹ 25 lakh each	06-Dec-17	218.74	7.84%	06-Jan-21	Redeemable at par at the end of 1127 days from the date of allotment
Series P FY 2017-18	₹ 25 lakh each	17-Oct-17	155.24	7.68%	18-Dec-20	Redeemable at par at the end of 1158 days from the date of allotment
Series Q FY 2017-18	₹ 25 lakh each	24-Nov-17	313.35	7.85%	11-Dec-20	Redeemable at par at the end of 1113 days from the date of allotment
Series R FY 2017-18	₹ 25 lakh each	04-Dec-17	768.89	7.90%	04-Dec-20	Redeemable at par at the end of 1096 days from the date of allotment
Series U FY 2017-18	₹ 25 lakh each	29-Dec-17	102.04	8.00%	27-Nov-20	Redeemable at par at the end of 1064 days from the date of allotment
Series O FY 2017-18	₹ 25 lakh each	13-Oct-17	517.56	7.65%	13-Nov-20	Redeemable at par at the end of 1127 days from the date of allotment
Series L FY 2017-18	₹ 25 lakh each	25-Jul-17	328.51	7.65%	20-Aug-20	Redeemable at par at the end of 1122 days from the date of allotment
Series D1 FY 2018-19 Opt 4	₹ 10 lakh each	20-Aug-18	84.28	8.75%	19-Aug-20	Redeemable at par at the end of 730 days from the date of allotment
Reissuance - Series D2 FY 2018-19 Opt 4 (Original issuance series D FY 2018-19 Opt 4)	₹ 10 lakh each	27-Aug-18	358.11	8.75%	19-Aug-20	Redeemable at par at the end of 723 days from the date of allotment
Series H FY 2017-18 opt 1	₹ 25 lakh each	21-Jun-17	53.02	7.76%	10-Aug-20	Redeemable at par at the end of 1146 days from the date of allotment
Series M FY 2018-19 option 2- MLD	₹ 10 lakh each	18-Jan-19	53.79	8.65%	10-Aug-20	Redeemable at par at the end of 570 days from the date of allotment
Series M FY 2018-19 option 1- MLD	₹ 10 lakh each	18-Jan-19	44.32	8.45%	17-Jul-20	Redeemable at par at the end of 546 days from the date of allotment
Series J FY 2017-18	₹ 25 lakh each	28-Jun-17	132.35	7.75%	26-Jun-20	Redeemable at par at the end of 1094 days from the date of allotment
Series I FY 2017-18	₹ 25 lakh each	23-Jun-17	132.48	7.75%	23-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2017-18	₹ 25 lakh each	19-Jun-17	212.28	7.85%	19-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series G FY 2017-18	₹ 25 lakh each	20-Jun-17	397.98	7.85%	19-Jun-20	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2017-18	₹ 25 lakh each	16-Jun-17	265.34	7.75%	16-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series D FY 2017-18	₹ 25 lakh each	09-Jun-17	223.34	7.85%	09-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	31-Mar-17	324.21	8.07%	29-May-20	Redeemable at par at the end of 1155 days from the date of allotment
Series C FY 2017-18	₹ 25 lakh each	25-May-17	26.67	7.85%	25-May-20	Redeemable at par at the end of 1096 days from the date of allotment

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L&T Finance Limited
Notes forming part of the financial statements

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series O FY 2018-19	₹ 10 lakh each	01-Mar-19	276.53	8.75%	22-May-20	Redeemable at par at the end of 448 days from the date of allotment
Series C FY 2015-16 opt 5	₹ 25 lakh each	20-May-15	27.99	8.87%	20-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series A FY 2017-18 opt II	₹ 25 lakh each	10-Apr-17	107.60	7.80%	08-May-20	Redeemable at par at the end of 1124 days from the date of allotment
Series E FY 2016-17	₹ 25 lakh each	29-Mar-17	100.06	7.90%	29-Apr-20	Redeemable at par at the end of 1127 days from the date of allotment
Series D FY 2016-17 opt 2	₹ 25 lakh each	27-Mar-17	25.03	7.90%	27-Mar-20	Redeemable at par at the end of 1096 days from the date of allotment
Series L FY 2018-19 option 1	₹ 10 lakh each	24-Jan-19	203.21	8.81%	13-Mar-20	Redeemable at par at the end of 414 days from the date of allotment
Series K FY 2018-19 option 1	₹ 10 lakh each	11-Jan-19	305.76	8.81%	11-Mar-20	Redeemable at par at the end of 425 days from the date of allotment
Series P FY 2014-15 opt 4	₹ 25 lakh each	24-Feb-15	25.22	9.25%	24-Feb-20	Redeemable at par at the end of 1826 days from the date of allotment
Series D3 FY 2018-19 Opt 2	₹ 10 lakh each	31-Aug-18	26.26	8.62%	30-Jan-20	Redeemable at par at the end of 517 days from the date of allotment
Reissuance- Series H FY 2018-19 Opt 1 (Original issuance series D3 FY 2018-19 Opt 2)	₹ 10 lakh each	20-Nov-18	54.21	8.62%	30-Jan-20	Redeemable at par at the end of 436 days from the date of allotment
Series J FY 2016-17 opt 2	₹ 25 lakh each	19-Jan-17	152.25	7.83%	20-Jan-20	Redeemable at par at the end of 1096 days from the date of allotment
Series I FY 2018-19	₹ 10 lakh each	05-Dec-18	1,233.76	9.36%	20-Dec-19	Redeemable at par at the end of 380 days from the date of allotment
Series D1 FY 2018-19 Opt 3	₹ 10 lakh each	20-Aug-18	26.32	8.60%	1[illegible]-Dec-19	Redeemable at par at the end of 486 days from the date of allotment
Reissuance - Series D3 FY 2018-19 Opt 1 (Original issuance series D1 FY 2018-19 Opt 3)	₹ 10 lakh each	31-Aug-18	52.63	8.60%	[illegible]-Dec-19	Redeemable at par at the end of 475 days from the date of allotment
Series A FY 2016-17 opt 7	₹ 25 lakh each	13-Apr-16	4.34	8.68%	30-Sep-19	Redeemable at par at the end of 1265 days from the date of allotment
Series E FY 2016-17 opt 1	₹ 25 lakh each	23-Aug-16	14.56	8.54%	30-Sep-19	Redeemable at par at the end of 1133 days from the date of allotment
NCD 2009 series 4 (Public issue)	₹ 1000 each	17-Sep-09	479.60	10.24%	17-Sep-19	Redeemable at par at the end of 3652 days from the date of allotment
Series A FY 2016-17 opt 6	₹ 25 lakh each	13-Apr-16	81.29	8.68%	12-Sep-19	Redeemable at par at the end of 1247 days from the date of allotment
Series G FY 2016-17	₹ 25 lakh each	12-Sep-16	209.15	8.31%	12-Sep-19	Redeemable at par at the end of 1095 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	08-Sep-16	52.31	8.31%	06-Sep-19	Redeemable at par at the end of 1093 days from the date of allotment
Series B FY 2016-17	₹ 25 lakh each	20-Apr-16	324.60	8.65%	20-Aug-19	Redeemable at par at the end of 1217 days from the date of allotment
Series I FY 2016-17	₹ 25 lakh each	09-Aug-16	52.70	8.40%	09-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series H FY 2016-17 opt 1	₹ 25 lakh each	05-Aug-16	75.96	7.37%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series B FY 2016-17 opt 2	₹ 25 lakh each	05-Aug-16	5.28	8.55%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	18-Aug-16	3.10	8.55%	05-Aug-19	Redeemable at par at the end of 1082 days from the date of allotment
Series G FY 2016-17 opt 2	₹ 25 lakh each	03-Aug-16	79.18	8.45%	02-Aug-19	Redeemable at par at the end of 1094 days from the date of allotment
Series E FY 2016-17 opt 2	₹ 25 lakh each	29-Jun-16	3.15	8.71%	22-Jul-19	Redeemable at par at the end of 1118 days from the date of allotment
Series K FY 2017-18	₹ 25 lakh each	19-Jul-17	421.45	7.65%	19-Jul-19	Redeemable at par at the end of 730 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	24-May-16	3.80	8.64%	28-Jun-19	Redeemable at par at the end of 1130 days from the date of allotment
Series E FY 2016-17 opt 1	₹ 25 lakh each	29-Jun-16	138.57	8.72%	28-Jun-19	Redeemable at par at the end of 1094 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	14-Jun-16	53.48	8.72%	14-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series A FY 2016-17 opt 5	₹ 25 lakh each	13-Apr-16	298.11	8.69%	13-Jun-19	Redeemable at par at the end of 1156 days from the date of allotment
Series C FY 2016-17 opt 1	₹ 25 lakh each	13-Jun-16	10.70	8.80%	13-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2015-16 opt 7	₹ 25 lakh each	04-Jun-15	34.63	8.88%	04-Jun-19	Redeemable at par at the end of 1461 days from the date of allotment
Series A FY 2016-17 opt 4	₹ 25 lakh each	13-Apr-16	27.10	8.69%	31-May-19	Redeemable at par at the end of 1143 days from the date of allotment
Series D FY 2015-16 opt 3	₹ 25 lakh each	27-May-15	56.20	8.88%	27-May-19	Redeemable at par at the end of 1461 days from the date of allotment

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series C FY 2016-17 opt 1	₹ 25 lakh each	24-May-16	53.70	8.65%	24-May-19	Redeemable at par at the end of 1095 days from the date of allotment
Series B FY 2016-17 opt 2	₹ 25 lakh each	20-May-16	21.52	8.80%	20-May-19	Redeemable at par at the end of 1095 days from the date of allotment
Series N FY 2015-16	₹ 25 lakh each	29-Mar-16	185.14	8.30%	29-Apr-19	Redeemable at par at the end of 1126 days from the date of allotment
Series A FY 2016-17	₹ 25 lakh each	20-Apr-16	10.83	8.80%	19-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2016-17 opt 3	₹ 25 lakh each	13-Apr-16	10.84	8.70%	12-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2017-18 opt I	₹ 25 lakh each	10-Apr-17	161.28	7.71%	10-Apr-19	Redeemable at par at the end of 730 days from the date of allotment
			16,007.24			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

Secured redeemable non convertible debentures public issue :

During the year, The Company has raised ₹1,500 crore from the public issue. The Company has utilised ₹ 1,495.35 crore for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/prepayment of principal of borrowings) and general corporate purpose. The unutilised balance amount of ₹4.65 crore is in current account.

Note 13 (b)

Commercial papers (net) as on March 31,2019

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Bullet	Up to 1 years	7.01% to 8.00%	4,424.26
		8.01% to 9.00%	1,110.06
		9.01% to 10.00%	1,530.04
Total			7,064.36

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L&T Finance Limited
Notes forming part of the financial statements

Note 14 : Borrowings (other than debt securities)

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(A)		
(i) At amortised cost		
(a) Term loans		
(i) from banks (refer note 14 (a))	12,349.75	9,661.43
(ii) from financial institutions (refer note 14 (b))	1,398.74	1,477.13
(b) Term loans from bank - FCNR (refer note 14 (c-1))	-	107.32
(c) External commercial borrowings (refer note 14 (c-2))	2,874.92	-
(d) Loan from related parties (refer note 14 (d))	887.37	169.36
(e) Loan repayable on demand		
(i) from banks (refer note 14 (e))	8,118.05	8,781.30
(f) Corporate bond repo (refer note 14 (f))	-	323.62
(g) Collateralized borrowing and lending obligation (refer note 14 (g))	-	1,619.70
Total borrowings (other than debt securities) (A)	**25,628.83**	**22,139.86**
(B)		
(I) Borrowings (other than debt securities) in India		
(i) At amortised cost	22,753.91	22,139.86
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total borrowings (other than debt securities) in India (I = i+ii+iii)	**22,753.91**	**22,139.86**
(II) Borrowings (other than debt securities) outside India		
(i) At amortised Cost	2,874.92	-
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total borrowings (other than debt securities) in outside India (II = i+ii+iii)	**2,874.92**	**-**
Total borrowings (other than debt securities) (B) = (I)+(II)	**25,628.83**	**22,139.86**

Note 14 (a)

Term loans from bank as on March 31, 2020 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 5 Years	7.01% - 8.00%	1,199.68
	Above 5 Years	8.01% - 9.00%	300.00
Annually	Up to 5 Years	7.01% - 8.00%	900.19
	Above 5 Years	8.01% - 9.00%	174.94
Half Yearly	Up to 5 Years	7.01% - 8.00%	1,542.93
	Up to 5 Years	8.01% - 9.00%	3,880.02
	Above 5 Years	8.01% - 9.00%	999.99
Quarterly	Up to 5 Years	7.01% - 8.00%	537.39
	Up to 5 Years	8.01% - 9.00%	2,365.04
	Above 5 Years	7.01% - 8.00%	449.57
Total			**12,349.75**

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Note 14 (b)

Term loans from financial institutions as on March 31, 2020 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Half Yearly	Up to 5 Years	8.01% - 9.00%	192.96
Quarterly	Up to 5 Years	7.01% - 8.00%	803.85
Quarterly	Above 5 Years	7.01% - 8.00%	401.93
	Total		**1,398.74**

Nature of Security :

Term loan from financial institutions is secured by hypothecation of specified lease/term loan receivables.

Note 14 (c-2)

External commercial borrowings as on March 31, 2020 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 5 Years	8.01%-9.00%	2,874.92
	Total		**2,874.92**

Nature of Security :

External commercial borrowings Loan is secured againt first charge on specific receivables pertaining to Farm Equipments.

Note 14 (d)

Loan from related parties as on March 31, 2020 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Bullet	Up to 1 Year	8.01% to 9.00%	887.37
	Total		887.37

Note 14 (e)

Loan repayable on demand from bank as on March 31, 2020 : Secured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Line of credit	Bullet	Up to 5 Years	7.01% - 8.00%	249.50
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	769.43
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	555.47
Working Capital Demand	Bullet	Up to 5 Years	7.01% - 8.00%	2,059.88
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	785.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	480.00
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	7.01% - 8.00%	234.23
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	129.04
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	9.01% - 10.00%	134.15
Total				5,396.70

Nature of Security :

Loan repayable on demand from bank is secured by hypothecation of specified lease/term loan receivables.

Loan repayable on demand as on March 31, 2020 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2020 (₹crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	1,200.00
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	420.00
Working Capital Demand	Bullet	Up to 5 Years	7.01% - 8.00%	201.35
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	300.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	600.00
Total				2,721.35

Note 14 (a)

Term loans from bank as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 5 Years	8.01% - 9.00%	1,390.00
	Up to 5 Years	9.01% - 10.00%	250.00
	Above 5 Years	8.01% - 9.00%	700.00
Annually	Up to 5 Years	9.01% - 10.00%	750.00
	Above 5 Years	9.01% - 10.00%	185.00
Half Yearly	Up to 5 Years	8.01% - 9.00%	1,706.08
	Up to 5 Years	9.01% - 10.00%	3,180.35
	Above 5 Years	8.01% - 9.00%	1,500.00
Total			9,661.43

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Note 14 (b)

Term loans from financial institutions as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Half Yearly	Up to 5 Years	8.01% - 9.00%	271.35
Quarterly	Up to 5 Years	7.01% - 8.00%	805.78
	Above 5 Years	7.01% 8.00%	400.00
Total			1,477.13

Nature of Security :

Term loan from financial institutions is secured by hypothecation of specified lease/term loan receivables.

Note 14 (c-1)

Term loans from bank- FCNR as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 5 Years	8.01%-9.00%	107.32
Total			107.32

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Note 14 (d)

Loan from related parties as on March 31, 2019 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 1 Year	7.01% to 8.00%	3.25
		9.01% to 10.00%	166.11
Total			169.36

Note 14 (e)

Loan repayable on demand from bank as on March 31, 2019 : Secured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	1,299.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	848.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	1,085.00
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	279.85
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	9.01% - 10.00%	29.45
Total				3,541.30

Nature of Security :

Loan repayable on demand from bank is secured by hypothecation of specified lease/term loan receivables.

Loan repayable on demand as on March 31, 2019 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	2,390.00
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	2,050.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	800.00
Total				**5,240.00**

Note 14 (f)

Corporate bond repo as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	Up to 1 month	8.01% to 9.00%	323.62
Total			**323.62**

Nature of Security :

Secured by hypothecation of any Corporate Bonds of Investment held by the Company.

Note 14 (g)

Collateralized borrowing and lending obligation as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹crore)
Bullet	4 days	upto 7.00%	1,525.57
		7.01% to 8.00%	94.13
Total			**1,619.70**

Nature of Security :

Collateralized borrowing and lending obligation is secured by hypothecation of eligible Government Bonds as approved by The Clearing Corporation of India Limited.

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Note 15 : Subordinated liabilities

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
(A)		
(i) At amortised cost		
(a) Perpetual debt Instruments to the extent that do not qualify as equity (Refer note 15 (a))	255.87	260.81
(b) Subordinate debt Instruments (Refer note 15 (b))	885.88	863.61
Total subordinated liabilities (A)	**1,141.75**	**1,124.42**
(B)		
(I) Subordinated liabilities in India		
(i) At amortised cost	1,141.75	1,124.42
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total subordinated liabilities in India (I = i+ii+iii)	**1,141.75**	**1,124.42**
(II) Subordinated liabilities outside India		
(i) At amortised cost	-	-
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
Total subordinated liabilities in outside India (II = i+ii+iii)	**-**	**-**
Total subordinated liabilities (B) = (I)+(II)	**1,141.75**	**1,124.42**

Note 15 (a)

Unsecured redeemable non convertible debentures as on March 31,2020 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series I FY 2015-16	₹ 10 lakh each	30-Mar-16	50.03	10.10%	30-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series F FY 2011-12	₹ 10 lakh each	30-Dec-11	205.84	11.50%	30-Dec-21	Redeemable at par at the end of 3653 days from the date of allotment
			255.87			

Note 15 (b)

Unsecured redeemable non convertible debentures as on March 31,2020 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2020 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series D FY 2019-20	₹ 10 lakh each	13-Sep-19	26.98	8.90%	13-Sep-29	Redeemable at par at the end of 3653 days from the date of allotment
Series M FY 2015-16	₹ 10 lakh each	23-Mar-16	100.23	9.30%	23-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series H FY 2015-16	₹ 10 lakh each	04-Mar-16	50.36	9.48%	04-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series G FY 2015-16	₹ 10 lakh each	09-Feb-16	18.23	9.35%	09-Feb-26	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	₹ 10 lakh each	29-Jan-16	32.52	9.35%	29-Jan-26	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2015-16	₹ 10 lakh each	09-Sep-15	105.18	9.25%	09-Sep-25	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 lakh each	30-Mar-15	50.03	9.95%	28-Mar-25	Redeemable at par at the end of 3651 days from the date of allotment
Series M FY 2014-15	₹ 10 lakh each	31-Dec-14	51.25	9.95%	31-Dec-24	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2014-15	₹ 10 lakh each	30-Jun-14	43.13	10.40%	28-Jun-24	Redeemable at par at the end of 3651 days from the date of allotment
Series F FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.90%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.35%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2013-14	₹ 10 lakh each	28-Feb-14	25.25	10.90%	28-Feb-24	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2012-13	₹ 10 lakh each	21-Dec-12	282.58	9.80%	21-Dec-22	Redeemable at par at the end of 3652 days from the date of allotment
			885.88			

Note 15 (a)

Unsecured redeemable non convertible debentures as on March 31,2019 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2019 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series I FY 2015-16	₹ 10 lakh each	30-Mar-16	55.08	10.10%	30-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series F FY 2011-12	₹ 10 lakh each	30-Dec-11	205.73	11.50%	30-Dec-21	Redeemable at par at the end of 3653 days from the date of allotment
			260.81			

Note 15 (b)

Unsecured redeemable non convertible debentures as on March 31,2019 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2019 (₹ crore)	Interest rate %p.a.	Date of redemption	Redeemable terms
Series M FY 2015-16	₹ 10 lakh each	23-Mar-16	100.18	9.30%	23-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series H FY 2015-16	₹ 10 lakh each	04-Mar-16	50.36	9.48%	04-Mar-26	Redeemable at par at the end of 3652 days from the date of allotment
Series G FY 2015-16	₹ 10 lakh each	09-Feb-16	18.23	9.35%	09-Feb-26	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	₹ 10 lakh each	29-Jan-16	32.51	9.35%	29-Jan-26	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2015-16	₹ 10 lakh each	09-Sep-15	105.14	9.25%	09-Sep-25	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 lakh each	30-Mar-15	55.00	9.95%	28-Mar-25	Redeemable at par at the end of 3651 days from the date of allotment
Series M FY 2014-15	₹ 10 lakh each	31-Dec-14	51.24	9.95%	31-Dec-24	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2014-15	₹ 10 lakh each	30-Jun-14	43.11	10.40%	28-Jun-24	Redeemable at par at the end of 3651 days from the date of allotment
Series F FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.90%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.35%	27-Mar-24	Redeemable at par at the end of 3653 days from the date of allotment
Series C FY 2013-14	₹ 10 lakh each	28-Feb-14	25.24	10.90%	28-Feb-24	Redeemable at par at the end of 3652 days from the date of allotment
Series J FY 2012-13	₹ 10 lakh each	21-Dec-12	282.46	9.80%	21-Dec-22	Redeemable at par at the end of 3652 days from the date of allotment
			863.61			

Note 16 : Other financial liabilities ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit and margin money received	12.28	14.91
Unclaimed interest on debentures	1.39	0.89
Liability for capital goods	0.12	0.12
Bank book credit balance	2.94	0.59
Liability for expenses	174.35	143.49
Short term obligation	9.32	19.58
Interim dividend payable	-	191.90
Other payables	43.45	35.18
Total other financial liabilities	**243.85**	**406.66**

Note 17 : Provisions ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Compensated absences	18.18	17.01
Gratuity	9.99	4.73
Total provisions	**28.17**	**21.74**

Note 18 : Other non-financial liabilities ₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Revenue received in advance	-	0.58
Statutory dues payable	2.54	12.34
Dividend distribution tax payable	-	39.44
Total other non-financial liabilities	**2.54**	**52.36**

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Note 19: Equity share capital

(a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in crore	No. of shares	₹ in crore
Authorised				
Equity shares of ₹10 each	2,65,43,09,610	2,654.31	2,65,43,09,610	2,654.31
Preference shares of ₹ 100 each	10,00,000	10.00	10,00,000	10.00
Issued, subscribed and paid up				
Equity shares of ₹ 10 each fully paid up	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14
		1,599.14		1,599.14

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in crore	No. of shares	₹ in crore
At the beginning of the year	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14
Add: Issued during the year	-	-	-	-
At the end of the year	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14

(c) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	As at March 31, 2020	As at March 31, 2019
	No. of shares	No. of shares
Fully paid up pursuant to contract(s) without payment being received in cash	1,23,57,37,684	1,23,57,37,684

(d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Members of the Company holding equity shares capital therein have a right to vote, on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid up equity capital of the Company held by the shareholders. The Company declares dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year, the company has declared interim dividend of ₹ 1.15 per equity share (previous year : ₹1.20 per equity share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shares held by holding company:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	₹ in crore	No. of shares	₹ in crore
L&T Finance Holdings Limited (Holding company) directly or through it's beneficially nominee (Equity shares of ₹ 10 each fully paid up)	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14

(f) Shareholder holding more than 5% of equity shares as at the end of the year:

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% holding	No. of shares	% holding
L&T Finance Holdings Limited (Holding company) directly or through it's beneficially nominee (Equity shares of ₹ 10 each fully paid up)	1,59,91,38,199	100%	1,59,91,38,199	100%

Note 20 : Other equity

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Capital redemption reserve	3.20	3.20
Debenture redemption reserve[1]	5.15	114.18
Securities premium[2]	6,903.72	6,903.72
General reserve[3]	34.52	0.25
Reserve u/s 45 IC of Reserve Bank of India Act, 1934[4]	826.85	753.59
Reserve u/s 36(1)(viii) of Income tax Act, 1961[5]	72.45	44.93
Amalgamation adjustment account[6]	(463.30)	(538.06)
Retained earnings[7]	58.24	19.85
Change in fair value of debt instruments classified at fair value through other comprehensive income (Refer note 1.5)	(1.84)	(0.37)
Change in fair value of equity instruments measured at fair value through other comprehensive income (Refer note 1.5)	(56.16)	-
Cash flow hedging reserve (Refer note 1.10)	(88.38)	-
Total other equity	7,294.45	7,301.29

Notes:

1. Debenture redemption reserve: The Company had issued redeemable non-convertible debentures and created Debenture Redemption Reserve out of the profits available for payment of dividend in accordance with the provision of section 71(4) of the Companies Act, 2013 to be utilised for the redemption of debentures. The Ministry of Corporate Affairs, vide notification dated August 19, 2019 has amended the Companies (Share Capital & Debentures) Rules and accordingly the Company is no longer required to create Debenture Redemption Reserve on issuance of redeemable non-coversible debentures.

2. Securities premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

3. General Reserve: The Companies (Transfer of Profits to Reserves) Rules, 1975 read with Section 205(2A) of the Companies Act, 1956, prohibited declaration of dividend for any financial year out of profits of the company for that year except after the transfer of a specified percentage of the profits not exceeding 10%, to its reserves. Amounts were transferred to General Reserve to comply with these provisions. The Companies Act, 2013, does not mandate such a transfer.General reserve is a free reserve available to the Company

4. Reserve u/s 45 IC of Reserve Bank of India Act, 1934: The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.

5. Reserve u/s 36(1)(viii) of Income tax Act, 1961: In respect of any special reserve created and maintained by a specified entity, an amount not exceeding twenty percent of the profits derived from eligible business computed under the head "Profits and gains of business or profession" (before making any deduction under this clause) carried to such reserve account.

6. Amalgamation Adjustment Account: Upon amalgamation of the erstwhile L&T Finance Limited and the erstwhile L&T Fincorp Limited (the "Transferor Companies") with Family Credit Limited (the "Transferee Company" which was renamed as L&T Finance Limited") the statutory reserves (i.e. Debenture Redemption Reserve, Reserve under section 45 IC of the Reserve Bank of India Act, 1934 and Reserve under section 36(1)(viii) of the Income tax Act, 1961) of the Transferor Companies as on April 01, 2016 (the Appointed Date") with a corresponding debit to Amalgamation Adjustment Account. As the corresponding statutory reserve unwind, the Amalgamation Adjustment Account is also reversed.

7. Retained earnings: Retained earnings represent the amount of accumulated earnings of the Company.

Note 21 : Interest Income

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(i) On financial assets measured at amortised cost		
- Interest on loans	6,171.26	5,589.91
- Interest income from investments	45.30	74.24
- Interest on deposits with banks	50.85	13.02
- Other interest income	1.17	5.68
Total interest income on financial assets measured at amortised cost (i)	**6,268.58**	**5,682.85**
(ii) On financial assets measured at fair value through other comprehensive income		
- Interest income from investments	108.84	189.81
Total interest income on financial assets measured at fair value through other comprehensive income (ii)	**108.84**	**189.81**
(iii) On financial assets classified at fair value through profit or loss		
- Interest on loans	1,795.78	1,129.88
- Interest income from investments	11.21	9.18
Total interest income on financial assets classified at fair value through profit or loss (iii)	**1,806.99**	**1,139.06**
Total interest income (i+ii+iii)	**8,184.41**	**7,011.72**

Note 22 : Rental income

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Lease rental income	9.04	16.15
Other rental income	-	2.69
Total rental income	**9.04**	**18.84**

Note 23 : Fees and commission income

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Consultancy fees and financial advisory fee	106.70	71.70
Other financial activities	103.40	80.55
Total fees and commission income	**210.10**	**152.25**

Note 24 : Net gain/(loss) on fair value changes

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(A) Net gain/(loss) on financial instruments classified at fair value through profit or loss		
On trading portfolio		
- Gain on sale of investments	70.01	76.46
- Gain/(loss) on sale of loan assets	-	7.28
- Fair value changes on loan assets	(61.82)	(63.81)
- Fair value changes on investments	(87.09)	(37.99)
(B) Net gain on disposal of financial instruments classified at fair value through other comprehensive income		
- Gain on sale of Investments	121.46	9.44
Total net gain/(loss) on fair value changes (A+B)	**42.56**	**(8.62)**
(C) Fair value changes:		
-Realised	191.47	93.18
-Unrealised	(148.91)	(101.80)
Total net gain/(loss) on fair value changes (D)	**42.56**	**(8.62)**

Note 25 : Other income

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Income on cross sell	228.24	199.43
Other income	5.95	0.35
Total other income	**234.19**	**199.78**

Note 26 : Finance costs

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
On financial liabilities measured at amortised cost		
Interest on debt securities	1,636.33	1,778.02
Interest on borrowings	2,009.72	1,422.12
Interest on subordinated liabilities	111.86	110.42
Other interest expense	9.94	17.36
Total finance costs	**3,767.85**	**3,327.92**

Note 27 : Net loss on derecognition of financial instruments under amortised cost category

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loss on foreclosure and writeoff of loan	1,069.71	1,181.43
Less: Provision held reversed on derecognition of financial instruments	(838.39)	(856.46)
Total net loss on derecognition of financial instruments under amortised cost category	**231.32**	**324.97**

Note 28 : Impairment on financial instruments

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(a) On Financial instruments measured at fair value through other comprehensive income:		
- Investments	250.59	-
Total impairment on financial instruments on financial instruments measured at fair value through other comprehensive income (a)	**250.59**	**-**
(b) On financial instruments measured at amortised cost:		
- Loans	1,508.33	637.06
- Trade receivables	8.77	-
Total impairment on financial instruments on financial instruments measured at at amortised cost (b)	**1,517.10**	**637.06**
Total impairment on financial instruments (a+b)	**1,767.69**	**637.06**

Note 29 : Employee benefits expenses

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries	654.45	467.18
Contribution provident and pension fund (refer note: 33)	28.18	16.19
Contribution to gratuity fund (refer note: 33)	4.76	2.93
Share based payments to employees (refer note: 36)	44.66	25.91
Staff welfare expenses	34.03	36.10
Total employee benefits expenses	**766.08**	**548.31**

Note 30 : Depreciation, amortization and impairment

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment (refer note: 9)	19.52	25.53
Depreciation on Right of use assets (refer note : 34)	7.80	-
Amortisation of Intangible assets (refer note: 10)	108.18	99.70
Amortisation of Goodwill (refer note: 10)	565.71	565.70
Total depreciation, amortization and impairment	**701.21**	**690.93**

Note 31 : Other expenses

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent	35.99	48.20
Rates and taxes	1.76	3.24
Repairs and maintenance	68.02	56.96
Advertisement and publicity	14.30	13.03
Printing and stationery	15.03	10.00
Telephone and postage	8.90	9.87
Directors sitting fees	0.16	0.28
Auditor's remuneration (refer footnote)	1.11	0.82
Legal and professional charges	118.10	99.44
Insurance	7.81	5.13
Electricity charges	5.05	5.94
Travelling and conveyance	30.41	29.02
Stamping charges	1.14	2.57
Collection charges	212.50	152.93
Loan processing charges	8.90	12.68
Corporate social responsibility expenses (refer note: 35)	11.81	4.01
Donation	11.96	1.39
Corporate support charges	14.08	8.02
Bank charges	38.62	22.25
Non executive directors remunerations	0.39	0.62
Loss on sale of property, plant and equipment (net)	2.66	7.62
Brand license fees	22.39	46.53
Miscellaneous expenses	1.10	1.15
Total administration and other expenses	**632.19**	**541.70**

footnote: Auditor's remuneration comprises the following

Statutory audit fees	0.37	0.34
Limited review fees	0.22	0.13
Tax audit Fees	0.04	0.03
Certification and other service	0.34	0.27
Expenses reimbursed	0.06	0.02
GST/Service tax (net of input credit)	0.09	0.03
	1.11	**0.82**

Note: 32 Disclosure pursuant to Ind AS 24 "Related Party Disclosures"

(a) List of Related Parties (with whom transactions were carried out during current or previous year)

A. Ultimate Holding Company
1. Larsen & Toubro Limited

B. Holding Company
2. L&T Finance Holdings Limited

C. Fellow Subsidiary Companies
3. L&T Infrastructure Finance Company Limited
4. Larsen & Toubro Infotech Limited
5. L&T Capital Company Limited
6. L&T Capital Markets Limited
7. L&T Housing Finance Limited
8. L&T Investment Management Limited
9. L&T Financial Consultants Limited
10. L&T Infra Investment Partners Advisory Private Limited

D. Associate
11. L&T Infra Debt Fund Limited

E. Key Management Personnel
12. Mr. Dinanath Dubhashi
13. Mr. Sunil Prabhune
14. Mr. P. V. Bhide
15. Mr. D. R. Dongra *(Ceased to be a Director with effect from June 06, 2018)*
16. Mr. Mannil Venugopalan *(Ceased to be a Director with effect from June 11, 2018)*
17. Dr (Mrs). Rajni R Gupte
18. Mr. Prabhakar B. *(Ceased to be a Director with effect from May 30, 2018)*
19. Mr. Ashish Kotecha *(Ceased to be a Director with effect from April 28, 2019)*
20. Mr. Rishi Mandawat *(Appointed as Director with effect from April 28, 2019)*

(b) Disclosure of related party transactions :

₹ in crore

Sr. No.	Nature of transaction*	2019-20	2018-19
1	Inter corporate deposits borrowed		
	Larsen & Toubro Limited	-	2,000.00
	L&T Finance Holdings Limited	9,034.37	8,036.51
	L&T Infrastructure Finance Company Limited	200.00	410.00
	L&T Housing Finance Limited	195.00	100.00
	L&T Capital Company Limited	1.20	5.97
	L&T Investment Management Limited	628.13	133.25
	L&T Capital Markets Limited	61.90	155.82
	L&T Infra Investment Partners Advisory Private Limited	-	61.26
2	Inter corporate deposits repaid		
	Larsen & Tourbo Limited	-	2,000.00
	L&T Finance Holdings Limited	8,412.41	8,529.96
	L&T Infrastructure Finance Company Limited	200.00	410.00
	L&T Housing Finance Limited	125.00	100.00
	L&T Capital Company Limited	4.35	9.19
	L&T Investment Management Limited	600.33	133.25
	L&T Capital Markets Limited	61.90	155.82
	L&T Infra Investment Partners Advisory Private Limited	-	61.26
3	Interest expense on inter corporate deposits		
	Larsen & Tourbo Limited	-	16.57
	L&T Finance Holdings Limited	27.51	95.08
	L&T Infrastructure Finance Company Limited	0.16	0.35
	L&T Housing Finance Limited	0.05	0.02
	L&T Capital Company Limited	0.13	0.36
	L&T Investment Management Limited	0.69	0.26
	L&T Capital Markets Limited	0.06	0.67
	L&T Infra Investment Partners Advisory Private Limited	-	0.27

L&T Finance Limited

Notes forming part of the financial statements

(b) Disclosure of related party transactions :

₹ in crore

Sr. No.	Nature of transaction*	2019-20	2018-19
4	**Inter corporate deposits given**		
	L&T Infrastructure Finance Company Limited	1,782.00	75.00
	L&T Housing Finance Limited	-	12.57
	L&T Financial Consultants Limited	161.64	-
5	**Inter corporate deposits received back**		
	L&T Infrastructure Finance Company Limited	1,782.00	75.00
	L&T Housing Finance Limited	-	12.57
	L&T Financial Consultants Limited	161.64	-
6	**Interest received on inter corporate deposits**		
	L&T Infrastructure Finance Company Limited	10.65	0.04
	L&T Housing Finance Limited	-	0.02
	L&T Financial Consultants Limited	0.43	-
7	**Portfolio related transaction**		
	L&T Housing Finance Limited	0.58	0.57
8	**Corporate support charges paid to**		
	L&T Finance Holdings Limited	12.92	7.36
9	**Branch sharing cost paid to**		
	Larsen & Toubro Limited	-	0.00
	L&T Financial Consultants Limited	24.11	24.28
	L&T Investment Management Limited	0.21	0.05
	L&T Housing Finance Limited	0.49	0.08
10	**Branch sharing cost recovered from**		
	L&T Infrastructure Finance Company Limited	0.18	0.23
	Larsen & Toubro Limited	-	0.05
	L&T Investment Management Limited	2.29	2.38
	L&T Capital Markets Limited	0.56	0.74
	L&T Housing Finance Limited	4.11	3.06
11	**IT/Professional fees paid to**		
	Larsen & Toubro Limited	5.45	7.63
	Larsen & Toubro Infotech Limited	3.20	1.19
12	**Sale/Assignment of loan portfolio to**		
	L&T Infra Debt Fund Limited	39.86	248.03
	L&T Infrastructure Finance Company Limited	2,919.85	1,514.86
	L&T Housing Finance Limited	183.54	-
13	**Purchase of loan portfolio from**		
	L&T Housing Finance Limited	-	1,769.38
	L&T Infrastructure Finance Company Limited	-	120.02
14	**Brand license fees paid to**		
	Larsen & Toubro Limited	21.12	45.16
15	**Expenses on employee stock option plan**		
	L&T Finance Holdings Limited	44.66	25.91
16	**Corporate support charges recovered**		
	L&T Infra Investment Partners Advisory Private Limited	0.84	-
17	**Service cost for loan portfolio**		
	L&T Housing Finance Limited	-	0.30

(b) Disclosure of related party transactions :

₹ in crore

Sr. No.	Nature of transaction*	2019-20	2018-19
18	Reimbursement of expenses to		
	Larsen & Toubro Limited	-	0.11
19	Interest on security deposit		
	L&T Financial Consultants Limited	-	0.43
20	Interest on non convertible debenture (Borrowings)		
	L&T Infrastructure Finance Company Limited	1.32	-
	Larsen & Toubro Limited	6.15	-
21	Processing fees sharing on sale of loan portfolio		
	L&T Infra Debt Fund Limited	0.08	-
	L&T Infrastructure Finance Company Limited	12.69	-
	L&T Housing Finance Limited	1.97	-
22	Interim dividend		
	L&T Finance Holdings Limited	183.90	191.90

23 Compensation Paid to Key Managerial Personnel**

₹ in crore

Name of Key Management Personnel	2019-20				2018-19			
	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total
Mr. Sunil Prabhune	3.82	-	0.13	3.95	2.32	-	-	2.32
Mr. P. V. Bhide	0.17	-	-	0.17	0.19	-	-	0.19
Mr. D. R. Dongra	-	-	-	-	0.02	-	-	0.02
Mr. Mannil Venugopalan	-	-	-	-	0.05	-	-	0.05
Dr (Mrs). Rajni R Gupte	0.17	-	-	0.17	0.20	-	-	0.20
Mr. Prabhakar B.	-	-	-	-	0.02	-	-	0.02
Mr. Ashish Kotecha	-	-	-	-	0.11	-	-	0.11
Mr. Rishi Mandawat	0.12	-	-	0.12	-	-	-	-

(c) Amount due to/from related parties:

₹ in crore

S. No.	Nature of transactions	As at March 31,2020	As at March 31,2019
1	Inter corporate borrowings		
	L&T Finance Holdings Limited	787.84	165.89
	L&T Capital Company Limited	-	3.15
	L&T Housing Finance Limited	70.00	-
	L&T Investment Management Limited	27.80	-
2	Interest accrued on inter corporate borrowings		
	L&T Finance Holdings Limited	1.71	0.22
	L&T Capital Company Limited	-	0.10
	L&T Housing Finance Limited	0.01	-
	L&T Investment Management Limited	0.01	-
3	Investment in equity share		
	L&T Infra Debt Fund Limited	176.50	176.50
4	Non convertible debenture (Borrowings)		
	Larsen & Toubro Limited	40.45	-
	L&T Infrastructure Finance Company Limited	25.00	-
5	Interest accrued on non convertible debenture (Borrowings)		
	Larsen & Toubro Limited	0.81	-
	L&T Infrastructure Finance Company Limited	5.49	-
6	Rent deposit		
	L&T Financial Consultants Limited	8.46	7.89
7	Account payable		
	L&T Finance Holdings Limited	-	3.47
	L&T Infrastructure Finance Company Limited	-	0.02
	L&T Capital Company Limited	-	***0.00
	L&T Financial Consultants Limited	-	0.03
	L&T Infra Debt Fund Limited	-	0.35
8	Account receivable		
	Larsen & Toubro Limited	2.66	3.03
	L&T Finance Holdings Limited	7.45	-
	L&T Investment Management Limited	0.03	0.40
	L&T Capital Markets Limited	-	2.44
	L&T Housing Finance Limited	10.01	5.76
	L&T Financial Consultants Limited	0.05	-
9	Security deposit payable		
	L&T Investment Management Limited	0.22	0.22
10	Interim dividend payable		
	L&T Finance Holdings Limited	-	191.90
11	Brand license fees payable		
	Larsen & Tourbo Limited	22.39	47.87

* Transactions shown above are excluding GST, if any.

** Managerial Remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the company as a whole.

*** Amount less than ₹ 1 lakh.

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(i) Defined Contribution plan:

The Company's state governed provident fund scheme are defined contribution plan for its employees and for a certain categories of employees made to a trust viz. The Larsen & Toubro Officers & Supervisory Staff Provident Fund constituted by the ultimate parent company, which is permitted under The employee's Provident Funds and Miscellaneous Provisions Act, 1952. The Contribution by the employer and employee together with interest accumulated there on are payable to the employee at the time of separation from company or retirement whichever is earlier. The benefit vets immediately on rendering of services by the employee. In addition to the above, information relating to the scheme operated by the trust constituted by the holding company is given in the note (iii) below.

The Company has recognised charges of ₹ 28.18 crore (previous year: ₹ 16.19 crore) for provident fund contribution contribution is included in "Note 29 Employee Benefits Expenses" in the Statement of Profit and Loss.

(ii) Defined Benefits Gratuity Plan :

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days last salary drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

(a) The amounts recognised in Balance Sheet are as follows:

₹ in crore

	Particulars	Gratuity Plan	
		As at March 31, 2020	As at March 31, 2019
A)	Present Value of Defined Benefit Obligation		
	- Wholly funded	21.71	12.92
	- Wholly unfunded	-	-
		21.71	**12.92**
	Less : Fair Value of plan assets	(11.72)	(8.19)
	Amount to be recognised as liability or (asset)	**9.99**	**4.73**
B)	Amounts reflected in Balance Sheet		
	Liabilities	9.99	4.73
	Assets	-	-
	Net liability/(asset)	**9.99**	**4.73**

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

₹ in crore

Sr. No.	Particulars	Gratuity Plan	
		As at March 31, 2020	As at March 31, 2019
1	Current Service Cost	4.76	2.93
2	Net Interest Cost	0.22	0.01
3	Actuarial losses/(gains):		
	i) Actuarial (gains)/losses arising from changes in financial assumptions	1.44	0.23
	ii) Actuarial (gains)/losses arising from changes in demographic assumptions		**0.00
	iii) Actuarial (gains)/losses arising from changes in experience adjustments	2.37	1.81
	iv) Actuarial losses/(gains) - difference between actuarial return on plan assets	0.68	(0.50)
4	Past Service Cost	-	-
	Total (1 to 4)	**9.47**	**4.48**
i	Amount included in "employee benefits expenses"	4.76	2.93
ii	Amount included in as part of "finance cost'	0.22	0.01
iii	Amount included as part of "Other Comprehensive income"	4.49	1.54
	Total (i + ii + iii)	**9.47**	**4.48**

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

₹ in crore

Particulars	Gratuity Plan	
	As at March 31, 2020	As at March 31, 2019
Opening balance of the present value of defined benefit obligation	12.92	9.55
Add : Current Service Cost	4.76	2.93
Add : Interest Cost	0.82	0.63
Add : Actuarial losses/(gains)		
i) Actuarial (gains)/losses arising from changes in financial assumptions	1.44	0.23
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	**0.00
iii) Actuarial (gains)/losses arising from changes in experience adjustments	2.37	1.81
Less : Benefits paid	(1.12)	(2.48)
Add : Past service cost	-	-
Add : Liability assumed/(settled)*	0.52	0.25
Closing balance of the present value of defined benefit obligation	**21.71**	**12.92**

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in crore

Particulars	Gratuity Plan	
	As at March 31, 2020	As at March 31, 2019
Opening balance of the fair value of the plan assets	8.19	7.92
Add : Interest income of plan assets	0.60	0.62
Add/(less) : Actuarial gains/(losses)		
Difference between actual return on plan assets and interest income	(0.68)	0.50
Add : Contribution by the employer	4.73	1.63
Less : Benefits paid	(1.12)	(2.48)
Add: Assets acquired/(settled)*	-	-
Closing balance of the fair value of the plan assets	**11.72**	**8.19**

(e) The fair value of major categories of plan assets are as follows:

₹ in crore

Sr. No	Particulars	Gratuity Plan	
		As at March 31, 2020	As at March 31, 2019
1	Government of India Securities	1.99	1.84
2	Insurer managed funds - unquoted	4.22	3.10
3	Others debt instruments	2.55	2.55
4	Others - unquoted	2.96	0.70

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Gratuity Plan	
		As at March 31, 2020	As at March 31, 2019
1	Discount rate	5.60%	6.90%
2	Salary escalation rate	9.00%	9.00%

(A) **Discount rate:**
The discount rate based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

(B) **Salary escalation rate:**
The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

(g) Attrition Rate:
The attrition rate varies from 15% to 25% (previous year: 15% to 25%) for various age groups.

(h) Mortality:
Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

(i) Sensitivity Analysis:
One percentage point change in actuarial assumption would have the following effects on the defined benefit obligation:

₹ in crore

Sr. No.	Particulars	Gratuity Plan			
		Effect of 1% Increase		Effect of 1% Decrease	
		AS at March 31, 2020	AS at March 31, 2019	AS at March 31, 2020	AS at March 31, 2019
1	Impact of change in discount rate	(1.12)	(0.63)	1.24	0.69
2	Impact of change salary escalation rate	1.18	0.67	(1.09)	(0.63)

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(iii) Defined Benefits Provident Fund Plan

In respect of the contribution by the employer and employee to the provident fund trust constituted by the ultimate parent company, in terms of the guidance note issued by the Institution of Actuarial of India for the measurement of provident fund liabilities, the actuary engaged by the Company has provide the following information in this regards:

(a) The amounts recognised in Balance Sheet are as follows:

₹ in crore

	Particulars	Provident Fund Plan	
		As at March 31, 2020	As at March 31, 2019
A)	Present Value of Defined Benefit Obligation		
	- Wholly funded	14.32	15.72
	- Wholly unfunded	-	-
		14.32	**15.72**
	Assets acquired on acquisition	-	-
	Less : Fair Value of plan assets	(15.18)	(15.82)
	Add : Amount not recognised as an asset	-	-
	Amount to be recognised as liability or (asset)	(0.86)	(0.10)
B)	Amounts reflected in Balance Sheet		
	Liabilities	-	-
	Assets	(0.86)	(0.10)
	Net liability/(asset)	**(0.86)**	**(0.10)**

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

₹ in crore

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2020	As at March 31, 2019
1	Current Service Cost	-	-
2	Interest Cost	1.25	1.67
3	Interest Income on Plan Assets	-	-
4	Expected return on Plan Assets	(1.25)	(1.67)
5	Actuarial losses/(gains)	(0.76)	0.10
6	Actuarial gain/(loss) not recognised in Books	0.76	(0.10)
	Total (1 to 6)	-	-
i	Amount included in "employee benefits expenses"	-	-
ii	Amount included in as part of "finance cost'	-	-
iii	Amount included as part of "Other Comprehensive income"	-	-
	Total (i + ii + iii)	-	-

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

₹ in crore

Particulars	Provident Fund Plan	
	As at March 31, 2020	As at March 31, 2019
Opening balance of the present value of defined benefit obligation	15.72	24.07
Add : Assets acquired on acquisition	-	-
Add : Current Service Cost	-	-
Add : Interest Cost	1.25	1.67
Add : Actuarial (gains)/losses		
i) Actuarial (gains)/losses arising from changes in financial assumptions	-	-
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
iii) Actuarial (gains)/losses arising from changes in experience adjustments	-	-
Less : Benefits paid	(2.65)	(10.53)
Add : Contribution by the employer	-	-
Add : Liability assumed/(settled)*	-	0.51
Closing balance of the present value of defined benefit obligation	**14.32**	**15.72**

Note: 33 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in crore

Particulars	Provident Fund Plan	
	As at March 31, 2020	As at March 31, 2019
Opening balance of the fair value of the plan assets	15.82	24.27
Add : Assets acquired on acquisition	-	-
Add : interest income of plan assets	1.25	1.67
Add/(less) : Actuarial gains/(losses)		
Difference between actual return on plan assets and interest income	0.76	(0.10)
Add : Contribution by the employer	-	-
Add/(less) : Contribution by plan participants	-	-
Less : Benefits paid	(2.65)	(10.53)
Add: Assets acquired/(settled)*	-	0.51
Closing balance of plan assets	**15.18**	**15.82**

(e) The fair value of major categories of plan assets are as follows:

₹ in crore

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2020	As at March 31, 2019
1	Government of India Securities	7.12	7.53
2	Corporate Bonds	4.38	3.51
3	Special Deposit Scheme	0.65	0.82
4	Public Sector Unit Bond	2.44	3.48
5	Others	0.59	0.48

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2020	As at March 31, 2019
1	Discount rate for the term of the obligation	5.60%	6.90%
2	Average historic yield on the investment portfolio	8.81%	8.78%
3	Discount rate for the remaining term to maturity of the investment portfolio	6.60%	7.65%
4	Future derived return on assets	7.81%	8.03%
5	Guaranteed rate of return	8.25%	8.65%

(A) **Discount rate:**

The discount rate is based on the prevailing market yields of Indian government securities as at the valuation date for the estimated term of the obligations.

(B) **Average historic yield on the investment portfolio:**

The average rate of return earned on the investment portfolio of provident fund in the previous three years.

(C) **Expected investment return:**

Expected investment return is determined by adding the yield spread to the discount rate for a term of the obligation, where yield spread is the difference between the average historic yield on the investment portfolio & discount rate for the remaining term to maturity of the investment portfolio.

(D) **Guaranteed rate of return:**

The latest interest rate declared by the Regional Provident Fund Commissioner to its own subscribers.

*On account of business combination or inter group transfer

**Amount less than ₹ 1 lakh

Note: 34 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 -Leases

I) Transition Disclosure :

Reconcilation of operating lease commitments as at March 31, 2019 (under Ind AS 17) to the opening lease liability as at April 1, 2019 (under Ind AS 116)

₹ in crore

Particulars	April 1, 2019		
	Total Impact	External Impact	Within Group
Opening retained earning impact as on April 1, 2019			
Lease liability on transition date (A)	25.24	25.24	-
Right-of-Use assets as on transition date (net off accumulated depreciation)	22.49	22.49	-
Gross impact	(2.75)	(2.75)	-
Deferred tax	(0.69)	(0.69)	-
Opening retained earning impact (Net)	(2.06)	(2.06)	-
Profit & loss charge for existing leases			
As per Ind AS 17 (old standard)	9.71	9.71	-
Interest expense - As per Ind AS 116	2.49	2.49	-
Depreciation - As per Ind AS 116	7.80	7.80	-
Profit before tax impact	(0.58)	(0.58)	-
Reconciliation of operating lease commitments as at March 31, 2019 with lease liability as on April 1, 2019			
1. Existing Operating lease rental commitment (Present value for outstanding lease term for existing operating lease)	3.71	2.37	1.34
2. Lease commitments pertaining to short term leases	-	-	-
3. Lease commitments pertaining to low value leases	(2.66)	(1.32)	(1.34)
4. Impact of discounting of lease payments under Ind AS 116	(4.63)	(4.63)	-
5. Extension and termination options reasonably certain to be exercised	28.82	28.82	-
6. Commitments relating to leases previously classified as finance leases	-	-	-
Lease liability on transition date (1 + 2 + 3 + 4 + 5 + 6) (B)	25.24	25.24	-

II) Company as Lesseee

a) Operating Lease

i) The company has taken various assets on lease such as, plant and machinery, buildings, office premises, vehicles.Generally, leases are renewed only on mutual consent and at a prevalent market price.

ii) Details with respect to right of use assets:-

₹ in crore

Class of Assets	Opening as on April 1, 2019	Additions to right to use assets during 2019-20	Depreciation for 2019-20	Carrying amount as on March 31, 2020
Building / Office Premises	22.49	11.26	7.80	25.95

iii) Interest expense on lease liabilities amounts : ₹2.49 crore

iv) Expense relating to leases for which underlying asset is of low value is : ₹14.01 crore

v) Expense related to short-term leases is : ₹21.98 crore

vi) Expense related to variable lease payments : Nil

vii) Income from sub-leasing of right of use assets : ₹6.20 crore

b) Finance Lease : Not Applicable

Note: 34 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 -Leases

III) Company as Lessor

a) **Finance Lease**

i) The Company has given on finance leases certain items of plant and equipment. The leases have a primary period that is fixed and noncancellable and a secondary period. There are no exceptional/restrictive covenants in the lease agreement.There are no significant risks associated with rights that the Company retains in underlying assets.

ii) Maturity analysis of minimum undiscounted lease receivables and the present value of minimum lease payments receivable is as under:

₹ in crore

Particulars	As at March 31, 2020
Receivable not later than 1 year	25.42
Receivable later than 1 year but not later than 2 year	20.70
Receivable later than 2 year but not later than 3 year	4.85
Receivable later than 3 year but not later than 4 year	0.01
Receivable later than 4 year but not later than 5 year	-
Receivable later than 5 years	-
Gross investment in lease	50.98
Less: Unearned finance income	6.26
Present value of minimum lease payment receivable	44.72

iii) Finance lease income on net investment in lease recognised in statement of Profit & loss during the financial year 2019 20 : ₹6.47 crore

iv) Finance lease income relating to variable lease payments not depending on index/rate - NIL

v) Changes in carrying amount of net investment in finance lease

₹ in crore

Particulars	Current	Non Current	Total
Opening value of Lease Receivables as on April 1, 2019	29.20	50.98	80.18
Add: Finance lease income recognised in P&L	6.47	-	6.47
Less: Lease rental received (cash payment)	(35.67)	-	(35.67)
Add/Less: Change on account of any other factors	25.42	(25.42)	-
Closing value of Lease Receivables as on March 31, 2020	25.42	25.56	50.98

b) **Operating Lease :**

i) The company has given certain assets under operating lease. There are no significant risks associated with rights that the Company retains in underlying assets. Leases are renewed only on mutual consent and at a prevalent market price.

ii) Maturity analysis of undiscontinued lease receivables:

₹ in crore

Particulars	As at March 31, 2020
Receivable not later than 1 year	1.42
Receivable later than 1 year but not later than 2 year	0.46
Receivable later than 2 year but not later than 3 year	0.23
Receivable later than 3 year but not later than 4 year	-
Receivable later than 4 year but not later than 5 year	-
Receivable later than 5 years	-
Total	2.11

iii) Lease income recognised in Profit & Loss account (Other than variable lease payment) : ₹2.57 crore

iv) Lease income relating to variable lease payments not depending on index/rate : Nil

Disclosure pursuant to Ind AS 17 "Leases" (Applicable upto 31 March 2019)

(i) **Operating lease:**

(a) **Company as Leases:**

The Company has taken motor vehicles, furniture and fixtures and premises on operating leases. Lease payments recognized in the Statement of Profit and Loss during the year 31 March 2019 is ₹ 48.20 crore. The total of future minimum lease payments on non-cancellable operating lease as at March 31, 2019 are as follows:

₹ in crore

Particulars	As at 31 March, 2019
Not later than 1 year	3.39
Later than 1 year and not later than 5 years	0.32
Later than 5 years	-
Total	**3.71**

(b) **Company as Lessor:**

The Company has given motor vehicles, furniture and fixtures, office equipments, plant and machineries and computers under non-cancellable operating lease. The total of future minimum lease payment receivables on non-cancellable operating lease as at March 31, 2019 are as follows:

₹ in crore

Particulars	As at 31 March, 2019
Not later than 1 year	5.79
Later than 1 year and not later than 5 years	1.50
Later than 5 years	-
Total	**7.29**

(ii) **Finance lease**

(a) **Company as Lessor:**

The Company has given assets on finance lease to its customers with respective underlying assets/equipments as security. The details of gross investment, unearned finance income and present value of minimum lease payment receivable as at March 31, 2019 in respect of these assets are as under:

₹ in crore

Particulars	As at March 31, 2019	
	Minimum lease payment receivable	Present value of minimum lease payment receiavble
Not Later than 1 year	29.20	22.37
Later than 1 year and not later than 5 years	50.98	44.72
Later than 5 years	-	-
Gross investment in lease	**80.18**	**67.09**
Less: Unearned finance income	(13.09)	-
Present value of minimum lease payment receivable	**67.09**	**67.09**

Note: 35 Corporate Social Responsibility (CSR)

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year is ₹ 11.81 crore (previous year: ₹ 4.01 crore).

(a) The amount recognised as expense in the Statement of Profit and Loss on CSR related activities is ₹ 11.81 crore (previous year: ₹ 4.01 crore) (Refer note no. 31 of financial statements), which comprises of:

₹ in crore

Particulars	2019-20			2018-19		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(a) Amount spent during the year on:						
(i) Construction/ acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	11.81	-	11.81	4.01	-	4.01

Note: 36 Pursuant to the Employees Stock Options Scheme established by the holding company (i.e. L&T Finance Holdings Limited), stock options have been granted to the employees of the Company. Total cost incurred by the holding company in respect of options granted to employees of the company amounts, recovery of the same and future period expense details are following:

₹ in crore

Particulars	Total cost incurred by holding company (i.e. L&T Finance Holdings Limited)	Expense recovered by holding company till end of financial year	Expenses charged to Statement of Profit and Loss for the year	Remaining expenses to be recovered in future year
(A)	(B)	(C)	(D)	(E = B-C)
As at March 31, 2020	178.21	110.00	44.66	68.21
As at March 31, 2019	113.73	65.34	25.91	48.39

Note: 37 Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings Per Share"

Particulars		2019-20	2018-19
Basic Earning Per Share			
Profit after tax as per statement of profit and loss (₹ in crore)	A	366.29	845.96
Weighted average number of equity shares outstanding during the year (Nos.)	B	1,59,91,38,199	1,59,91,38,199
Basic Earning Per Share (₹)	**A/B**	**2.29**	**5.29**
Diluted Earning Per Share			
Profit after tax as per statement of profit and loss (₹ in crore)	A	366.29	845.96
Weighted average number of equity shares outstanding (Nos.)	B	1,59,91,38,199	1,59,91,38,199
Diluted Earning Per Share (₹)	**A/B**	**2.29**	**5.29**
Face value of shares (₹)		**10.00**	**10.00**

Note: 38 Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Contingent Liabilities:		
a) Claim against the Company not acknowledged as debt:		
- Income Tax matter in dispute*	0.71	0.71
- Sales tax/ VAT / Service Tax matter in dispute*	494.62	56.14
- Legal matter in dispute*	2.10	1.20
b) Bank Guarantees	29.69	22.27
c) Other monies for which the Company is contingently liable Liability towards Letter of Credit(net of margin money)	812.64	1,537.36
Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	88.85	82.20
b) Undisbursed Commitment	-	32.00

*In respect of disputes, the company is hopeful of succeeding in appeals and does not expect any significant liabilities to materialise.

Note: 39 Frauds committed against the company:

₹ in crore

Particulars	2019-20	2018-19
No. of cases of fraud which occurred during the year	161	44
Amount involved	1.38	0.64
Amount recovered	0.36	*0.00
Amount provided/loss	1.37	0.49

* Amount less than ₹1 lakh.

Note: 40 The Company has invoked pledge of equity shares and Non-convertible debentures ("NCD") in the following companies, pledged with the Company as collateral by the borrowers and these shares and NCD are being held by the Company as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding.

Sr. No.	Name of Company	Quantity held as bailee	
		As at March 31, 2020	As at March 31, 2019
i)	Saumya Mining Limited	5,13,012	5,13,012
ii)	SEW Vizag Coal Terminal Private Limited*	7,03,833	7,03,833
iii)	Bhushan Steel Limited	71,89,089	71,89,089
iv)	Sterling International Enterprises Limited	2,17,309	2,17,309
v)	Tulip Telecom Limited	14,01,762	14,01,762
vi)	Punj Lloyed Limited	5	5
vii)	Golden Tobacco Limited	10,000	10,000
viii)	Gujurat Highway Corporation Limited	70,000	70,000
ix)	Hindusthan National Glass & Industries Limited	34,04,499	34,04,499
x)	Automobile Corporation Of Goa	8,784	-
xi)	Bajaj Holdings And Investment Ltd	20,220	-
xii)	Kinetic Engineering Limited	17,556	-
xiii)	Motherson Sumi Systems Limited	91,125	-
xiv)	Munjal Showa Limited	25,000	-
xv)	NTPC Limited	19,000	-
xvi)	Reliance Capital	4,500	-
xvii)	State Bank Of India	10,000	-
xviii)	Tata Consultancy Services Limited	220	-
xix)	Tata Motors Limited - DVR	31,814	-
xx)	NTPC Limited (NCD)	16,300	-

**Shares held on behalf of L&T Infrastructure Finance Company Limited.*

Note: 41 Expenditure in foreign currency:

₹ in crore

Particulars	2019-2020	2018-2019
Professional Fees	0.68	1.48
License Fees	4.02	3.95
Business Promotion Expenses	0.02	-
Finance Cost	77.78	-

Note: 42 Dues to micro enterprises and small enterprises:

₹ in crore

Sr. No.	Particulars	2019-2020	2018-2019
i	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
ii.	the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
iii.	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
iv.	the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
v.	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

footnote: The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company. Based on the information available with the Company, as at the year end, there are no dues to micro and small Enterprises that are reportable under the MSMED Act, 2006.

Note: 43 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures" and pursuant to Ind AS 1 "Presentation of financial statements"
Maturity profile of financial assets and financial liabilities

₹ in crore

Particular	31-Mar-20			31-Mar-19		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
ASSETS:						
Financial assets						
Cash and cash equivalents	2,717.76	-	2,717.76	1,530.51	-	1,530.51
Bank Balance other than (a) above	676.61	7.95	684.56	0.89	29.68	30.57
Derivative financial instruments	-	141.74	141.74	7.20	-	7.20
Receivables						
Trade receivables	18.85	-	18.85	11.50	-	11.50
Other receivables	35.83	-	35.83	18.95	-	18.95
Loans	25,378.60	18,512.62	43,891.22	28,019.96	19,093.71	47,113.67
Investments	873.74	2,203.71	3,077.45	2,376.84	2,307.46	4,684.30
Other financial assets	49.91	16.50	66.41	102.97	4.57	107.54
Non-financial assets						
Current tax assets (net)	-	194.70	194.70	-	77.78	77.78
Deferred tax assets (net)	-	818.07	818.07	-	727.21	727.21
Property, plant and equipment	-	35.31	35.31	-	49.34	49.34
Intangible assets under development	-	44.56	44.56	-	18.48	18.48
Goodwill	-	566.70	566.70	-	1,131.41	1,131.41
Other intangible assets	-	134.67	134.67	-	214.71	214.71
Right of use assets	-	25.95	25.95	-	-	-
Other non-financial assets	75.09	47.85	122.94	59.81	53.74	113.55
Total Assets	29,826.39	22,750.33	52,576.72	32,128.63	23,708.09	55,836.72
LIABILITIES :						
Financial liabilities						
Payables						
Trade payables	31.40	-	31.40	86.03	-	86.03
Other payables	-	-	-	13.11	-	13.11
Debt securities	7,944.64	8,537.23	16,481.87	12,383.23	10,688.37	23,071.60
Borrowings (other than debt securities)	11,511.17	14,117.66	25,628.83	7,337.02	14,802.84	22,139.86
Subordinated liabilities	26.04	1,115.71	1,141.75	34.42	1,090.00	1,124.42
Lease liabilities	7.85	21.44	29.29	-	-	-
Other financial liabilities	243.85	-	243.85	406.66	-	406.66
Non-financial liabilities						
Current tax liabilities (net)	95.43	-	95.43	20.51	-	20.51
Provisions	28.17	-	28.17	21.74	-	21.74
Other non-financial liabilities	2.54	-	2.54	52.36	-	52.36
Total liabilities	19,891.09	23,792.04	43,683.13	20,355.08	26,581.21	46,936.29

Note: 44 Disclosure persuant to Ind AS 7 "Statement of Cash Flows"
Change in liabilities arising from financing activities:

₹ in crore

Particulars	April 1, 2018	Net Cash flows	Non - cash changes			March 31, 2019
			Changes in fair values	Exchange Difference	Others	
Debt securities	16,980.60	6,093.24	-	-	(2.24)	23,071.60
Borrowings (other than debt securities)	17,353.47	4,795.12	-	7.23	(15.96)	22,139.86
Subordinated liabilities	1,124.35	-	-	-	0.07	1,124.42
Total liabilities from financing activities	35,458.42	10,888.36	-	7.23	(18.13)	46,335.88

₹ in crore

Particulars	April 1, 2019	Net Cash flows	Non - cash changes			March 31, 2020
			Changes in fair values	Exchange Difference	Others	
Debt securities	23,071.60	(6,553.37)	-	-	(36.36)	16,481.87
Borrowings (other than debt securities)	22,139.86	3,224.26	-	248.86	15.85	25,628.83
Subordinated liabilities	1,124.42	26.00	-	-	(8.67)	1,141.75
Total liabilities from financing activities	46,335.88	(3,303.11)	-	248.86	(29.18)	43,252.45

Footnote: Others include mainly amortisation of Issue issue cost and changes in accrued interest.

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Note: 45 Disclosure pursuant to Ind AS 108 "Operating Segment"

The company has identified operating segments based on performance assessment and resource allocation by the management. Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly attributable to each reportable segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocated. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. As the operations of the Company are carried out within India, there are no geographical segments.

Rural Finance comprises of Farm Equipment Finance, Two Wheeler Finance, Micro Loans and Consumer Finance.

Housing Finance comprises of Home Loans, Loan against Property and Real Estate Finance.

Infrastructure Finance comprises of Infrastructure business.

Defocused Finance comprises of Structured Corporate Loans, Debt Capital Market, Commercial Vehicle Finance, Construction Equipment Finance, Supply Chain Finance, SME term loans and Leases.

₹ in crore

Sr. No.	Particulars	Year ended	
		March 31, 2020	March 31, 2019
	Gross segment revenue from continuing operations		
a	Rural Finance	5,308.80	4,066.35
b	Housing Finance	1,522.91	1,086.92
c	Infrastructure Finance	1,042.08	795.07
d	Defocused Finance	572.32	1,234.47
	Revenue as per the statement of profit and loss	**8,446.11**	**7,182.81**
	Segment Result (Profit/(loss) before tax)		
a	Rural Finance	1,225.87	1,127.33
b	Housing Finance	585.98	478.18
c	Infrastructure Finance	222.60	204.51
d	Defocused Finance	(567.02)	146.53
e	Unallocated *	(653.47)	(653.47)
	Profit before tax	**813.96**	**1,303.08**

Sr. No.	Particulars	As at	
		March 31, 2020	March 31, 2019
	Segment assets		
a	Rural Finance	28,491.28	25,517.39
b	Housing Finance	11,293.39	11,435.43
c	Infrastructure Finance	6,515.13	7,810.87
d	Defocused Finance	4,609.69	8,961.11
	Subtotal	**50,909.49**	**53,724.80**
e	Unallocated **	1,667.23	2,111.92
	Total assets	**52,576.72**	**55,836.72**
	Segment liabilities		
a	Rural Finance	24,613.01	22,181.29
b	Housing Finance	9,442.29	9,940.38
c	Infrastructure Finance	5,575.92	7,004.56
d	Defocused Finance	3,956.48	7,789.55
	Subtotal	**43,587.70**	**46,915.78**
e	Unallocated ***	95.43	20.51
	Total liabilities	**43,683.13**	**46,936.29**

*Unallocated represents goodwill and Distribution and customer network right amortization

**Unallocated represents advance/tax deducted (net), deferred tax asset (net) and goodwill and Distribution and customer network right amortization

***Unallocated represents tax liabilities

Note : 46 Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/(income):

₹ in crore

Sr. No.	Particulars	2019-20	2018-19
	Statement of Profit and Loss:		
(a)	Profit and Loss section:		
	(i) Current tax :		
	Current tax expense for the year	507.92	488.47
	Tax expense in respect of earlier years	-	-
		507.92	**488.47**
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	(263.65)	(31.35)
	Effect on deferred tax balances due to the change in income tax rate (refer footnote)	203.40	-
		(60.25)	**(31.35)**
	Income tax expense reported in the statement of profit or loss[(i)+(ii)]	**447.67**	**457.12**
(b)	Other Comprehensive Income (OCI) Section:		
	(i) Items that will not be reclassified to profit or loss in subsequent years:		
	(A) Current tax expense/(income):	-	-
	(B) Deferred tax expense/(income):		
	On re-measurement of the defined benefit plans	(1.13)	(0.54)
		(1.13)	**(0.54)**
	(ii) Items that will be reclassified to profit or loss in subsequent years:		
	(A) Current tax expense/(income):	-	-
	(B) Deferred tax expense/(income):		
	On gains and loss on hedging instruments in a cash flow hedge	(29.73)	-
	On gain/(loss) on fair value of debt securities	-	-
		(29.73)	**-**
	Income tax expenses reported in the other comprehensive income [i+ii]	**(30.86)**	**(0.54)**
(c)	**Other directly reported in balance sheet (opening retained earning):**		
	Current tax expense	-	-
	Deferred tax (assets)/liabilities		
	-Transition impact of Ind-AS 116	(0.69)	-
	Income tax expense reported directly in balance sheet	**(0.69)**	**-**

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

₹ in crore

Sr. No.	Particulars		2019-20	2018-19
(a)	Profit before tax		813.96	1,303.08
(b)	Corporate tax rate as per Income tax Act, 1961		25.168%	34.944%
(c)	Tax on accounting profit	(c)=(a)*(b)	204.86	455.35
(d)	(i) Tax on Income exempt from tax :			
	(A) Deduction of Special reserve u/s 36(1)(viii) of the Income Tax Act, 1961		(6.93)	(7.46)
	(B) Deduction u/s 80JJA of the Income Tax Act, 1961		(10.13)	-
	(ii) Tax on Income which are taxed at different rates		(9.16)	(1.97)
	(iii) Tax on non deductible expenses:			
	(A) Corporate Social Responsibility (CSR) expenses		1.65	0.74
	(B) Provision for dimunition of investments		63.76	1.68
	(iv) Tax effect of reversal of deferred tax asset (MTM investments) recognised in earlier year		-	9.79
	(v) Tax effect on various other items		0.22	(1.01)
	Total effect of tax adjustments [(i) to (v)]		**39.41**	**1.77**
(e)	**Tax expense (before one-time deferred tax impact)**	(e)=(c)+(d)	**244.27**	**457.12**
(f)	**Effective tax rate (before one-time deferred tax impact)**	(f)=(e)/(a)	30.01%	35.08%
(g)	Effect on deferred tax due to change in Income tax rate (Refer footnote)		203.40	-
(h)	**Tax expense recognised during the year**	(h)=(e)+(g)	**447.67**	**457.12**
(i)	**Effective tax rate**	(i)=(h)/(a)	55.00%	35.08%

footnote: The recently promulgated Taxation Laws (Amendment) Ordinance 2019, has inserted section 115BAA in the Income Tax Act, 1961, providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/ incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961, for assessment year (AY) 2020-21 or subsequent AYs. Once exercised, such an option cannot be withdrawn for the same or subsequent AYs.

These financial statement are prepared on the basis that the Company would avail the option to pay income tax at the lower rate. Consequently, the opening deferred tax asset (net) has been measured at the lower rate, with a one-time corresponding charge of ₹203.40 crore to the Statement of Profit and Loss.

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(c) (i) Unused tax losses and unused tax credits for which no deferred tax asset is recognised in Balance sheet

Particulars	As at March 31, 2020		As at March 31, 2019	
	₹ in crore	Expiry year	₹ in crore	Expiry year
Tax losses (Business loss and unabsorbed depreciation)				
- Amount of losses having expiry	-	-	-	-
- Amount of losses having no expiry	-	-	-	-
Tax losses (Capital loss)	-	-	-	-
Unused tax credits [Minimum Alternate Tax (MAT) credit not recognised]	-	-	-	-
Total	-		-	

(c) (ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet

₹ in crore

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
(a)	Towards provision for diminution in value of investments	366.31	55.37
(b)	Arising out of upward revaluation of tax base of assets (on account of indexation benefit)	-	-
(c)	Other items	-	-
	Total	**366.31**	**55.37**

(d) Major components of deferred tax liabilities and deferred tax assets:

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at March 31, 2018	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities/ (assets) as at March 31, 2019
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	45.59	(24.03)	-	-	21.56
-Unamortised borrowing cost	2.12	(1.31)	-	-	0.81
-Other items giving rise to temporary differences	22.64	0.39	-	-	23.03
Net deferred tax liabilities	70.35	(24.95)	-	-	45.40
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss	(691.69)	52.32	-	-	(639.37)
-Provision on trade receivables	-	-	-	-	-
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(27.78)	11.15	-	-	(16.63)
-Fair value of investments	(11.94)	0.35	-	-	(11.59)
-Defined benefit obligation (Gratuity and Leave encashment)	(4.13)	(2.94)	(0.54)	-	(7.60)
-Amortisation of expenditure incurred for amalgamation	(5.94)	1.98	-	-	(3.96)
Liability for expenses	(7.64)	(2.87)	-	-	(10.51)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(16.38)	(66.57)	-	-	(82.95)
-Other items giving rise to temporary differences	(0.18)	0.18	-	-	-
Net Deferred tax (assets)	(765.68)	(6.40)	(0.54)	-	(772.61)
Net deferred tax liability/(assets)	(695.33)	(31.35)	(0.54)	-	(727.21)

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at March 31, 2019	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/(credit) directly in balance sheet (Opening retained earning)	Deferred tax liabilities/ (assets) as at March 31, 2020
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	21.56	(11.08)	-	-	10.48
-Unamortised borrowing cost	0.81	(0.66)	-	-	0.15
-Other items giving rise to temporary differences	23.03	2.77	-	-	25.80
Net deferred tax liabilities	45.40	(8.97)	-	-	36.43
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss	(639.37)	(5.35)	-	-	(644.72)
-Provision on trade receivables	-	(2.21)	-	-	(2.21)
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(16.63)	9.12	-	-	(7.51)
-Fair value of investments	(11.59)	(7.30)	-	-	(18.89)
-Defined benefit obligation (Gratuity and Leave encashment)	(7.60)	1.64	(1.13)	-	(7.09)
-Amortisation of expenditure incurred for amalgamation	(3.96)	2.53	-	-	(1.43)
-Fair valuation of derivative financial instrument	-	-	(29.73)	-	(29.73)
-Impact on account of Ind AS 116 – Leases	-	(0.15)	-	(0.69)	(0.84)
-Liability for expenses	(10.51)	1.31	-	-	(9.20)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(82.95)	(50.87)	-	-	(133.82)
Net Deferred tax (assets)	(772.61)	(51.28)	(30.86)	(0.69)	(855.44)
Net deferred tax liability/(assets)	(727.21)	(60.25)	(30.86)	(0.69)	(819.01)

Note 47: Risk Management

Basis

Great importance is attached to the identification, measurement and control of risks. All employees of the Company are responsible for the management of risk, with the ultimate accountability residing with the Board of Directors. The Board of Directors and its Risk Management Committee ensure that Management takes into consideration all the relevant risk factors which could lead to unexpected fluctuations in results or to a loss of capital employed. Recommendations for risk control measures are derived from the evaluation of the risk factors. Certain risks are also recognised as opportunities. The aim in such cases is to achieve an appropriate balance between the possible losses which might result and the potential gains. Risks which primarily represent loss potential are minimised. This helps in aligning the risk appetite to the Company's strategy to deliver sustainable, long term returns to its investors.

The risks are reviewed periodically every quarter.

Types of risk

As a lending non-banking financial company, the most important risks it is faced with are the following:

- Credit risk
- Market risk
- Capital risk

Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers or counterparties fail to fulfil their contractual obligations to the Company.

Credit risk arises mainly from wholesale and retail loans and advances and loan commitments arising from such lending activities; but could also arise from credit enhancement provided, such as financial guarantees and letters of credit. The Company is also exposed to other credit risks arising from investments in debt securities and exposures arising from its trading activities ("Trading Exposures") as well as settlement balances with market counterparties.

Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk. A centralised risk management function oversees the risk management framework, which periodically presents an overview of credit risk of portfolio to the Risk Management Committee.

Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time. Internal credit rating is used as an important tool to manage exposures of the Wholesale segment. Ratings provides a consistent and common scale for measurement of components of credit risk of a loan asset including the Probability of Default (PD) across products and sectors. Credit rating model takes into account critical success parameters relevant for each industry, competitive forces within the industry as well as regulatory issues while capturing financial parameters, management strengths, project parameters etc. of the borrower. These ratings are reviewed at least once annually.

Loans and advances (including loan commitments and guarantees)

The estimation of credit exposure for risk management purposes is complex, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring and of the associated loss ratios. The Company measures credit risk for each class of loan assets using inputs such as Probability of Default ("PD") and Loss Given Default ("LGD"). This is similar to the approach used for the purposes of measuring Expected Credit Loss ("ECL") under Ind AS 109.

Wholesale and retail portfolios are managed separately to reflect the differing nature of the assets; wholesale balances tend to be larger and are managed on an individual basis, while retail balances are greater in number but lesser in value and are, therefore, managed in aggregated segments.

Infrastructure Finance and Housing Real Estate

The Company uses internal credit risk grading (17 levels for loans which are not credit impaired and 1 level for loans considered to be credit impaired) that reflect its assessment of the PD of individual counterparties in respect of its Wholesale segment. The Company use internal rating models tailored to the various categories of counterparties. Borrower and loan specific information collected at the time of application (such as turnover and industry type for wholesale exposures) and judgement based on market intelligence on the sector or the specific borrower is used in assigning the rating. The Company's own internal ratings were benchmarked against the last published cumulative default rates for 1 year and 3 year periods as published annually by CRISIL for Stage 1 and Stage 2 loan assets.

The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between a AAA and A- rating grade is lower than the difference in the PD between a BBB and B- rating grade.

Management also assesses the impact of economic developments in key markets on specific customers, customer segments or portfolios. If changes in credit conditions are foreseen, mitigation action, including the revision of risk appetites or limits and tenors, as appropriate are taken.

Retail (Farm Equipment Finance, Two-Wheeler Loans, Micro Loans and Others) and Housing (Loans Against Property)

The Company has deployed standardised credit decision rules, as approved by the designated officials for the specific product. The rules are regularly monitored to ensure that the changes in the economic environment have been factored into the credit decision rules.

Trading Exposures

For debt securities in the trading portfolio, external rating agency credit grades are used for evaluating the credit risk.

Expected Credit Loss ('ECL')

The Company prepares its financial statements in accordance with the IND AS framework.

As per the recent RBI notification on acceptance of IND AS for regulatory reporting, the Company computes provision as per IND AS 109 as well as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). Where impairment allowance in aggregate for the Company under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning) for the Company, the difference is appropriated from net profit or loss after tax to a separate 'Impairment Reserve'. Any withdrawals from this reserve shall be done only with prior permission from the RBI.

ECL allowances recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability weighted basis, based on certain economic scenarios. The recognition and measurement of ECL involves use of significant judgement and estimation. Forward looking economic forecasts are used in developing the ECL estimates. Three scenarios sufficient to calculate unbiased ECL were used - representing the "most likely outcome" (the "Central" scenario) and two "less likely outcome" scenarios (the "Upside" and "Downside" scenarios). Probability weights are assigned to each scenario. The Central scenario is based on the Company outlook of GDP growth, inflation, unemployment and interest rates for India and most relevant for the Company's loan portfolio. The Upside and Downside scenarios generated at the reporting dates are designed to cover cyclical changes and are updated during the year only if the economic conditions change significantly. Given the uncertainties arising from the COVID 19 pandemic, the ECL allowance as of March 31, 2020, is measured based on the Downside scenario.

Management oversees the estimation of ECL including:

i. setting requirements in policy, including key assumptions and the application of key judgements;
ii. the design and execution of models; and
iii. review of ECL results.

As required by Ind AS 109, a 'three-stage' model for impairment based on changes in credit quality since initial recognition was built as summarised below:

- A loan asset that is not credit-impaired, on initial recognition, is classified in 'Stage 1' and has its credit risk continuously monitored by Management.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the loan asset is moved to 'Stage 2' but is not yet deemed to be credit-impaired. (See note 1.13 for a description of how the Company determines when a significant increase in credit risk has occurred).
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. (See note 1.13 for a description of how the Company defines credit-impaired and default).

The following are additional considerations for each type of portfolio held by the Group:

Infrastructure Finance and Housing (Real Estate)

For wholesale business, the PD estimated based on the internal credit rating assigned to the borrower as explained above. Updated or new information/credit assessments for credit risk evaluation are incorporated on an ongoing basis. In addition, information about the creditworthiness of the borrower is updated every year from sources such as financial statements. This will determine the updated internal credit rating and PD. The internal ratings based PD has been benchmarked to the Cumulative Default Rates for 1 year and 3 year periods as published annually by CRISIL.

The Exposure at Default ("EAD") is measured at the amortised cost as at the reporting date, after considering repayments of principal and interest received in advance -

The Company, in determining its Loss Given Default ("LGD") estimates, for Stage 3 loan assets as of the reporting date, has used cash flow estimates based on inputs provided by assigned business managers and external corroborating information including amounts realised on resolution of cases referred to the National Company Law Tribunal ("NCLT") under the Insolvency and Bankruptcy Code, 2016.

The Company has carried out a historical analysis of loss experience for all closed and live defaulted (Stage 3) borrowers over the previous 5 years.

Retail (Farm Equipment Finance, Two-Wheeler Loans, Micro Loans and Others) and Housing (Loans against Property)

Retail lending credit quality is determined on a collective basis based on a 12-month point in time ("PIT") probability weighted PD.

A centralised impairment model summarises the historical payment behaviour of the borrowers within a retail portfolio which data is used to build the PD estimates. For estimating PD, information on days-past-due and month-on-book (vintage) (for certain products) form key differentiating characteristics. The weighted average is determined (using count of customers as the weight) from quarterly snapshots.

For credit impaired loan assets LGD is computed based on actual history of loss (on settlement/repossession and disposal of security/ enforcement action) from the same historical quarterly snapshots. The loss divided by the principal outstanding at the time of default is the loss ratio for a credit impaired loan asset in a specific snapshot. The weighted average of loss ratios (using the principal outstanding in respect of such credit impaired loan assets in the corresponding snapshot as the weight) was used to determine the LGD ratio for credit impaired loan assets.

The PD and LGD ratio was used along with respective EAD adjustment factor to arrive at the ECL for all stages of loan assets.

Exposure at Default (EAD)

EAD is the amortised cost as at the period end, after considering repayments of principal and interest received in advance.

Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The Company's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Financial assets						
Equity instruments (Associate)	176.50	-		176.50	-	
Total financial assets at cost	**176.50**	-		**176.50**	-	
Cash and cash equivalent and other bank balances	3,402.32	-		1,561.08	-	
Loans and advances at amortised cost	32,699.31	-	Refer footnote below	34,828.40	-	Refer footnote below
Debt instruments	-	-		1,643.54	-	
Trade receivables	18.85	-		11.50	-	
Other receivables	35.83	-		18.95	-	
Other financial assets	66.41	-		107.54	-	
Total financial assets at amortised cost	**36,222.72**	-		**38,171.01**	-	
Derivative financial instruments	-	-		7.20	-	
Financial assets at fair value through profit or loss	12,916.28	-		12,860.38	-	
Total financial instruments at fair value through profit or loss	**12,916.28**	-		**12,867.58**	-	
Derivative financial instruments	141.74	-		-	-	
Financial instruments at fair value through Other Comprehensive Income	1,176.58	-		2,289.15	-	
Total financial instruments at fair value through Other Comprehensive Income	**1,318.32**	-		**2,289.15**	-	
Total on-balance sheet	**50,633.82**	-		**53,504.24**	-	
Off balance sheet						
Contingent liabilities	1,318.97	-		1,617.68	-	
Other commitments	88.85	-		114.20	-	
Total off-balance sheet	**1,407.82**	-		**1,731.88**	-	
Total	**52,041.64**	-		**55,236.12**	-	

Footnote

(i) Retail loans, other than unsecured loans aggregating ₹ 14,828.70 crore as of March 31, 2020, are generally secured by a charge on the asset financed (farm equipment loans, two-wheeler loans and loans against property) (as of March 31, 2019: ₹ 12,911.95 crore). If the customer fails to pay, the Company would, as applicable, liquidate collateral and/or set off accounts. For most products, the Company obtains direct debit instructions or post-dated cheques from the customer. It is a criminal offence in India to issue a bad cheque.

(ii) Infrastructure Finance and Housing Real Estate loans are secured with current assets as well as immovable property and property, plant and equipment in some cases. However, collateral securing each individual loan may not be adequate in relation to the value of the loan. If the customer fails to pay, the Group would, as applicable, liquidate collateral and/or set off accounts. For most products, the Group obtains direct debit instructions or post-dated cheques from the customer. It is a criminal offence in India to issue a bad cheque.

Of the unmitigated on balance sheet exposure, a significant portion relates to cash held with banks, settlement balances, and debt securities issued by governments all of which are considered to be lower risk.

Besides growth in the loan assets portfolio, increases in trading portfolio assets and financial assets at fair value through the Statement of Profit and Loss have also contributed to the increase in the Company's net exposure to credit risk. Investments in debt instruments are predominantly investment grade.

Where collateral has been obtained in the event of default, the Company does not, ordinarily, use such assets for its own operations and they are usually sold and off set against the outstanding loan assets.

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The Company has invoked pledge of equity shares and Non-convertible debentures ("NCD") in the following companies, pledged with the Company as collateral by the borrowers and these shares and NCD are being held by the Company as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding.

Sr. No.	Name of Company	Quantity held as bailee	
		As at March 31, 2020	As at March 31, 2019
i)	Saumya Mining Limited	5,13,012	5,13,012
ii)	SEW Vizag Coal Terminal Private Limited*	7,03,833	7,03,833
iii)	Bhushan Steel Limited	71,89,089	71,89,089
iv)	Sterling International Enterprises Limited	2,17,309	2,17,309
v)	Tulip Telecom Limited	14,01,762	14,01,762
vi)	Punj Lloyed Limited	5	5
vii)	Golden Tobacco Limited	10,000	10,000
viii)	Gujurat Highway Corporation Limited	70,000	70,000
ix)	Hindusthan National Glass & Industries Limited	34,04,499	34,04,499
x)	Automobile Corporation Of Goa	8,784	-
xi)	Bajaj Holdings And Investment Ltd	20,220	-
xii)	Kinetic Engineering Limited	17,556	-
xiii)	Motherson Sumi Systems Limited	91,125	-
xiv)	Munjal Showa Limited	25,000	-
xv)	NTPC Limited	19,000	-
xvi)	Reliance Capital	4,500	-
xvii)	State Bank Of India	10,000	-
xviii)	Tata Consultancy Services Limited	220	-
xix)	Tata Motors Limited – DVR	31,814	-
xx)	NTPC Limited (NCD)	16,300	-

**Shares held on behalf of L&T Infrastructure Finance Company Limited.*

Concentration of exposure

Concentrations of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in the same geographical areas or industry sectors so that their collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions. The Company has established a diversified borrower base and as at March 31, 2020. The Company has put in place a framework of Risk Limits, which are monitored on a quarterly basis to ensure that the overall portfolio is steered within the approved limits to minimize concentration risk. The Risk Limits cover risk of concentration to a particular geography, industry, Company/borrower or revenue counterparty of the borrowers etc. as are relevant to the respective product.

Market Risk Management

Liquidity Risk:

The risk that the Company is unable to service its contractual or contingent liabilities or that it does not have the adequate amount of funding and liquidity to support its committed disbursements.

Liquidity risk management in the Company is managed as per the guidelines of Board-approved Asset-Liability Management ('ALM') Policy. The ALM Policy provides the governance framework for the identification, measurement, monitoring and reporting of liquidity risk arising out of Company's lending and borrowing activities. The liquidity risk is measured in terms of structural liquidity gaps across various time-buckets and also by setting up limits on relevant liquidity stock ratios. Actual liquidity gaps against the Gap Limits are reported every month to the Asset Liability Management Committee ('ALCO'). Given the current market scenario, the Company has been maintaining positive cumulative liquidity gaps for all the time-buckets upto 1 year as a prudent risk management practice.

The Company also periodically undertakes liquidity stress testing under various liquidity stress scenarios. It maintains liquidity buffer for survival period of 30 days in the forms of High Quality Liquid Assets under 1-in-10 liquidity stress scenario, wherein hair-cut of 40% on undrawn bank lines and collection shortfall of 15% is assumed. To effectively manage the fallout of the COVID-19 pandemic related RBI measures on its funding and liquidity, the Company has been continuously maintaining higher level of liquidity buffer as a safeguard against any likely disruption in the funding and market liquidity.

Additionally, the Company has line of credit from the ultimate parent, Larsen & Toubro Limited.

Further, Reserve Bank of India has issued final guidelines on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies on November 04, 2019. As per the said guidelines, NBFC are required to publicly disclose the below information related to liquidity risk on a quarterly basis. Accordingly, the disclosure on liquidity risk as at March 31, 2020 is as under:

(i) Funding Concentration based on significant counterparty

Sr. No.	No. of Significant Counterparties	Amount (₹ crore)	% of Total Deposits	% of Total Liabilities
1	27	30,688.22	N.A.	67.16%

Notes:

- A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs
- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines

(ii) Top 20 large deposits (amount in ₹ crore and % of total deposits) – Not Applicable

(iii) Top 10 borrowings :

Amount (₹ crore)	% of Total Borrowings
19,506.91	46.00%

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Note:

- Total Borrowing has been computed as Gross Total Debt basis extant regulatory ALM guidelines.

(iv) Funding Concentration based on significant instrument / product

Sr. No.	Name of the product	Amount (₹ crore)	% of Total Liabilities
1	Term Loans	13,762.56	30.12%
2	Private Non-Convertible Debentures	10,665.15	23.34%
3	Working Capital Bank Lines	8,121.85	17.77%
4	Commercial Papers	2,475.00	5.42%
5	Public Non-Convertible Debentures	3,907.87	8.55%
6	External Commercial Borrowings	2,588.58	5.67%
7	Inter corporate Deposits	885.64	1.94%
	Total	**42,406.65**	**92.81%**

Note:

- A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
- Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus and computed basis extant regulatory ALM guidelines.

(v) Stock Ratios:

Sr. No.	Stock Ratio	%
1	Commercial papers as a % of total liabilities	5.42%
2	Commercial papers as a % of total assets	4.53%
3	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%
4	Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%
5	Other short-term liabilities as a % of total liabilities	24.31%
6	Other short-term liabilities as a % of total assets	20.35%

Note:

- Commercial Paper for stock ratio is the Gross outstanding (i.e. Maturity amount).
- Other Short-term Liabilities has been computed as Total Short-term Liabilities less Commercial paper less Non-convertible debentures (Original maturity of less than one year), basis extant regulatory ALM guidelines.

(vi) Institutional set-up for Liquidity Risk Management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed to in the course of conducting its business. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at quarterly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a month or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/approval/ratification.

Foreign Exchange Rate Risk:

In the normal course of its business, the Company does not deal in foreign exchange in a significant way. Any significant foreign exchange exposure on account of foreign exchange borrowings is fully hedged to safeguard against exchange rate risk.

Interest Rate Risk:

Interest rate risk is the risk where changes in market interest rates affect the Company's financial position due to change in its Net Interest Income (NII). To mitigate interest rate risk, ALM Policy of the Company stipulates Interest Rate Sensitive Gaps for all the time-buckets. Interest Rate Sensitivity Statement is prepared every month and placed before ALCO. The Statement captures the Rate Sensitive Gaps i.e. the mismatch between the Rate Sensitive Assets and Liabilities, in various time buckets. The impact of different types of changes in the yield curve on the earnings for the entire Group of which the Company is a component are also measured every month and captured in the Risk Dashboard.

Security Prices:

The Company manages investment portfolios comprising of government securities, corporate bonds and debentures. To safeguard against the credit risk and interest rate risk in the investment portfolios, risk limits in the form of portfolio size limits, concentration limits and stop loss limit are stipulated. To provide early warning indicators, alarm limits have also been put in place. Reporting periodicity and escalation matrix upon the breach of alarm limits as well as risk limits have been clearly defined. The Company does not invest in Equity stocks and therefore is not exposure to equity price risk on this account.

Note: 47.1 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Expected credit loss - Loans:

₹ in crore

Particulars		As at March 31, 2020			As at March 31, 2019		
		Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision	Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	30,167.59	418.73	29,748.86	33,597.80	397.97	33,199.83
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	1,953.39	167.93	1,785.46	1,127.47	106.13	1,021.34
	Financial assets for which credit risk has increased significantly and credit impaired	2,991.12	1,826.13	1,164.99	1,845.98	1,238.75	607.23
Total		35,112.10	2,412.79	32,699.31	36,571.25	1,742.85	34,828.40

Note: 47.2 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(b) Reconciliation of loss allowance provision - Loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on March 31, 2018	**216.19**	**56.99**	**1,692.95**	**1,966.13**
New assets originated or purchased	306.85	32.22	122.11	461.18
Amount written off	-	-	(856.46)	(856.46)
Transfers to Stage 1	21.73	(13.50)	(8.23)	-
Transfers to Stage 2	(2.75)	5.06	(2.31)	-
Transfers to Stage 3	(4.41)	(4.32)	8.73	-
Impact on year end ECL of Exposure transferred between stages during the year	(16.22)	46.39	324.95	355.12
Increase/ (Decrease) provision on existing financial assets including recovery	(123.42)	(16.71)	(42.99)	(183.12)
ECL as on March 31, 2019	**397.97**	**106.13**	**1,238.75**	**1,742.85**
New assets originated or purchased	297.32	33.44	74.49	405.25
Amount written off	(1.61)	-	(815.56)	(817.17)
Transfers to Stage 1	6.72	(1.78)	(4.94)	-
Transfers to Stage 2	(11.37)	13.12	(1.76)	-
Transfers to Stage 3	(22.18)	(74.47)	96.64	-
Impact on year end ECL of Exposure transferred between stages during the year	(6.20)	63.57	1,059.65	1,117.03
Increase/ (Decrease) provision on existing financial assets including recovery	(241.92)	27.91	178.84	(35.17)
ECL as on March 31, 2020	**418.73**	**167.93**	**1,826.13**	**2,412.79**

(c) Reconciliation of Gross carrying amount - Loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on March 31, 2018	**28,956.17**	**1,108.60**	**2,595.77**	**32,660.54**
New assets originated or purchased	22,253.29	351.72	179.82	22,784.83
Amount written off	-	-	(856.46)	(856.46)
Transfers to Stage 1	161.65	(142.02)	(19.63)	-
Transfers to Stage 2	(407.12)	412.00	(4.88)	-
Transfers to Stage 3	(482.58)	(134.58)	617.16	-
Net recovery	(16,883.61)	(468.25)	(665.80)	(18,017.66)
Gross carrying amount as on March 31, 2019	**33,597.80**	**1,127.47**	**1,845.98**	**36,571.25**
New assets originated or purchased	18,775.34	493.53	117.12	19,385.99
Amount written off	(22.96)	-	(825.99)	(848.95)
Transfers to Stage 1	115.93	(103.55)	(12.38)	-
Transfers to Stage 2	(1,295.78)	1,299.93	(4.15)	-
Transfers to Stage 3	(1,691.66)	(485.33)	2,176.98	-
Net recovery	(19,311.09)	(378.67)	(306.43)	(19,996.19)
Gross carrying amount as on March 31, 2020	**30,167.59**	**1,953.39**	**2,991.12**	**35,112.10**

Note: 47.3 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

₹ in crore

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
I	**Measured at fair value through profit or loss (FVTPL):**		
	(i) Investment in equity instruments	2.05	7.75
	(ii) Investment in preference shares	0.68	4.55
	(iii) Investment in bonds/debentures	59.48	59.48
	(iv) Investment in mutual funds	5.02	40.09
	(v) Investment in security receipt	1,555.62	279.48
	(vi) Investment in units of fund	101.52	183.77
	(vii) Loans	11,191.91	12,285.27
	(viii) Derivative financial instruments	-	7.20
	Sub-total (I)	**12,916.28**	**12,867.59**
II	**Measured at amortised cost:**		
	(i) Loans	32,699.31	34,828.40
	(ii) Trade receivables	18.85	11.50
	(iii) Other receivables	35.83	18.95
	(iv) Other financial assets	66.41	107.54
	(v) Cash and cash equivalents and bank balances	3,402.32	1,561.08
	(vi) Investment in government securities	-	1,643.53
	Sub-total (II)	**36,222.72**	**38,171.00**
III	**Measured at fair value through other comprehensive income (FVTOCI):**		
	(i) Investment in bonds/Debentures	1,137.88	2,243.12
	(ii) Investment in government securities	-	37.62
	(iii) Investment in equity instruments	31.61	-
	(iv) Investment in pass through certificates	7.09	8.41
	(v) Derivative financial instruments	141.74	-
	Sub-total (III)	**1,318.32**	**2,289.15**
	Total (I+II+III)	**50,457.32**	**53,327.74**

(b) Category-wise classification for applicable financial liabilities:

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
I	**Measured at fair value through profit or loss (FVTPL):**		
	(i) Derivative instruments not designated as cash flow hedges	-	-
	Sub-total (I)	-	-
II	**Measured at amortised cost:**		
	(i) Debt securities	16,481.87	23,071.60
	(ii) Borrowings (other than debt securities)	25,628.83	22,139.86
	(iii) Subordinated liabilities	1,141.75	1,124.42
	(iv) Trade payables	31.40	86.03
	(v) Other payables	-	13.11
	(vi) Lease liabilities	29.29	-
	(vii) Other financial liabilities	243.85	406.66
	Sub-total (II)	**43,556.99**	**46,841.68**
III	**Measured at fair value through other comprehensive income (FVTOCI):**	-	-
	Sub-total (III)	-	-
	Total (I+II+III)	**43,556.99**	**46,841.68**

Note: 47.4 : Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(c) Fair value of financial assets and financial liabilities measured at amortised cost:

₹ in crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Loans	32,699.31	32,699.31	34,828.40	34,828.40
Investment in government securities	-	-	1,643.54	1,710.43
Total	32,699.31	32,699.31	36,471.94	36,538.83
Financial liabilities:				
Debt Securities	16,481.87	16,662.34	23,071.60	23,247.75
Borrowings (other than debt securities)	25,628.83	25,718.27	22,139.86	22,133.77
Subordinated liabilities	1,141.75	1,179.34	1,124.42	1,131.56
Lease liabilities	29.29	29.29	-	-
Total	43,281.74	43,589.24	46,335.88	46,513.08

The carrying amounts of cash & cash equivalents, bank balance, trade receivables, other receivables, other financial assets, trade payables, other payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

(d) Disclosure pursuant to Ind AS 113 "Fair Value Measurement" - Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:

₹ in crore

As at March 31, 2020	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	32,699.31	32,699.31	Discounted cashflow approach
Investment in government securities	-	-	-	-	
Total financial assets	-	-	32,699.31	32,699.31	
Financial liabilities:					
Debt Securities	-	-	16,662.34	16,662.34	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	25,718.27	25,718.27	Discounted cashflow approach
Subordinated liabilities	-	-	1,179.34	1,179.34	Discounted cashflow approach
Lease liabilities	-	-	29.29	29.29	Discounted cashflow approach
Total financial liabilities	-	-	43,589.24	43,589.24	

₹ in crore

As at March 31, 2019	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	34,828.40	34,828.40	Discounted cashflow approach
Investment in government securities	-	1,710.43	-	1,710.43	
Total financial assets	-	1,710.43	34,828.40	36,538.83	
Financial liabilities:					
Debt Securities	-	-	23,247.75	23,247.75	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	22,133.77	22,133.77	Discounted cashflow approach
Subordinated liabilities	-	-	1,131.56	1,131.56	Discounted cashflow approach
Lease liabilities	-	-	-	-	
Total financial liabilities	-	-	46,513.08	46,513.08	

Note: 47.5

Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

₹ in crore

Particulars	As at March 31, 2020				As at March 31, 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets:								
Financial assets at fair value through profit and loss:								
Investments								
- Equity instruments	2.05	-	-	2.05	5.62	-	2.13	7.75
- Preference shares	-	-	0.68	0.68	-	-	4.55	4.55
- Bonds and debentures	-	-	59.48	59.48	-	-	59.48	59.48
- Mutual funds	5.02	-	-	5.02	40.09	-	-	40.09
- Security receipts	-	-	1,555.62	1,555.62	-	-	279.48	279.48
- Units of fund	-	-	101.52	101.52	-	-	183.77	183.77
Loans	-	-	11,191.91	11,191.91	-	-	12,285.27	12,285.27
Derivative financial instruments	-	-	-	-	-	7.20	-	7.20
Sub total	7.07	-	12,909.21	12,916.28	45.71	7.20	12,814.68	12,867.59
Financial assets at fair value through other comprehensive income:								
Investments								
- Bonds and debentures	-	1,137.88	-	1,137.88	-	2,243.12	-	2,243.12
- Mutual funds				-	-	-	-	-
- Government securities	-	-	-	-	-	37.62	-	37.62
- Pass through certificates	-	-	7.09	7.09	-	-	8.41	8.41
- Equity instruments	31.61	-	-	31.61	-	-	-	
Derivative financial instruments	-	141.74	-	141.74	-	-	-	-
Sub total	31.61	1,279.62	7.09	1,318.32	-	2,280.74	8.41	2,289.15
Total Financial assets at fair value	38.68	1,279.62	12,916.30	14,234.60	45.71	2,287.94	12,823.09	15,156.74
Financial liabilities:								
Financial liabilities at fair value through profit and loss:	-	-	-	-	-	-	-	-
Total Financial liabilities at fair value	-	-	-	-	-	-	-	-

Note: 47.6 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table presents the changes in level 3 items for the year ended March 31, 2019 and March 31, 2020 :

₹ in crore

Particulars	- Equity instruments	- Preference shares	- Bonds and debentures	- Pass Through Certificates	- Security Receipts	- Units of fund	Loans	Total
As at March 31, 2018	**2.13**	**5.98**	**57.91**	**22.33**	**226.38**	**122.11**	**7,504.00**	**7,940.84**
Acquisitions	-	-	1.57	-	112.83	65.11	7,596.82	7,776.33
Deletions	-	-	-	(13.92)	(27.08)	(3.45)	(2,815.55)	(2,860.00)
Gains/(losses) recognised in profit or loss	-	(1.43)	-	-	(32.65)	-	-	(34.08)
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	-	-
As at March 31, 2019	**2.13**	**4.55**	**59.48**	**8.41**	**279.48**	**183.77**	**12,285.27**	**12,823.09**
Acquisitions	-	-	-	-	1,345.53	-	2,748.82	4,094.35
Deletions	-	-	-	(1.32)	(27.95)	(45.99)	(3,842.18)	(3,917.44)
Gains/(losses) recognised in profit or loss	(2.13)	(3.87)	-	-	(41.44)	(36.26)	-	(83.70)
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	-	-
As at March 31, 2020	-	**0.68**	**59.48**	**7.09**	**1,555.62**	**101.52**	**11,191.91**	**12,916.30**
Unrealised gains/(losses) recognised in profit and loss related to assets and liabilities held at the end of the reporting period								
As at March 31, 2019	-	(1.43)	-	-	(32.65)	-	-	(34.08)
As at March 31, 2020	(2.13)	(3.87)	-	-	(41.44)	(36.26)	-	(83.70)
Unrealised gains/(losses) recognised in Other Comprehensive Income related to assets and liabilities held at the end of the reporting period								
As at March 31, 2019	-	-	-	-	-	-	-	-
As at March 31, 2020	-	-	-	-	-	-	-	-

Note: 47.7 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

₹ in crore

Particulars	Fair value as at		Rates for Sensitivity	Impact of Increase in Rates on Total Comprehensive Income statement			
	March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
				Favourable	Unfavourable	Favourable	Unfavourable
Investments							
- Equity instruments	-	2.13	5.00%	-	-	0.11	(0.11)
- Preference shares	0.68	4.55	5.00%	0.03	(0.03)	0.23	(0.23)
- Bonds and debentures	59.48	59.48	0.25%	0.15	(0.15)	0.15	(0.15)
- Pass Through Certificates	7.09	8.41	0.25%	0.02	(0.02)	0.02	(0.02)
- Security Receipts	1,555.62	279.48	5.00%	77.78	(77.78)	13.97	(13.97)
- Units of fund	101.52	183.77	5.00%	5.08	(5.08)	9.19	(9.19)
Loans	11,191.91	12,285.27	0.25%	27.98	(27.98)	30.71	(30.71)

Note: 47.8 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Liquidity risk management :

(a) Maturity profile of financial liabilities based on undiscounted cashflows

₹ in crore

Particulars	As at March 31, 2020			As at March 31, 2019		
	Within twelve month	After twelve month	Total	Within twelve month	After twelve month	Total
A. Non-derivative liabilities:						
Borrowings*	21,795.51	28,031.25	49,826.76	20,980.56	30,442.56	51,423.12
Trade payables	31.40	-	31.40	86.03	-	86.03
Other payables	-	-	-	13.11	-	13.11
Lease liabilities	7.85	21.44	29.29	-	-	-
Other financial liabilities	243.85	-	243.85	406.66	-	406.66
Total	22,078.61	28,052.69	50,131.30	21,486.36	30,442.56	51,928.92
B. Derivative liabilities:						
Currency swap	-	-	-	-	-	-
Total	-	-	-	-	-	-

* Borrowings include debt securities,borrowings (other than debt securities)and subordinated liabilities and are net off offsetting respective derivative gain/loss

(b) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Undrawn backup lines	2,149.54	3,580.94
Line of credit from Ultimate Holding Company	700.00	700.00

Note 47.9: Capital management

(i) Risk management

The Company's objectives when managing capital are to

(a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
(b) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'Equity' (as shown in the balance sheet).

The Company's gearing ratios were as follows:

₹ in crore

Particulars	March 31, 2020	March 31, 2019
Net debt	40,534.69	44,805.37
Total equity	8,893.59	8,900.43
Net debt to equity ratio	**4.56**	**5.03**

(ii) Loan covenants

There are certain financial and non-financial convenants like security cover, debt-equity ratio, etc. attached to the borrowings availed by the Company. The Company has complied with the covenants throughout the reporting period.

(iii) Dividends

₹ in crore

Particulars	March 31, 2020	March 31, 2019
(a) Equity shares		
Final dividend for the year ended March 31, 2020 of ₹ Nil per fully paid share (Previous year : Nil)	-	-
Interim dividend for the year ended March 31, 2020 of ₹ 1.15 per fully paid share (Previous year : ₹ 1.20)	183.90	191.90
(b) Dividends not recognised at the end of the reporting year	-	-

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Note: 47.10 Market risk management :

(a) Foreign currency risk :

Particulars	As at March 31, 2020	As at March 31, 2019
Liability – External Commercial Borrowings	USD 37,50,00,000.00	USD 1,55,06,280.04
Assets – Currency Swap Contracts	USD 37,50,00,000.00	USD 1,55,06,280.04

(b) Interest rate risk :

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Variable rate borrowings	18,514.93	17,003.97
Fixed rate borrowings	23,891.74	28,797.02
Total borrowings	**42,406.67**	**45,800.99**

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

	As at March 31, 2020			As at March 31, 2019		
Particulars	Weighted average interest	Balance	% of total borrowing	Weighted average interest	Balance	% of total borrowing
Variable rate borrowings	8.89%	18,514.93	43.66%	8.56%	17,003.97	37.13%
Interest rate swap at variable rate	-	-	-	-	-	-
Net exposure to cash flow interest rate risk	**8.89%**	**18,514.93**	**43.66%**	**8.56%**	**17,003.97**	**37.13%**

(c) Sensitivity :

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

₹ in crore

Particulars	Impact on profit after tax		Impact on other components of equity	
	FY 2019-20	FY 2018-19	31 March 2020	31-Mar-19
Interest rates – increase by 25 basis points *	(23.82)	(21.19)	(23.82)	(21.19)
Interest rates – decrease by 25 basis points*	23.82	21.19	23.82	21.19

** Impact on P/L upto 1 year, holding all other variables constant*

Note: 47.11 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Transfer of financial assets

The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Securitisations		
Carrying amount of transferred assets measured at amortised cost (Held as collateral)	-	-
Carrying amount of associated liabilities	-	-
Fair value of assets	-	-
Fair value of associated liabilities	-	-
Net position at FV	-	-

Note: 48 The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by Reserve Bank of India vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01,2016 as amended (the "RBI Master Directions").

The disclosures as required by the RBI Master Directions has been prepared as per Indian Accounting Standards as mentioned in RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 for the current year ended March 31,2020.

However the disclosures for the previous year ended March 31, 2019 has been prepared after giving effect of below mentioned adjustments to the amounts reported in the financial statements:

(i) The amount of allowances for expected credit losses on loan assets was added to the loan asset balances and the amount of provisions on standard, non -performing and stressed loan assets was recomputed based on the Company's provisioning policy as approved by the Board of Directors read together with the RBI Master Directions;

(ii) The interest income recognised on Stage 3 loan assets which met the definition of "non-performing asset" was reversed and the recognition was restricted to cash collection;

(iii) The fair valuation gains recognised on long term debt instruments measured at "Fair Value Through Profit or Loss" were reversed; and

(iv) The deferred tax relating to the adjustments listed in items (i) to (iii) above was also adjusted.

Hence figures for the current year ended March 31, 2020 are not comparable with figures for the previous year ended March 31,2019.

48.1 Capital :

₹ in crore

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
i)	CRAR (%)	18.31%	16.98%
ii)	CRAR - Tier I Capital (%)	15.87%	15.22%
iii)	CRAR - Tier II Capital (%)	2.44%	1.76%
iv)	Amount of subordinated debt raised during the year as Tier-II capital	26.00	-
v)	Amount raised during the year by issue of Perpetual Debt Instruments	-	-

48.2 Investments :

₹ in crore

	Particulars	As at March 31, 2020	As at March 31, 2019
(1)	Value of Investments		
	(i) Gross Value of Investments		
	(a) In India	3,328.04	4,772.83
	(b) Outside India	-	-
	(ii) Provisions for Depreciation		
	(a) In India	250.59	103.03
	(b) Outside India	-	-
	(iii) Net Value of Investments		
	(a) In India	3,077.45	4,669.80
	(b) Outside India	-	-
(2)	Movement of provisions held towards depreciation on investments		
	(i) Opening balance	-	64.68
	(ii) Add : Provisions made during the year	250.59	39.55
	(iii) Less : Write-off / write-back of excess provisions during the year	-	1.20
	(iv) Closing balance	250.59	103.03

48.3 Derivatives :

I) Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

₹ in crore

	Particulars	2019-20	2018-19
(i)	The notional principal of swap agreements	2,588.58	100.00
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	141.74	7.20
(iii)	Collateral required by the NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	141.74	7.20

II) Exchange Traded Interest Rate (IR) Derivatives: The Company has not traded in Interest Rate Derivative during the financial year ended March 31,2020 (Previous year: NIL).

III) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company has a Treasury Risk Management Policy approved by the Assets Liability Committee and the Board. This policy provides the framework for managing various risks including interest rate risk and currency risk. The policy provides for use of derivative instruments in managing the risks.

The Company has sourced External Commercial Borrowing in foreign currency. The same has been hedged as required by RBI.

48.4 Securitisation:

I) The information on securitisation of the Company as an originator in respect of outstanding amount of securitised assets is given below:

₹ in crore

	Particulars	No. / Amount	
		As at March 31, 2020	As at March 31, 2019
1	No of SPVs sponsored by the NBFC for securitisation transactions	-	-
2	Total amount of securitised assets as per books of the SPVs sponsored	-	-
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	-	-
	Others	-	-
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Loss	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others		
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

II) Details of securitisation transactions undertaken by applicable NBFCs

₹ in crore

	Particulars	2019-20	2018-19
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts securitised	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / (loss) over net book value	-	-

III) Details of Assignment transactions undertaken by applicable NBFCs

₹ in crore

	Particulars	2019-20	2018-19
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / (loss) over net book value*	-	-

* Gain / (Loss) on assignment is amortised over the life of Portfolio

IV) Details of non-performing financial assets purchased/sold: During the current and previous year, no non-performing financial assets has been purchased/sold from/to other NBFCs.

V) Financial asset sold to Securitisation/Reconstruction company for Asset reconstruction:

₹ in crore

	Particulars	2019-20	2018-19
1	No. of accounts sold	534	3
2	Aggregate value (net of provisions) of accounts sold to SC/RC (₹ crore)	1,672.57	120.83
3	Aggregate consideration (₹ crore)	1,634.94	147.00
4	Additional consideration realized in respect of accounts transferred in earlier years (₹	-	-
5	Aggregate Gain/(Loss) over net book Value (₹ crore)	(37.63)	26.17

48.5 Exposures

(I) Exposure to Real Estate Sector

₹ in crore

	Particulars	As at March 31, 2020	As at March 31, 2019
	Direct Exposure		
(i)	Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	273.16	346.90
(ii)	Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	9,495.86	11,207.96
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a. Residential	-	-
	b. Commercial Real Estate	1,066.06	-
	Total Exposure to Real Estate Sector	10,835.08	11,554.86

Footnote: Undisbursed commitments are considered as NIL on account of conditions precedent to disbursements.

(II) Exposure to Capital Market

₹ in crore

	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	377.09	289.57
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds,	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	1,385.20	2,004.91
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds/ convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	137.78	183.77
	Total Exposure to Capital Market	1,900.07	2,478.25

(III) Details of financing of parent company products: Nil (Previous year : Nil)

(IV) The company has not exceeded the Single Borrower Limit (SBL) or Group Borrower Limit (GBL) as prescribed by the RBI.

(V) Unsecured Advances (net off provision):

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Term loans	12,753.23	14,073.36
Debentures	255.57	324.53
Personal Loans	152.39	-
Total	13,161.19	14,397.89

Note : There are no advances outstanding as on 31st March 2020 against which intangible securities has been taken as collateral. (Previous year : Nil)

48.6 Miscellaneous

(I) Registration obtained from other financial sector regulators : No registration has been obtained from other financial sector regulators.

(II) Penalties imposed by RBI and other regulators : No penalties have been imposed by RBI or other regulators during the year (Previous Year: NIL)

(III) Ratings assigned by credit rating agencies and migration of ratings during the year

	Particular	2019-2020				2018-2019		
		CRISIL	CARE	ICRA	IRA	CARE	ICRA	IRA
(i)	Commercial Paper	CRISIL A1+	CARE A1+	ICRA A1+	Not Rated	CARE A1+	ICRA A1+	Not Rated
(ii)	Non-Convertible Debentures	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	IND AAA (Stable)
(iii)	Long term Bank facilities	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	Not Rated	CARE AAA (Stable)	Not Rated	Not Rated
(iv)	Subordinate Debts	Not Rated	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	IND AAA (Stable)
(v)	Perpetual Debt	Not Rated	CARE AA+ (Stable)	ICRA AA+ (Negative)	Not Rated	CARE AA+ (Stable)	ICRA AA+ (Stable)	Not Rated
(vi)	Non-Convertible Debentures(Public Issue)	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Negative)	IND AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	Not Rated
(vii)	Principal Protected Market-Linked Debentures	Not Rated	CARE PP-MLD AAA (Stable)	PP-MLD ICRA AAA (Negative)	Not Rated	CARE PP-MLD AAA (Stable)	PP-MLD-ICRA AAA (Stable)	Not Rated

(IV) Postponement of revenue recognition: Current year: NIL (Previous year: NIL)

48.7 Provisions And Contingencies :

(I) Breakup of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

₹ in crore

Particulars	2019-2020	2018-2019
Provision for depreciation on Investments	250.59	38.36
Provision on loan assets*	669.94	(579.76)
Provision on trade receivable	8.77	-
Provision made towards Income tax		
Current Tax	507.92	488.47
Deferred Tax (included Impact of change in the rate on opening deferred tax)	(90.25)	104.72
Other Provision and Contingencies (with details)		
Loss on foreclosure of loans	1,065.71	1,181.43

* Provision on loan assets includes provision towards impairment of financial instruments.

(II) Drawn down from reserves: No draw down from reserves during the financial year (Previous year: NIL)

48.8 Concentration of Advances, Exposures and NPAs

(I) Concentration of Advances

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Total Advances to twenty largest borrowers	9,321.67	8,758.37
Percentage of advances to twenty largest borrowers to total advances of the Company	20.07%	18.31%

(II) Concentration of Exposures

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Total Exposure to twenty largest borrowers / customers#	10,622.73	10,393.78
Percentage of total exposure to twenty largest borrowers / customers to total exposure of the Company on borrowers / customers#	20.96%	19.54%

Undisbursed commitments are considered as NIL on account of conditions precedent to disbursements.

(III) Concentration of NPA

₹ in crore

Particulars	As at March 31, 2020	As at March 31, 2019
Total Exposure to top four NPA accounts	1,087.12	311.99

(IV) Sector-wise NPAs

	Particulars	Percentage to Total Advances in that Sector	
		As at March 31, 2020	As at March 31, 2019
1	Agriculture & allied activities	4.51%	4.14%
2	MSME	0.00%	99.21%
3	Corporate borrowers	10.17%	2.97%
4	Services	0.00%	5.71%
5	Unsecured personal loans	0.09%	70.74%
6	Auto loans	5.15%	5.18%
7	Other personal loans	3.03%	3.95%

48.9 Movement of NPAs

₹ in crore

	Particulars	2019-20	2018-19
(i)	Net NPAs to Net Advances (%)	1.61%	2.13%
(ii)	Movement of NPAs (Gross)		
	(a) Opening balance	1,845.98	2,376.64
	(b) Additions during the year	2,787.38	1,345.81
	(c) Reductions during the year	1,642.24	2,023.18
	(d) Closing balance	2,991.12	1,699.27
(iii)	Movement of Net NPAs		
	(a) Opening balance	607.25	1,064.76
	(b) Additions during the year	1,100.76	875.45
	(c) Reductions during the year	543.02	937.98
	(d) Closing balance	1,164.99	1,002.23
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	1,238.73	1,311.88
	(b) Provisions made during the year	1,686.62	470.36
	(c) Write-off / write-back of excess provisions	1,099.22	1,085.20
	(d) Closing balance	1,826.13	697.04

48.10 Disclosure of customer complaints

	Particulars	2019-20	2018-19
(i)	No. of complaints pending at the beginning of the year	26	-
(ii)	No. of complaints received during the year	1,552	1,731
(iii)	No. of complaints redressed during the year	1,555	1,705
(iv)	No. of complaints pending at the end of the year	23	26

48.11 Disclosures on the Scheme for Sustainable Structuring of Stressed Assets (S4A), in terms of RBI circular DBR.No.BP.BC.33/21.04.132/2016-17 dated November 10, 2016

₹ in crore

Year	No. of accounts where S4A has been applied	Aggregate amount	Amount outstanding		Provision Held
			In Part A	In Part B	
	Classified as Standard				
2018-19	-	-	-	-	-
2019-20	-	-	-	-	-
	Classified as NPA				
2018-19	1.00	16.13	-	16.13	9.15
2019-20	1.00	16.13	-	16.13	9.15

48.12 Disclosures on COVID19 Regulatory Package - Asset Classification and Provisioning, in terms of RBI circular RBI/2019-20/220/DOR.No.BP.BC.63/21.04.048/2020-21 dated April 17, 2020 ("RBI Circular")

₹ in crore

Period	Respective amounts in SMA/overdue categories, where the moratorium/ deferment was extended, in terms of paragraph 2 and 3 of RBI Circular	Respective amount where asset classification benefits is extended	Provisions made in terms of paragraph 5 of RBI Circular	Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6 of RBI Circular
Q4 FY 2020	2,409.80	2,409.80	120.49	NA

Footnote:

As required under Para 2 of the RBI Circular, in respect of all accounts classified as standard as on February 29, 2020, even if overdue, the moratorium period, wherever granted, shall be excluded by the lending institutions from the number of days past-due for the purpose of asset classification under the Income Recognition and Asset Classification norms ("IRAC norms")

However certain accounts which were Non Performing Assets as on February 29, 2020 as per IRAC norms and become standard due to subsequent receipt of instalments, are also covered in above criteria and consequently, the provisions of para 2 and para 5 of the RBI circular are applied on such accounts.

Further certain accounts can be excluded where subsequent receipt of all the instalments that had fallen due prior to February 29, 2020 resulted in the 'updated' number of days past-due as on February 29, 2020 to zero. Consequently, the provisions of para 2 and para 5 of the RBI circular are not required to be applied on such accounts.

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Notes forming part of the financial statements

48.13 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

₹ in crore

March 31, 2020	1 day to 30/31 days (1 month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances (gross)	308.71	365.90	2,556.10	4,722.18	10,223.29	15,564.18	7,071.18	5,055.57	**45,867.11**
Investments (gross)	35.10	-	-	-	819.29	-	-	2,630.11	**3,484.50**
Borrowings*	1,120.00	2,021.64	1,711.97	1,782.10	4,927.12	23,243.05	5,334.73	2,266.04	**42,406.65**
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities*	-	-	-	-	-	1,724.03	864.55	-	**2,588.58**

* Including ECB loan

footnote: The above bucketing has been arrived at based on the extant regulatory guidelines and the policy approved by the Board of Directors at its meeting held on March 20, 2020.

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Notes forming part of the financial statements

48.14 Details of restructured accounts as on March 31, 2020

₹ in crore

Type of Restructuring			Under CDR Mechanism					Others					Total				
Asset Classification			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1, 2019	No. of borrowers	-	-	1	-	1	1,981	340	149	-	2,470	1,981	340	150	-	2,471
		Amount outstanding Restructured facility only	-	-	17.03	-	17.03	68.48	36.00	83.05	-	187.53	68.48	36.00	100.08	-	204.56
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	6.58	-	6.58	10.00	9.88	52.88	-	72.76	10.00	9.88	59.46	-	79.34
2	Movement in balance for accounts appearing under opening balance	No. of borrowers	-	-	1	-	1	1,981	340	149	-	2,470	1,981	340	150	-	2,471
		Amount outstanding Restructured facility only	-	-	(17.03)	-	(17.03)	(17.98)	(32.13)	0.63	-	(49.48)	(17.98)	(32.13)	(16.40)	-	(66.51)
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	(6.58)	-	(6.58)	0.47	(7.29)	1.33	-	(5.49)	0.47	(7.29)	(5.25)	-	(12.07)
3	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	32	(31)	(1)	-	-	32	(31)	(1)	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	0.55	(0.54)	(0.01)	-	-	0.55	(0.54)	(0.01)	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	0.01	(0.01)	-	-	-	0.01	(0.01)	-	-	-
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	(237)	150	87	-	-	(237)	150	87	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	(29.67)	27.43	2.24	-	-	(29.67)	27.43	2.24	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	(10.32)	8.08	2.24	-	-	(10.32)	8.08	2.24	-	-
7	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Restructured Accounts as on March 31, 2020	No. of borrowers	-	-	-	-	-	1,296	294	170	-	1,760	1,296	294	170	-	1,760
		Amount outstanding Restructured facility only	-	-	-	-	-	21.38	30.76	85.91	-	138.05	21.38	30.76	85.91	-	138.05
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	0.16	10.66	56.45	-	67.27	0.16	10.66	56.45	-	67.27

Note: Asset classification is as required under Master Direction - Non-Banking Financial Company - Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended, as asset classification is not defined under Indian Accounting Standards.

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Note 48.15

Disclosures on Implementation of Indian Accounting Standards, in terms of RBI circular RBI/2019-20/170/DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

₹ in crore

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	41,027.94	554.41	40,473.52	247.67	306.74
	Stage 2	2,433.61	177.80	2,255.82	42.39	135.41
Subtotal of Performing Assets		**43,461.55**	**732.21**	**42,729.34**	**290.06**	**442.15**
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,124.51	1,132.31	992.21	283.05	849.25
Doubtful - up to 1 year	Stage 3	291.33	211.79	79.54	156.18	55.61
1 to 3 years	Stage 3	504.84	412.85	91.99	328.33	84.52
More than 3 years	Stage 3	70.43	69.18	1.25	51.60	17.58
Subtotal of Non-Performing Assets		**2,991.12**	**1,826.13**	**1,164.99**	**819.16**	**1,006.96**
Loss	Stage 3	-	-	-	-	-
Subtotal		**46,452.67**	**2,558.34**	**43,894.33**	**1,109.22**	**1,449.11**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
Non fund base exposure	Stage 1	842.32	3.11	839.21	-	3.11
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**842.32**	**3.11**	**839.21**	-	**3.11**
Total	**Stage 1**	**41,870.26**	**557.52**	**41,312.73**	**247.67**	**309.85**
	Stage 2	**2,433.61**	**177.80**	**2,255.82**	**42.39**	**135.41**
	Stage 3	**2,991.12**	**1,826.13**	**1,164.99**	**819.16**	**1,006.96**
	Total	**47,294.99**	**2,561.45**	**44,733.54**	**1,109.22**	**1,452.22**

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Note : 48.16

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of paragraph 19 of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended)

Liabilities Side:

1. Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:

₹ in crore

	Particulars	As at March 31, 2020		As at March 31, 2019	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a)	Debentures :				
	- Secured	14,062.08	-	16,007.24	-
	- Unsecured	1,141.75	-	1,124.42	-
	(Other than falling within the meaning of Public Deposits)*				
(b)	Deferred Credits	-	-	-	
(c)	Term Loans	13,748.49	-	11,138.56	-
(d)	Inter-Corporate Loans and borrowings	887.37	-	169.36	-
(e)	Commercial Paper (Net off unexpired discounting charges)	2,419.79	-	7,064.36	-
(f)	Public Deposits	-	-	-	-
(g)	Other Loans				
	i) Foreign Currency Loan	-	-	107.32	-
	ii) External commercial borrowings	2,874.92		-	
	iii) Bank Overdraft, Cash credit & Working Capital Demand Loan	8,318.05	-	8,781.30	-
	iv) Corporate Bond Repo and Collateralized Borrowing and Lending Obligation	-	-	1,943.32	-

*** Refer footnote 1 below**

2 Break-up of 1(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :

₹ in crore

	Particulars	As at March 31, 2020		As at March 31, 2019	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a)	In the form of Unsecured debentures	-	-	-	-
(b)	In the form of partly secured debentures i.e. debentures where	-	-	-	-
(c)	Other public deposits	-	-	-	-

*** Refer footnote 1 below**

Assets Side:

3. Break-up of Loans and Advances including bills receivables [Other than those included in (4) below] :

₹ in crore

	Particulars	Amount Outstanding	
		As at March 31, 2020	As at March 31, 2019
(a)	Secured (net of provision)	30,730.03	33,772.69
(b)	Unsecured (net of provision)	13,161.19	14,144.56

L&T Finance Limited

Notes forming part of the financial statements

4. Break-up of Leased Assets and Stock on Hire and hypothecation loans counting towards AFC activities

₹ in crore

Particulars		Amount Outstanding	
		As at March 31, 2020	As at March 31, 2019
(i)	Lease assets including lease rentals under sundry debtors :		
	(a) Financial Lease	-	-
	(b) Operating Lease (net of provision)	-	0.30
(ii)	Stock on hire including hire charges under sundry debtors :		
	(a) Assets on Hire	-	-
	(b) Repossessed Assets	-	-
(iii)	Other loans counting towards AFC activities :		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

5. Break-up of Investments (net off diminution) :

₹ in crore

Particulars		Amount Outstanding	
		As at March 31, 2020	As at March 31, 2019
Current Investments			
1	Quoted		
	(i) Shares :		
	(a) Equity	2.05	5.61
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
2	Unquoted		
	(i) Shares :		
	(a) Equity	-	-
	(b) Preference	0.68	0.68
	(ii) Debentures and Bonds	858.90	2,250.10
	(iii) Units of Mutual Funds	5.02	40.09
	(iv) Government Securities	-	37.62
	(v) Others (Pass Through Certificates)	7.09	8.41
Long Term Investments			
1	Quoted		
	(i) Shares :		
	(a) Equity	31.61	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-
2	Unquoted		
	(i) Shares :		
	(a) Equity	176.50	178.63
	(b) Preference	-	3.87
	(ii) Debentures and Bonds	338.46	38.00
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	1,643.54
	(v) Others :		
	(a) Security receipts	1,555.62	279.48
	(b) Investment in Units/Pass Through Certificates	101.52	183.77

L&T Finance Limited
Notes forming part of the financial statements

6. Borrower group-wise classification of assets financed as in (3) and (4) above (see footnote 2 below) :

₹ in crore

Category		As at March 31, 2020		As at March 31, 2019	
		Secured (net of provision)	Unsecured (net of provision)	Secured (net of provision)	Unsecured (net of provision)
1	Related Parties **				
	(a) Subsidiaries				
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
2	Other than related parties	30,730.03	13,161.19	33,772.69	14,144.56
	Total	30,730.03	13,161.19	33,772.69	14,144.56

** As per Indian Accounting Standard issued by MCA (Please see footnote 3)

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

₹ in crore

Category		As at March 31, 2020		As at March 31, 2019	
		Market value/Breakup Value/ Fair Value / NAV	Book Value (Net of Provision)	Market value/Breakup Value/ Fair Value / NAV	Book Value (Net of Provision)
1	Related Parties**				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	176.50	176.50	176.50	176.50
2	Other than related parties	3,151.54	2,900.95	4,596.33	4,493.30
	Total	3,328.04	3,077.45	4,772.83	4,669.80

** As per Indian Accounting Standard issued by MCA (Please see footnote 3)

8. Other Information

₹ in crore

Particulars		As at March 31, 2020	As at March 31, 2019
(i)	Gross Non-Performing Assets	2,991.12	1,699.27
	(a) Related parties	-	-
	(b) Other than related parties	2,991.12	1,699.27
(ii)	Net Non-Performing Assets	1,164.99	1,002.23
	(a) Related parties	-	-
	(b) Other than related parties	1,164.99	1,002.23
(iii)	Assets acquired in satisfaction of debt (Gross)	102.40	102.62

Footnotes:

1. As defined in point xxvii of paragraph 3 of Chapter -II of these Directions.
2. Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
3. All Indian Accounting Standards issued by MCA are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt.

Note : 49 Moratorium in accordance with the Reserve Bank of India (RBI) guidelines :

The outbreak of Covid-19 pandemic across the globe & India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, the Company has proposed to offer a moratorium of three months on the payment of instalments falling due between March 1, 2020 and May 31, 2020 to eligible borrowers. For all such accounts classified as standard and overdue as on February 29, 2020, where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the policy).

Note : 50 Estimation uncertainty relating to COVID-19 global health pandemic:

In assessing the recoverability of loans, receivables, intangible assets and investments, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of approval of these financial statement. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statement and the Company will continue to monitor any material changes to the future economic conditions. The Company has developed estimates and applied management overlays for the purpose of determination of the provision for impairment of financial assets.

Note : 51 Proposed Amalgamation of L&T Infrastructure Finance Company Ltd ("LTIFC") and L&T Housing Finance Ltd ("LTHFC") with the Company

The Board of Directors of the Company have approved a scheme of amalgamation by way of merger by absorption ("Scheme" or "Scheme of Amalgamation") on March 20, 2020, resulting in amalgamation of LTIFC and LTHFC with the Company, leading to creation of a single unified lending entity with appointed date of April 1, 2020 subject to requisite regulatory approvals.

Note: 52 Previous year figures have been regrouped/reclassified whenever necessary, to make them comparable with the current year figures.

Note: 53 The above financial statements have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on May 14, 2020.

For and on behalf of board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
DIN : 03545900

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : May 14, 2020

M S K A & Associates
Chartered Accountants

602, Floor 6, Raheja Titanium,
Western Express Highway,
Geetanjali Railway Colony,
Ram Nagar, Goregaon (E),
Mumbai - 400 063

Kalyaniwalla & Mistry LLP
Chartered Accountants

2nd Floor, 29, Esplanade House
Hazarimal Somani Marg, Fort
Mumbai - 400 001

Independent Auditor's Review Report on Unaudited Quarterly Financial Results of L&T Finance Limited pursuant to the Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
L&T Finance Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of L&T Finance Limited ('the Company') for the quarter ended June 30, 2022, together with the notes thereon ('the Statement') being submitted by the Company pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulations'). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on July 19, 2022. Our responsibility is to express a conclusion based on our review.

2. This Statement has been prepared by the Company's Management 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') read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India.

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 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 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. We have not performed an audit and 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 read with relevant rules issued thereunder and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

5.

   i. Attention is drawn to the fact that the interim financial results of the Company for the quarter ended June 30, 2021, prepared solely for the purpose of inclusion in the consolidated financial results of the L&T Finance Holdings Limited, was reviewed by erstwhile auditor, whose review report dated July 15, 2021, expressed an unmodified conclusion on those interim financial results.

ii. Attention is drawn to the fact that the Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended on that date and the published unaudited year-to-date figures up to the third quarter ended December 31, 2021 prepared in accordance with the recognition and measurement principles laid down in accordance with Ind AS 34 "Interim Financial Reporting" which were subject to limited review by us.

Our conclusion is not modified in respect of the above matters.

For **M S K A & Associates**
Chartered Accountants
Firm Registration No: 105047W

Srividya Vaidison

Srividya Vaidison
Partner
Membership No: 207132
UDIN: 22207132ANEXBU2825

Mumbai
July 19, 2022

For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No: 104607W/W100166

Roshni R. Marfatia
Partner
Membership No: 106548
UDIN: 22106548ANEXEU8777

Mumbai
July 19, 2022

L&T FINANCE LIMITED

(A wholly owned subsidiary of L&T Finance Holdings Limited)

CIN. U65910WB1993FLC060810

Regd. Office : 15th Floor, PS Srijan Tech Park, Plot No. 52, Block-DN, Sector-V, Salt Lake, Kolkata - 700 091 District 24-Parganas North

Website: www.ltfs.com Email: investorgrievances@ltfs.com Phone: 033 6611 1800 Fax: 033 6611 1802

₹ in crore

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		(Unaudited)	(Refer Note 4)	(Unaudited)	(Audited)
(I)	**Revenue from operations**				
	(a) Interest income	2,789.56	2,766.26	2,796.36	10,969.31
	(b) Dividend income	-	-	-	0.14
	(c) Rental income	0.12	0.22	0.68	1.73
	(d) Fees and commission income	26.02	22.19	12.08	86.40
	Total revenue from operations	**2,815.70**	**2,788.67**	**2,809.12**	**11,057.58**
(II)	**Other income**	146.80	119.42	60.52	387.58
(III)	**Total income (I+II)**	**2,962.50**	**2,908.09**	**2,869.64**	**11,445.16**
(IV)	**Expenses**				
	(a) Finance costs	1,270.71	1,246.12	1,324.57	5,065.27
	(b) Net loss on fair value changes	60.77	237.15	83.49	1,075.90
	(c) Net loss on derecognition of financial instruments under amortised cost category	72.99	62.05	32.29	285.01
	(d) Impairment on financial instruments	654.11	344.13	775.20	1,676.79
	(e) Employee benefits expenses	291.02	294.80	259.48	1,061.46
	(f) Depreciation, amortization and impairment	25.61	26.03	20.89	95.73
	(g) Other expenses	299.15	282.41	236.80	1,093.13
	Total expenses	**2,674.36**	**2,492.69**	**2,732.72**	**10,353.29**
(V)	**Profit before tax (III - IV)**	**288.14**	**415.40**	**136.92**	**1,091.87**
(VI)	**Tax expense:**				
	a) Current tax	24.70	83.71	261.72	118.35
	b) Deferred tax	49.44	20.24	(225.26)	165.54
	Total tax expense (a+b)	**74.14**	**103.95**	**36.46**	**283.89**
(VII)	**Profit for the period/year (V-VI)**	**214.00**	**311.45**	**100.46**	**807.98**
(VIII)	**Other comprehensive income**				
A	(i) Items that will not be reclassified to profit or loss				
	a) Remeasurement of defined benefit plans	(2.07)	1.50	(2.00)	1.99
	b) Change in fair value of equity instruments measured at fair value through other comprehensive income	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.52	(0.38)	0.50	(0.50)
	Subtotal (A)	**(1.55)**	**1.12**	**(1.50)**	**1.49**
B	(i) Items that will be reclassified to profit or loss				
	a) Change in fair value of debt instruments measured at fair value through other comprehensive income	(13.47)	0.68	(1.51)	21.22
	b) The effective portion of gains and loss on hedging instruments in a cash flow hedge	64.44	(18.99)	40.10	52.53
	(ii) Income tax relating to items that will be reclassified to profit or loss	(16.22)	4.78	(10.09)	(13.22)
	Subtotal (B)	**34.75**	**(13.53)**	**28.50**	**60.53**
	Other comprehensive income (A+B)	**33.20**	**(12.41)**	**27.00**	**62.02**
(IX)	**Total comprehensive income for the period/year (VII+VIII)**	**247.20**	**299.04**	**127.46**	**870.00**
(X)	**Earnings per equity share (*not annualised):**				
	(a) Basic (₹)	*0.80	*1.16	*0.37	3.01
	(b) Diluted (₹)	*0.80	*1.16	*0.37	3.01

MUMBAI

L & T FINANCE LTD. MUMBAI

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1 These financial results for the quarter ended June 30, 2022 have been reviewed by the Audit Committee and the same has been approved by the Board of Directors at its meeting held on July 19, 2022. The Joint Statutory Auditors of the Company have carried out a limited review of the aforesaid results.

2 These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

3 These financial results have been prepared in accordance with the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

4 The figures for the quarter ended March 31, 2022 are the balancing figures between audited figures for the year ended March 31, 2022 and unaudited year to date figures upto nine months ended December 31, 2021.

5 The Company is taking necessary steps to comply with the norms / changes for regulatory reporting, with effect from October 01, 2022 as clarified vide RBI circular dated November 12, 2021 read with circular dated February 15, 2022. These changes have no impact on the financial results for the quarter ended June 30, 2022.

6 **Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 in terms of RBI circular RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021:**

i) Details of stressed loans transferred during the quarter ended June 30, 2022 ₹ in crore

Sr. No.	Particulars	To ARC's	To permitted transferees	To other transferees
1	No. of accounts sold (No.s)	16	-	-
2	Aggregate principal outstanding of loan transferred	934.49	-	-
3	Weighted average residual tenor of the loans transferred (years)	1.59	-	-
4	Net book value of loans transferred (at the time of transfer)	975.63	-	-
5	Aggregate consideration	980.00	-	-
6	Additional consideration realized in respect of accounts transferred in earlier	-	-	-
7	Provision reversed to the profit and loss account	80.54	-	-

Note: The Company has not transferred any SMA loans during the quarter ended June 30, 2022.

ii) Details of loans not in default transferred during the quarter ended June 30, 2022*

Sr. No.	Particulars	Quarter ended June 30, 2022
1	Count of loans assigned	16
2	Amount of loan account assigned (₹ in crore) #	2,487.72
3	Weighted average maturity (years) (from the date of transfer)	8.6
4	Weighted average holding period (years)	1.04
5	Retention of beneficial economic interest	Nil
6	Coverage of tangible security	Greater than 1x
7	Rating wise distribution of rated loans	Category AA, A, BBB

excludes other receivables not in the nature of loans and advances.

*There are no instances of transfer of loans where the entity has agreed to replace loans transferred to transferee(s) or pay damages arising out of any representation or warranty.

iii) Details of loans not in default acquired during the quarter ended June 30, 2022

Sr. No.	Particulars	Quarter ended June 30, 2022
1	Count of loans assigned	2
2	Amount of loan account assigned (₹ in crore) $	397.32
3	Weighted average maturity (years) (from the date of transfer)	8.0
4	Weighted average holding period (years)	5.20
5	Retention of beneficial economic interest	Nil
6	Coverage of tangible security	Greater than 1x
7	Rating wise distribution of rated loans	Category AA, BB

$ excludes PTCs acquired and classified as loans and advances.

iv) The Company has not acquired any stressed loans during the quarter ended June 30, 2022.

MSKA & ASSOCIATES Chartered Accountants

KALYANIWALLA & MISTRY LLP MUMBAI

L&T FINANCE LTD. MUMBAI

7 Information as required by Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Security Coverage available as on June 30, 2022 in case of Secured non-convertible debentures issued by the Company is 1.10 times. The secured non-convertible debentures issued by the Company are fully secured by creation and maintenance of exclusive charge on specific receivables of the Company, to the extent as stated in the respective Information Memorandum.

8 Information as required by Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is attached as Annexure 1.

9 The previous year/period figures have been reclassified/regrouped to confirm to the figure of the current period.

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm's Registration No: 105047W

Srividya Vaidison

Srividya Vaidison
Partner
Membership No: 207132

Place : Mumbai
Date : July 19, 2022

MSKA & ASSOCIATES * Chartered Accountants *

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm's Registration No: 104607W/W100166

Roshni R. Marfatia
Partner
Membership No: 106548

Place : Mumbai
Date : July 19, 2022

KALYANIWALLA & MISTRY LLP MUMBAI

For and on behalf of the Board of Directors
L&T Finance Limited

Sachinn Joshi

Sachinn Joshi
Whole-time Director
(DIN :00040876)

Place : Mumbai
Date : July 19, 2022

L&T FINANCE LTD. MUMBAI

L&T FINANCE LIMITED
(A wholly owned subsidiary of L&T Finance Holdings Limited)
CIN. U65910WB1993FLC060810
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Annexure 1:
Disclosure in compliance with Regulation 52(4) of of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the quarter ended June 30, 2022

Sr. No.	Particulars	Ratio
1	Debt-Equity Ratio[1]	4.69
2	Debt service coverage ratio[2]	Not Applicable
3	Interest service coverage ratio[2]	Not Applicable
4	Outstanding redeemable preference shares (quantity and value)	Nil
5	Capital redemption reserve (₹ in crore)	3.20
6	Debenture redemption reserve (₹ in crore)	5.15
7	Net worth (₹ in crore)[3]	16,064.07
8	Net profit after tax (₹ in crore)	214.00
9	Earnings per equity share (*not annualised)	
	(a) Basic (₹)	*0.80
	(b) Diluted (₹)	*0.80
10	Current Ratio[4]	Not Applicable
11	Long term debt to working capital[4]	Not Applicable
12	Bad debts to Account receivable ratio[4]	Not Applicable
13	Current liability ratio[4]	Not Applicable
14	Total debts to total assets[5]	0.81
15	Debtors turnover[4]	Not Applicable
16	Inventory turnover[4]	Not Applicable
17	Operating margin[4]	Not Applicable
18	Net profit margin[6]	7.22%
19	Sector specific equivalent ratios:	
	(a) Gross Stage 3	4.41%
	(b) Net Stage 3	2.02%
	(c) Capital to risk-weighted assets ratio[7]	20.81%
	(d) Liquidity coverage ratio[7]	117.00%

Note:

1 Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Networth.

2 Debt service coverage ratio and interest service coverage ratio shall not be applicable for Banks or Non Banking Financial Companies/Housing Finance Companies registered with the Reserve Bank of India as per Regulation 52(4) of of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3 Net worth is calculated as defined in section 2(57) of Companies Act 2013.

4 The Company is a Non-Banking Financial Company registered under the Reserve Bank of India Act, 1934, hence these ratios are generally not applicable.

5 Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / total assets.

6 Net profit margin = Net profit after tax / total income.

7 Capital to risk-weighted assets ratio and Liquidity coverage ratio, are calculated as per the RBI guidelines.

MSKA & ASSOCIATES Chartered Accountants

KALYANIWALLA & MISTRY LLP MUMBAI

L&T FINANCE LTD. MUMBAI

MATERIAL DEVELOPMENTS

Other than as disclosed elsewhere in this Draft Shelf Prospectus and hereinafter below, since March 31, 2022 till the date of filing this Draft Shelf Prospectus, there have risen no circumstances that materially or adversely affects the operations or financial condition or profitability of our Company or the value of our assets or our ability to pay our material liabilities over the next 12 months.

There have not been material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Company/ Promoter, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of the Issue which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities.

FINANCIAL INDEBTEDNESS

As on June 30, 2022, our Company had outstanding Total Borrowings, on a standalone basis, of ₹ 75,369.63crores.

Sr. No.	Nature of Borrowings	Principal	INDAS/Other Adjustment	Amount Outstanding (₹ in crore)	%
(a)	Secured borrowings	59,479.21	1,145.23	60,624.44	80%
(b)	Unsecured borrowings	14,684.75	60.44	14,745.19	20%
Total Borrowings		**74,163.96**	**1,205.67**	**75,369.63**	**100%**

Set forth below, is a summary of the borrowings by our Company outstanding as on June 30, 2022, together with a brief description of certain significant terms of such financing arrangements.

A. Details of secured borrowings:

Our Company's secured outstanding borrowings, (gross of Unamortised discount of ₹ 0.46 crores and a gross premium of ₹ 27.87 crores) as on June 30, 2022 amounts to ₹ 60,624.44 crores (including IND AS adjustments) on an unconsolidated basis. The details of the secured borrowings are set out below:

i. Term Loans from Banks/ Financial Institutions

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
1.	Axis Bank Date of Sanction: September 24, 2019	725.00	September 30, 2019	103.57	September 30, 2022	Tenor: 48 months Repayment: Repayable in 7 equal half yearly instalment Interest Payment: Monthly	Exclusive charge on the specific standard assets receivables, with a minimum security cover of 1.10 times.	Post two years from the date of first disbursement, the borrower has an option to pay entire outstanding facility in part or full by giving an advance notice of 30 days and such prepayment shall not attract any prepayment charges/penalty
			September 30, 2019	103.57	March 31, 2023			
			September 30, 2019	103.57	September 30, 223			
2.	Axis Bank Date of Sanction: December 26, 2019	318.00	December 31, 2019	45.43	December 31, 2022	Tenor: 48 months Repayment: Repayable in 7 equal half	Exclusive charge on specific standard assets receivables with a minimum security cover of 1.10 times.	Post two years from the date of first disbursement, the borrower has an option to pay entire outstanding

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			December 31, 2019	45.43	June 30, 2023	yearly instalment Interest Payment: Monthly		facility in part or full by giving an advance notice of 30 days and such prepayment shall not attract any prepayment charges/penalty
3.	Axis Bank Date of Sanction: February 24, 2021	450.00	March 30, 2021	64.29	November 30, 2022	Tenor: 44 months Repayment: 7 equal half yearly instalments Interest Payments: Monthly	Exclusive charge on the receivables of standard assets porttolio with a minimum asset cover of 1.10 times.	Company has option to prepay entire outstanding facility in part or full on the interest/spread rest date (at the end of 2.5 years) by giving and advance notice of 30 days and such prepayment shall not attract any prepayment charges/penalty. Further repayment option will be available only at the end of every quarter from interest reset date i.e., at the end of 2.5 years by giving an advance notice of 30 days and such prepayment shall not attract any prepayment charges/penalty
			March 30, 2021	64.29	May 30, 2023			
			March 30, 2021	64.29	November 30, 2023			
			March 30, 2021	64.29	May 30, 2024			
			March 30, 2021	64.27	November 30, 2024			
4.	Axis Bank Date of Sanction: December 22, 2020	1,200.00	December 28, 2020	50.00	August 26, 2022	Tenor: 44 months Repayment: 7 equal half	Exclusive charge on the receivables of standard assets portfolio with a minimum asset cover of 1.10	Company has option to prepay entire outstanding facility in part or full on the interest/spread
			December 28, 2020	50.00	February 28, 2023			
			December 28, 2020	50.00	August 28, 2023			
			December	50.00	February			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			28, 2020		28, 2024	yearly instalments Interest Payments: Monthly	times of which 1 time to be in the form of PSL assets and 0.1 times to be Non PSL assets.	rest date (at the end of 2.5 years) by giving and advance notice of 30 days and such prepayment shall not attract any prepayment charges/penalty. Repayment option will be available only at the end of every quarter from interest reset date i.e., at the end of 2.5 years by giving an advance notice of 30 days and such prepayment shall not attract any prepayment charges/penalty.
			December 28, 2020	50.00	August 28, 2024			
			December 30, 2020	50.00	August 30, 2022			
			December 30, 2020	50.00	February 28, 2023			
			December 30, 2020	50.00	August 30, 2023			
			December 30, 2020	50.00	February 29, 2024			
			December 30, 2020	50.00	August 30, 2024			
			January 30, 2021	28.57	September 30, 2022			
			January 30, 2021	28.57	March 31, 2023			
			January 30, 2021	28.57	September 30, 2023			
			January 30, 2021	28.57	March 30, 2024			
			January 30, 2021	28.57	September 30, 2024			
			February 08, 2021	21.43	September 30, 2022			
			February 08, 2021	21.43	March 31, 2023			
			February 08, 2021	21.43	September 30, 2023			
			February 08, 2021	21.43	March 30, 2024			
			February 08, 2021	21.43	September 30, 2024			
			February 22, 2021	21.43	October 21, 2022			
			February 22, 2021	21.43	April 21, 2023			
			February 22, 2021	21.43	October 21, 2023			
			February 22, 2021	21.43	April 22, 2024			
			February 22, 2021	21.42	October 22, 2024			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
5.	Axis Bank Date of Sanction: December 30, 2019	100.00	December 31, 2019	8.33	September 30, 2022	Tenor: 36 months Repayment: 12 equal Quarterly Installments Interest Payable: Monthly	Exclusive charge on the receivables of standard assets portfolio with a minimum asset cover of 1.10 time	The term loan facility to continue for a minimum period of 1.5 years from the date of first Disbursement. Post which company has option to prepay entire outstanding facility in part of full by giving an advance notice of 30 days and such prepayment shall not attract any prepayment charges/penalty. The amount prepaid shall be applied the inverse order of maturity.
			December 31, 2019	8.33	December 31, 2022			
6.	Axis Bank Date of Sanction: February 22, 2022	508.00	March 30, 2022	36.29	November 30, 2022	Tenor: 44 months Repayment: Repayable in 7 equal half-yearly instalments Interest Payment: Monthly	Exclusive charge on the receivables of standard assets portfolio with a minimum asset cover of 1.10 times	The term loan facility to continue for a minimum period of 2.5 years from the date of first Disbursement. Post which company has option to prepay entire outstanding facility in part of full on the interest/spread rest date (at the end of 2.5 years) by giving an advance notice of 30 days and such prepayment
			March 30, 2022	36.29	May 31, 2023			
			March 30, 2022	36.29	November 30, 2023			
			March 30, 2022	36.29	May 31, 2024			
			March 30, 2022	36.29	November 30, 2024			
			March 30, 2022	36.29	May 31, 2025			
			March 30, 2022	36.26	November 29, 2025			
			March 30, 2022	36.29	November 30, 2022			
			March 30, 2022	36.29	May 31, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			March 30, 2022	36.29	November 30, 2023			shall not attract any prepayment charges/penalty. Further repayment option will be available only at the end of every quarter from interest reset date i.e., at the end of 2.5 years, by giving an advance notice of 30 days and such prepayment shall not attract any prepayment charges/penalty.
			March 30, 2022	36.29	May 31, 2024			
			March 30, 2022	36.29	November 30, 2024			
			March 30, 2022	36.29	May 31, 2025			
			March 30, 2022	36.26	November 29, 2025			
			March 31, 2022	25.71	November 30, 2022			
			March 31, 2022	25.71	May 31, 2023			
			March 31, 2022	25.71	November 30, 2023			
			March 31, 2022	25.71	May 31, 2024			
			March 31, 2022	25.71	November 30, 2024			
			March 31, 2022	25.71	May 31, 202			
			March 31, 2022	25.74	November 29, 2025			
			March 31, 2022	25.71	November 30, 2022			
			March 31, 2022	25.71	May 31, 2023			
			March 31, 2022	25.71	November 30, 2023			
			March 31, 2022	25.71	May 31, 2024			
			March 31, 2022	25.71	November 30, 2024			
			March 31, 2022	25.71	May 31, 2025			
			March 31, 2022	25.74	November 29, 2025			
7.	Axis Bank Date of	1000.00	June 30, 2021	28.57	August 26, 2022	Tenor: 44 months	Exclusive charge on specific	The term loan facility to continue for a
			June 30,	28.57	February			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
	Sanction: June 25, 2021		2021		28, 2023	Repayment: Repayable in 7 equal half yearly instalments with 8 months moratorium from first disbursement Interest Payment: Monthly	standard assets receivables with a minimum secuirty cover of 1.10 times.	minimum period of 2.5 years from the date of first Disbursement. The term loan facility should be continued for a minimum period of 1.5 years from the date of first disbursement. Post 1.5 years from the date of first disbursement borrower has an option to pay entire outstanding facility part or full by giving an advance notice of 30 days and prepayment shall not attract any prepayment charges/penalty.
			June 30, 2021	28.57	August 28, 2023			
			June 30, 2021	28.57	February 28, 2024			
			June 30, 2021	28.57	August 28, 2024			
			June 30, 2021	28.57	February 28, 2025			
			June 30, 2021	28.57	August 26, 2022			
			June 30, 2021	28.57	February 28, 2023			
			June 30, 2021	28.57	August 28, 2023			
			June 30, 2021	28.57	February 28, 2024			
			June 30, 2021	28.57	August 28, 2024			
			June 30, 2021	28.57	February 28, 2025			
			August 20, 2021	7.14	October 20, 2022			
			August 20, 2021	7.14	April 20, 2023			
			August 20, 2021	7.14	October 20, 2023			
			August 20, 2021	7.14	April 20, 2024			
			August 20, 2021	7.14	October 19, 2024			
			August 20, 2021	7.14	April 19, 2025			
			August 31, 2021	14.29	October 20, 2022			
			August 31, 2021	14.29	April 20, 2023			
			August 31, 2021	14.29	October 20, 2023			
			August 31, 2021	14.29	April 20, 2024			
			August 31, 2021	14.29	October 19, 2024			
			August 31, 2021	14.29	April 19, 2025			
			September 24, 2021	7.14	October 20, 2022			
			September 24, 2021	7.14	April 20, 2023			
			September 24, 2021	7.14	October 20, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			September 24, 2021	7.14	April 20, 2024			
			September 24, 2021	7.14	October 19, 2024			
			September 24, 2021	7.14	April 19, 2025			
			September 24, 2021	14.29	November 24, 2022			
			September 24, 2021	14.29	May 24, 2023			
			September 24, 2021	14.29	November 24, 2023			
			September 24, 2021	14.29	May 24, 2024			
			September 24, 2021	14.29	November 22, 2024			
			September 24, 2021	14.29	May 23, 2025			
			September 28, 2021	14.29	November 24, 2022			
			September 28, 2021	14.29	May 24, 2023			
			September 28, 2021	14.29	November 24, 2023			
			September 28, 2021	14.29	May 24, 2024			
			September 28, 2021	14.29	November 22, 2024			
			September 28, 2021	14.29	May 23, 2025			
			September 28, 2021	28.57	November 28, 2022			
			September 28, 2021	28.57	May 26, 2023			
			September 28, 2021	28.57	November 28, 2023			
			September 28, 2021	28.57	May 28, 2024			
			September 28, 2021	28.57	November 28, 2024			
			September 28, 2021	28.56	May 28, 2025			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
8.	Bank of Baroda Date of Sanction: April 8, 2020	1,000.00	April 27, 2020	62.50	April 27, 2023	Tenor: 60 months Repayment: Repayable in 16 equal quarterly instalments Interest Payment: Monthly	Exclusive charge on specific Book Debts and Future receivables. Security Cover will be 1.10 times of the loan outstanding.	The Borrower may prepay the Facility within 30 (thirty) Business Days of the Interest Rate reset date by providing 15 (fifteen) Business Days' notice, without any prepayment charges. Any other prepayment shall be made with prepayment charges (as per the Lender's extant guidelines) on the balance amount of the Facility for the residual period of prepayment of the Facility.
			April 27, 2020	62.50	July 27, 2023			
			April 27, 2020	62.50	October 27, 2023			
			April 27, 2020	62.50	January 25, 2024			
			April 27, 2020	62.50	April 26, 2024			
			April 27, 2020	62.50	July 26, 2024			
			April 27, 2020	62.50	October 25, 2024			
			April 27, 2020	62.50	January 27, 2025			
			April 27, 2020	62.50	April 25, 2025			
			April 27, 2020	62.50	January 27, 2023			
9.	Bank of China Date of Sanction: December 23, 2020	50.00	February 23, 2021	50.00	February 28, 2024	Tenor: 36 months Repayment: Bullet Repayment at maturity Interest Payment: Monthly	First Exclusive charge on specific book debts and future receivables pertaining to Priority sector with a minimum security cover of 1.10 times	Prepayment if any shall be made only after providing a notice of 15 days and shall be subject to prepayment charges to be decided mutually between the bank and the Borrower
10.	Canara Bank Date of Sanction: March 18, 2020	1,100.00	March 30, 2020	87.50	June 29, 2024	Tenor: 60 months Repayment: Repayable in 8 equal quarterly instalmen	First exclusive charge of specific standard Receviables with asset coverage of 1.11 times	Borrower will have option to prepay the entire outstanding facility in part & full by giving an advance notice of 10 days and such
			March 30, 2020	137.50	September 30, 2024			
			March 30, 2020	137.50	December 31, 2024			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			March 30, 2020	137.50	March 31, 2025	ts Interest Payment: Monthly		prepayment shall not attract any prepayment penalty of 2% on the same amount prepaid.
11.	DBS Bank Date of Sanction:- March 17, 2020	200.00	March 19, 2020	200.00	March 20, 2023	Tenor: 36 months and 1 day Repayment: Bullet Repayment Interest Payment: Monthly	First rnaking pari passu charge over receivables of the Borrower which are Standard in nature and for an amount corresponding to 110 % security cover.	The Borrower shall have the option to prepay the loan in part or in full, together with all interest, prepayment premium and other charges and monies due and payable to the Lender up to the date of such repayment, on payment of penalty equal to 1.0% of the amount prepaid (Prepayment Penalty) and payment of break cost depending on lenders' cost of fund, provided that the Borrower has given the Lender prior written notice of at least 15 days.
12.	Doha Bank QPSC	58.00	January 2, 2020	15.00	December 31, 2022	Tenor: 60 months Repayme	First & Exclusive charge by way of	No prepayment clause.

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
	Date of Sanction: December 18, 2019		January 2, 2020	15.00	January 1, 2024	nt: Repayable in 5 ballooning annual instalments of INR 60 Million, INR 60 Million, INR 150 Million, INR 150 Million and INR 160 Million Interest Payment: Monthly	hypothecation on specific retail housing loan receivables providing 110% coverage.	
			January 2, 2020	16.00	January 1, 2025			
13.	Indian Bank Date of Sanction: August 28, 2018	200.00	October 8, 2018	12.50	July 8, 2022	Tenor: 60 months Repayment: Repayable in 16 quarterly instalments Interest Payment: Monthly	An exclusive charge by the way of hypothecation of the Borrower’s specific book debts and receivables present and future of such form satisfactory to the Bank and shall bExclusive charge on specific receivables by way of hypothecation of present and future specific receivables i.e. receivables covered under loan agreements with a asset cover of 1.10 times of the outstanding	Borrower will have an option to prepay the entire outstanding facility at any time, without any prepayment charges/penalty if the same is done from the internal accruals/ promoter contribution/ unsecured borrowings and with pre-payment notice of 15 days. Otherwise, prepayment penalty @2% is to be levied on the outstanding amount.
			October 8, 2018	12.50	October 7, 2022			
			October 8, 2018	12.50	January 7, 2023			
			October 8, 2018	12.50	April 6, 2023			
			October 8, 2018	12.50	July 7, 2023			
			October 8, 2018	12.50	October 7, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
							term loan amount.	
14.	Karur Vysya Bank Date of Sanction: November 7, 2020	45.00	February 24, 2021	1.82	November 30, 2022	Tenor: 36 months Repayable in 11 Quarterly Installments after initial holiday period of 3 months Interest Payment: Monthly	Floating first *pari passu* charge by way of hypothecation of the secured loan receivables book debts of the company arising from loans & advances (both present & future) made by the borrower (which are eligible for direct finance as per RBI guidleines) with minimum Asset Coverage Ratio of 1.10 x times of principal & accrues interest in arrears on the credit facility.	Waived if prepaid/preclosed within 15 days from date of interest reset else 1% to be charged.
			February 24, 2021	1.82	February 28, 2023			
			February 24, 2021	1.82	May 31, 2023			
			February 24, 2021	1.82	August 31, 2023			
			February 24, 2021	1.82	November 30, 2023			
			February 24, 2021	1.82	January 31, 2024			
			February 24, 2021	1.82	August 30, 2022			
			December 31, 2021	2.78	November 30, 2022			
			December 31, 2021	2.78	February 28, 2023			
			December 31, 2021	2.78	May 31, 2023			
			December 31, 2021	2.78	August 31, 2023			
			December 31, 2021	2.78	November 30, 2023			
			December 31, 2021	2.78	February 29, 2024			
			December 31, 2021	2.75	August 30, 2022			
15.	BNP Paribas Date of Sanction: September 29, 2021	200.00	September 30, 2021	200.00	September 30, 2024	Tenor: 36 months Repayment: Bullet Repayment Interest Payment: Monthly	An exclusive first charge on receivables to the extent of 110% of facility amount of the Borrower out of which atleast 100% shall at all times be in the nature of "qualifying assets" as stipulated by the RBI in	Prepayment of the Facility (or any part thereof) is allowed, subject to payment of the applicable prepayment charges to be reasonably determined by BNPP.

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
							accordance with the master directions referred to in paragraph 22 of the Master Direction	
16.	RBL Bank Date of Sanction: June 20, 2020	100.00	September 29, 2020	6.25	September 29, 2022	Tenor: Minimum tenor of 18 months and maximum tenor of 24 months Repayable in accordance with the pool assigned as security. Final schedule to be decided at the time of disbursement at the Bank's discretion as per RBI norms Interest Payment: Monthly	Exclusive charge on specified book debts and receivables of Priority Setor Lending (PSL) Assets. Security cover of 1.1 times with minimum 1 time cover of PSL Assets.	The bank may at its sole discretion and on such terms as to pre-payment fees etc., as it may prescribed, permit the prepayment of the EMI or pre-payment at the request of borrower subject to bank may specify the minimum prepayment amount
17.	RBL Bank Date of Sanction: March 10, 2021	150.00	March 22, 2021	17.50	September 22, 2022	Tenor: Minimum tenor of 18 months and maximum tenor of	Exclusive charge on specified book debts and receivables of Priority Setor Lending (PSL) Assets. Security	Upon, interest rest, the borrower has right to prepay the outstanding loan within 7 days from the date of interest
			March 22, 2021	17.50	December 22, 2022			

S. N o.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			March 22, 2021	17.50	March 22, 2023	24 months Repayable in accordance with the pool assigned as security. Final schedule to be decided at the time of disbursement at the Bank's discretion as per RBI norms Interest Payment: Monthly	cover of 1.1 times with minimum 1 time cover of PSL Assets.	rest, without any prepayment penalty, with a prior written notice to the Bank
			March 31, 2021	1.25	September 30, 2022			
			March 31, 2021	1.25	December 31, 2022			
			March 31, 2021	1.25	March 31, 2023			
18.	RBL Bank Date of Sanction: December 28, 2021	200.00	December 30, 2021	25.00	September 30, 2022	Tenor: Minimum tenor of 18 months and maximum tenor of 24 months Repayable in 8 quarterly principal repayments Interest Payment: Monthly	Exclusive charge on specified book debts and receivables of Priority Setor Lending (PSL) Assets. Security cover of 1.1 times with minimum 1 time cover of PSL Assets.	Upon, interest rest, the borrower has right to prepay the outstanding loan within 7 days from the date of interest rest, without any prepayment penalty, with a prior written notice to the Bank
			December 30, 2021	25.00	December 30, 2022			
			December 30, 2021	25.00	March 30, 2023			
			December 30, 2021	25.00	June 30, 2023			
			December 30, 2021	25.00	September 30, 2023			
			December 30, 2021	25.00	December 30, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
19.	RBL Bank Date of Sanction: June 24, 2021	250.00	June 30, 2021	6.25	September 30, 2022	Tenor: Minimum tenor of 18 months and maximum tenor of 24 months Repayable in 8 quarterly principal repayments Interest Monthly:	Exclusive charge on specified book debts and receivables of Priority Setor Lending (PSL) Assets. Security cover of 1.1 times with minimum 1 time cover of PSL Assets.	Upon, interest rest, the borrower has right to prepay the outstanding loan within 7 days from the date of interest rest, without any prepayment penalty, with a prior written notice to the Bank
			June 30, 2021	6.25	December 31, 2022			
			June 30, 2021	6.25	March 31, 2023			
			June 30, 2021	6.25	June 30, 2023			
			June 28, 2021	25.00	September 28, 2022			
			June 28, 2021	25.00	December 28,2022			
			June 28, 2021	25.00	March 28, 2023			
			June 28, 2021	25.00	June 28, 2023			
20.	RBL Bank Date of Sanction: June 24, 2021	350.00	August 31, 2021 August 31, 2021 August 31, 2021 August 31, 2021 August 31, 2021	12.50	August 31, 2022	Tenor: Repayable in 8 equal quarterly principal repayments Interest Payment: Monthly	Exclusive charge on specified book debts and receivables of Priority Setor Lending (PSL) Assets. Security cover of 1.1 times with minimum 1 time cover of PSL Assets.	The Bank may, in its sole discretion and on such terms as to pre-payment fees, etc., as it may prescribe, permit pre-payment / acceleration of equated monthly installments (EMis) or pre-payment at the request of the Borrower, subject that the Bank may specify, from time to time, the minimum amount of prepayment/amounts payable on account of
				12.50	November 30, 2022			
				12.50	February 28, 2023			
				12.50	May 31, 2023			
				12.50	August 31, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
								acceleration of EMIs, If permitted by the Bank, the Borrower shall give prior written notice of his intention to pre-pay the full amount of the Loan and pay to the Bank such pre-payment charges mentioned in Schedule I, subject to change by the Bank from time to time.
21.	SIDBI Date of Sanction: September 27, 2021	1,000.00	March 30,2022	60.000	March 10, 2023	Tenor: 36 months Repayable in half yearly instalments commencing after a moratorium period of 12 months. Interest Payment: Monthly	Exclusive charge on specified receivables, the book debts, outstanding moneys, receivables, claims, bills, contracts, engagements and securities of secured/unsecured loans provided by the Borrwer to MSE benefi,ciaries and other eligible concerns, which is Standard assets in the Books of the Borrwer as per extant RBI guidelines, with a minimum asset cover of	The company shall not prepay the outstanding principal amount of loan in full or part thereof except after obtaining prior approval of SIDBI in writing which may be granted subject to such conditions as SIDBI may deem fit including levy of interest (currently 1-3%) In case of fall in external rating by at least one notch, SIDBI shall have the right to review and reset the spread over
			March 30,2022	60.000	September 8, 2023			
			March 30,2022	60.000	March 8, 2024			
			March 30,2022	60.000	September 10, 2024			
			March 30,2022	60.000	March 10, 2025			
			March 28, 2022	140.00	March 10, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			March 28, 2022	140.00	September 8, 2023		1.10 times.	repo rate. In case the reset rate is not acceptable, the Borrower shall serve a notice to SIDBI in writing in 5 working days from the date of receipt of notice and shall have the option to prepay the loan within 10 working days from the date of serving the notice to SIDBI
			March 28, 2022	140.00	March 8, 2024			
			March 28, 2022	140.00	September 10, 2024			
			March 28, 2022	140.00	March 10, 2025			
22.	SIDBI Date of Sanction: March 16, 2022	1,000.00	September 30, 2021	60.00	September 9, 2022	Tenor: 36 months Repayable in half yearly instalments commencing after a moratorium period of 12 months. Actual repayment schedule will be advised at the time of disbursement Interest Payment: Monthly	Exclusive chargeon specified receivables, the book debts, outstanding moneys, receivables, claims, bills, contracts, engagements and securities of secured/unsecured loans provided by the Borrwer to MSE benefi,ciaries and other eligible concerns, which is Standard assets in the Books of the Borrwer as per extant RBI guidelines, with a minimum asset cover of 1.10 times.	The company shall not prepay the outstanding principal amount of loan in full or part thereof except after obtaining prior approval of SIDBI in writing which may be granted subject to such conditions as SIDBI may deem fit including levy of interest (currently 1-3%) In case of fall in external rating by at least one notch, SIDBI shall have the right to review and reset the spread over repo rate. In case the reset rate is not
			September 30, 2021	60.00	March 10, 2023			
			September 30, 2021	60.00	September 8, 2023			
			September 30, 2021	60.00	March 8, 2024			
			September 30, 2021	60.00	September 10, 2024			
			October 29, 2021	100.00	October 10, 2022			
			October 29, 2021	100.00	April 10, 2023			
			October 29, 2021	100.00	October 10, 2023			
			October 29, 2021	100.00	April 10, 2024			
			October 29, 2021	100.00	October 10, 2024			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			November 29, 2021	40.00	November 10, 2022			acceptable, the Borrower shall serve a notice to SIDBI in writing in 5 working days from the date of receipt of notice and shall have the option to prepay the loan within 10 working days from the date of serving the notice to SIDBI.
			November 29, 2021	40.00	May 10, 2023			
			November 29, 2021	40.00	November 10, 2023			
			November 29, 2021	40.00	May 10, 2024			
			November 29, 2021	40.00	November 8, 2024			
23.	SIDBI Date of Sanction: December 21, 2017	1,200.00	December 29, 2017	125.00	July 8, 2022	Repayable in 11 Quarterly Installments, first eight of INR 125 crore and next 2 of INR 75 crore and last instalment of INR 50 crore Interest Payment: Monthly	Exclusive first charge by way of hypothecation of specific receivables and book debts, both present and future, correponidng to MSME/SRTO/ Micro loans and Tractor Loans and with minimum asset cover of 1.10 time of the loan principal outstadinng at any point of time.	The company shall not prepay the outstanding principal amount of loan in full or part thereof except after obtaining prior approval of SIDBI in writing which may be granted subject to such conditions as SIDBI may deem fit including levy of interest as applicable on such pre-payment However, the borrower can prepay the loan at the time of interest rate reset without any pre-
			December 29, 2017	125.00	October 10, 2022			
			December 29, 2017	75.00	January 10, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			December 29, 2017	75.00	April 10, 2023			payment penalty/ charges with prior notice of at least 30 days.
			December 29, 2017	51.00	July 10, 2023			
24.	Punjab National Bank Date of Sanction: September 10, 2018	1,000.00	September 17, 2018	166.67	November 30, 2022	Tenor: 5 years Repayment: Repayable in 6 Semi Annually installment Interest Payment: Monthly	*Pari-pasu* charge on indentified book debts and future receivables of the company (both present and future) as well as other type of accruals arising from Hypothecation Loan/Hypothecation agreements (both present and furute) entered into by the company with minimum cover of 1.10 times	Option to prepay the entire outstanding facility in part or full by giving an advance notice of 15 days and such prepayment shall not attract any prepayment charges/ penalty
			September 17, 2018	83.33	May 31, 2023			
25.	Punjab National Bank Date of Sanction:	250.00	September 28, 2018	250.00	September 28, 2023	Tenor: 5 years Repayable: Bullet repaymen	Exclusive charge on specific book debts and future receivables to the extent of	The Borrower shall have the right to prepay the Facility in parts or in full, at anytime by

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
	September 17, 2018					t Interest Payment: Monthly	1.10 times of the outstanding Loan amopunt	giving one month advance intimation to Bank without incurring any liability towards prepayment penalty or any other charges for the same.
26.	Punjab National Bank Date of Sanction: February 15, 2022	500.00	March 23, 2022	166.67	March 23, 2023	Tenor: 36 months Repayable in 3 annual instalments	*Pari-passu* charge on idenitified pool of book debts and future receivables of the company (both present and future) in the shape of documents entered into between the company and the borrower(s) as well as other type of accruals arising from Hypothecation Loan/Hypothecation agreements (both present and future) entered into by the company towards loan/finance undertaken by the company.	Card Rates, however prepayment charged will be Nil if paid within 30 days from the date of change in ROI.
			March 23, 2022	166.67	March 22, 2024			
			March 23, 2022	166.66	March 21, 2025			
27.	Standard Chartered Bank Facility Letter dated November 13, 2019	650.00	November 21, 2019	100.00	December 21, 2022	Tenor: 37 months Repayment: INR 200 crore at end of 12th month; INR 350 crore at end of	Present and future book dents and receivables, outstanding moneys receivables, claims and bills which are now due and owing or which may at any time during	A Borrower may prepay all or part of any Facility provided that the Bank must receive irrevocable notice of such prepayment at least two Banking Days

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
						18th month and INR 100 crore at end of 37th month Interest Payable: Monthly	the continuance of this Memorandum become due and owing to the Borrower in the course of its business by any person, firm company, or body corporate or by the government deparmtent or office or any municipal or local or public or semi government body or authority or undertaking or project whatever. The Secured Assets shall at all times at least be equal to 110% of the Facility.	prior to the proposed prepayment date (or such other period as determined by the Bank) Any prepayment under the Agreement shall be made together with accrued interest on the amount prepaid and, subject to any Break Costs, without premium or penalty.
28.	Standard Chartered Bank Date of Sanction: March 23, 2020	250.00	March 26, 2020	50.00	April 25, 2023	Tenor: 37 months Repayment: INR 70 crore at end of 12th month; INR 130 crore at end of 18th month and INR 50 crore at end of 37th month Interest Payable: as per	Present and future book dents and receivables, outstanding moneys receivables, claims and bills which are now due and owing or which may at any time during the continuance of this Memorandum become due and owing to the Borrower in the course of its business by any person, firm company, or body corporate	A Borrower may prepay all or part of any Facility provided that the Bank must receive irrevocable notice of such prepayment at least two Banking Days prior to the proposed prepayment date (or such other period as determined by the Bank) Any prepayment under the

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
						repayment schedule	or by the government deparmtent or office or any municipal or local or public or semi government body or authority or undertaking or project whatever. The Secured Assets shall at all times at least be equal to 110% of the Facility.	Agreement shall be made together with accrued interest on the amount prepaid and, subject to any Break Costs, without premium or penalty.
29.	Standard Chartered Bank Supplemental Facility Letter dated February 23, 2021	450.00	February 25, 2021	375.00	November 25, 2022	Tenor: 37 months Repayment: INR 375 crore at end of 21st month; INR75 crore at end of 37th month Interest Payable: Monthly	Present and future book dents and receivables, outstanding moneys receivables, claims and bills which are now due and owing or which may at any time during the continuance of this Memorandum become due and owing to the Borrower in the course of its business by any person, firm company, or body corporate or by the government deparmtent or office or any municipal or local or public or semi government body or authority or undertaking or	A Borrower may prepay all or part of any Facility provided that the Bank must receive irrevocable notice of such prepayment at least two Banking Days prior to the proposed prepayment date (or such other period as determined by the Bank) Any prepayment under the Agreement shall be made together with accrued interest on the amount prepaid and, subject to any Break Costs, without premium or
			February 25, 2021	75.00	March 25, 2024			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
							project whatever. The Secured Assets shall at all times at least be equal to 110% of the Facility.	penalty.
30.	Standard Chartered Bank Supplemental Facility Letter dated 29 January 2021	175.00	February 12, 2021	150.00	November 14, 2022	Tenor: 37 months Repayment: INR 150 crore at end of 21st month; INR 25 crore at end of 37th month Interest Payable: Monthly	Present and future book dents and receivables, outstanding moneys receivables, claims and bills which are now due and owing or which may at any time during the continuance of this Memorandum become due and owing to the Borrower in the course of its business by any person, firm company, or body corporate or by the government deparmtent or office or any municipal or local or public or semi government body or authority or undertaking or project whatever. The Secured Assets shall at all times at least be equal to 110% of the Facility.	A Borrower may prepay all or part of any Facility provided that the Bank must receive irrevocable notice of such prepayment at least two Banking Days prior to the proposed prepayment date (or such other period as determined by the Bank) Any prepayment under the Agreement shall be made together with accrued interest on the amount prepaid and, subject to any Break Costs, without premium or penalty.
			February 12, 2021	25.00	March 12, 2024			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
31.	Standard Chartered Bank Supplemental Facility Letter dated 29 January 2021	130.00	August 27, 2021	105.00	May 26, 2023	Tenor: 37 months Repayment: The facility shall be wholly repaid by the last day of the Tenor. Interest Payable: Monthly	Present and future book dents and receivables, outstanding moneys receivables, claims and bills which are now due and owing or which may at any time during the continuance of this Memorandum become due and owing to the Borrower in the course of its business by any person, firm company, or body corporate or by the government deparmtent or office or any municipal or local or public or semi government body or authority or undertaking or project whatever. The Secured Assets shall at all times at least be equal to 110% of the Facility.	Any prepayment will be permitted subject to payment of any Break Cost and prepayment fee of 2% on the amount prepaid provided that the Bank receives notice of such prepayment at least two Banking Days' prior to the date of the proposed prepayment. Each prepayment amount has to be at least equivalent to 5% of the initial utilisation Wherein, "Break Costs" means a net loss of Interest revenue the Bank incurs when all or any part of any utilisation is repaid on a day which is not the last day of a term for that utilisation
			August 27, 2021	25.00	September 27, 2024			
32.	Bank of India Date of Sanction: October 6, 2021 read with sanction letter March 9,	100.00	February 3, 2022	15.00	February 2, 2023	Tenor: 36 months Repayment: INR 75 crore in 1st and 2nd year; INR 100 crore in 3rd year.	Exclusive charge on the identified receivables of standard assets portfolio with a minimum asset cover of 1.10 times of which 1 time to be in the form of PSL	Bank, in its sole discretion and on such terms as to pre-payment charges, etc. as it may prescribe, permit acceleration of equated
			February 3, 2022	15.00	February 2, 2024			
			February 14, 2022	20.00	February 1, 2025			
			February 14, 2022	15.00	February 2, 2023			

S. N o.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
	2022 and modification on to sanction letter dated April 4, 2022		February 14, 2022	15.00	February 2, 2024		assets and 0.1 time to be non PSL assets to be maintained at all times for the outstanding amount of loan.	monthly instalments or pre-payment at the request of the borrower, which prepayment charges shall not be less than 1 % p.a. on amount prepaid for the residual period of loan on simple interest basis if paid out of own funds and 2 % on amount prepaid in case of take-over of the loan by other bank/FI over and above agreed rate of interest subject to no prepayment charges shall be payable in case of pre-payment in part or full with an advance notice of 10 days.
			February 14, 2022	20.00	February 1, 2025			
33.	Federal Bank Date of Sanction: December 17, 2020	50.00	March 22, 2021	6.25	September 22, 2022	Tenor: 24 Months Repayment: Repayable in 8 equal quarterly instalments	Exclusive first charge on the receivables of the company at 1.10 times (PSL Pool)	Term Loan (PSL)-1% of the outstanding amount
			March 22, 2021	6.25	December 22, 2022			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			March 22, 2021	6.25	March 22, 2023	Interest Payable: Monthly		
34.	Federal Bank Date of Sanction: September 22, 2021	350.00	September 24, 2021	29.17	September 23, 2022	Tenor: 36 months Repayment: 12 equal quarterly instalments Interest Payable: Monthly	Exclusive charge on the receivables of the Company at 1.10 times (PSL Pool)	1%per annum of the outstanding amount
			September 24, 2021	29.17	December 23, 2022			
			September 24, 2021	29.17	March 24, 2023			
			September 24, 2021	29.17	June 23, 2023			
			September 24, 2021	29.17	September 22, 2023			
			September 24, 2021	29.17	December 22, 2023			
			September 24, 2021	29.17	March 22, 2024			
			September 24, 2021	29.17	June 24, 2024			
			September 24, 2021	29.14	September 23, 2024			
35.	HSBC Date of Sanction: March 31, 2022, updated as on June 13, 2022 and further on July 1, 2022	150.00	March 25, 2022	18.75	September 30, 2022	Tenor: 24 months Tenor: 24 months Repayment: Repayable in 8 equal Quarterly Instalments Interest Payable: Monthly	Exclusive charge over receivables of the company with an asset cover of 1.10x	No prepayment penalty on interest rest date. Prepayment on any other date will be subject to funding penalties at the Bank's discretion.
			March 25, 2022	18.75	December 30, 2022			
			March 25, 2022	18.75	March 30, 2023			
			March 25, 2022	18.75	June 30, 2023			
			March 25, 2022	18.75	September 30, 2023			
			March 25, 2022	18.75	December 30, 2023			
			March 25, 2022	18.75	March 25, 2024			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
36.	HSBC Date of Sanction: June 13, 2022 and updated as on July 1, 2022	400.00	June 7, 2022	50.00	September 7, 2022	Tenor: 48 months Repayment: Repayable in 16 Quarterly Instalments Interest Payable: Monthly	Exclusive charge over receivables of the company with an asset cover of 1.10x	Prepayment on any date will be subject to funding penalties at the Bank's discretion.
			June 7, 2022	50.00	December 7, 2022			
			June 7, 2022	50.00	March 7, 2023			
			June 7, 2022	50.00	June 7, 2023			
			June 7, 2022	50.00	September 7, 2023			
			June 7, 2022	50.00	December 7, 2023			
			June 7, 2022	50.00	March 7, 2024			
			June 7, 2022	50.00	June 7, 2024			
37.	HSBC Date of Sanction: June 13, 2022 and updated as on July 1, 2022	50.00	June 7, 2022	3.13	September 7, 2022	Tenor: 48 months Repayment: Repayable in Quarterly Instalments Interest Payable: Monthly	Exclusive charge over receivables of the company with an asset cover of 1.10x	Prepayment on any date will be subject to funding penalties at the Bank's discretion.
			June 7, 2022	3.13	December 7, 2022			
			June 7, 2022	3.13	March 7, 2023			
			June 7, 2022	3.13	June 7, 2023			
			June 7, 2022	3.13	September 7, 2023			
			June 7, 2022	3.13	December 7, 2023			
			June 7, 2022	3.13	March 7, 2024			
			June 7, 2022	3.13	June 7, 2024			
			June 7, 2022	3.13	September 7, 2024			
			June 7, 2022	3.13	December 7, 2024			
			June 7, 2022	3.13	March 7, 2025			
			June 7, 2022	3.13	June 7, 2025			
			June 7, 2022	3.13	September 6,			

S. N o.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
					2025			
			June 7, 2022	3.13	December 6, 2025			
			June 7, 2022	3.13	March 7, 2026			
			June 7, 2022	3.05	June 6, 2026			
38.	HDFC Bank Date of Sanction: March 18, 2021 Along with Facility Agreement dated March 26, 2021	500.00	March 26, 2021	12.50	September 26, 2022	Tenor: 48 months Repayment: Repayable in 8 equal Half Yearly Instalments Interest Payable: Monthly	Exclusive charge on unencumbered receivables of farm equipment / 2 wheeler / MFI Portfolio on POS basis only (up to 1x) balance 0.1x to be in the form of Non-PSL assets	2%. In case pre-payment is triggered on a re-pricing event or mandatory pre-payment event, pre-payment penalty will be nil.
			March 26, 2021	12.50	March 26, 2023			
			March 26, 2021	12.50	September 26, 2023			
			March 26, 2021	12.50	March 26, 2024			
			March 26, 2021	12.50	September 26, 2024			
			March 26, 2021	12.50	March 26, 2025			
			March 30, 2021	50.00	September 30, 2022			
			March 30, 2021	50.00	March 30, 2023			
			March 30, 2021	50.00	September 30, 2023			
			March 30, 2021	50.00	March 30, 2024			
			March 30, 2021	50.00	September 30, 2024			
			March 30, 2021	50.00	March 29, 2025			
39.	HDFC Bank Date of Sanction: March 28, 2022	300.00	March 31, 2022	37.50	March 30, 2024	Tenor: 24 months Repayment: Repayable in 8 Quarterly Instalments Interest Payable:	Exclusive charge on unencumbered PLS qualifiable receivables (Agri & Allied activities – Small and marginal farmers) to the extent of 1x of the outstand loan amount	Prepayment penalty to be at 2%. No pre-payment of the loan for the first 12 months Pre-payment permitted without penalty on reset dates with a 15 day prior notice
			March 31, 2022	37.50	September 30, 2022			
			March 31, 2022	37.50	December 31, 2022			
			March 31, 2022	37.50	March 31, 2023			
			March 31, 2022	37.50	June 30, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			March 31, 2022	37.50	September 30, 2023	Monthly	and remaining 0.1x shall be in the form of Non-PSL receivables	period. In case pre-payment is triggered on a re-pricing/mandatory pre-payment event then penalty will be NIL.
			March 31, 2022	37.50	December 30, 2023			
40.	Karnataka Bank Facility Letter dated December 5, 2019	500.00	December 19, 2019	62.50	December 19, 2022	Tenor: 60 months Repayment: Repayable in 8 equal Half Yearly Instalments Interest Payable: Monthly	Specific charge on book debts and future receivables (standard assets) with security cover of 100% of the outstanding amount at any point of time.	No pre-payment clause,
			December 19, 2019	62.50	June 19, 2023			
			December 19, 2019	62.50	December 19, 2023			
			December 19, 2019	25.00	June 19, 2024			
41.	Karnataka Bank Date of Sanction: January 3, 2022	300.00	February 25, 2022	10.00	August 25, 2022	Tenor: 60 months Repayment: Repayable in 10 half yearly installments Interest Payable: Monthly	Specific charge on present and future receivables/book debts (which are standard and lent exclusively towards agricultural sector) of the Company with minimum security coverage of 100% of the outstanding balance at all times.	No pre-payment clauses.
			February 25, 2022	10.00	February 24, 2023			
			February 25, 2022	10.00	August 25, 2023			
			February 25, 2022	10.00	February 23, 2024			
			February 25, 2022	10.00	August 23, 2024			
			February 25, 2022	10.00	February 25, 2025			
			February 25, 2022	10.00	August 25, 2025			
			February 25, 2022	10.00	February 25, 2026			
			February 25, 2022	10.00	August 25, 2026			
			February 25, 2022	10.00	February 25, 2027			
			February 28, 2022	5.00	August 25, 2022			
			February 28, 2022	5.00	February 24, 2023			
			February 28, 2022	5.00	August 25, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			February 28, 2022	5.00	February 23, 2024			
			February 28, 2022	5.00	August 23, 2024			
			February 28, 2022	5.00	February 25, 2025			
			February 28, 2022	5.00	August 25, 2025			
			February 28, 2022	5.00	February 25, 2026			
			February 28, 2022	5.00	August 25, 2026			
			February 28, 2022	5.00	February 25, 2027			
			March 14, 2022	5.00	August 25, 2022			
			March 14, 2022	5.00	February 24, 2023			
			March 14, 2022	5.00	August 25, 2023			
			March 14, 2022	5.00	February 23, 2024			
			March 14, 2022	5.00	August 23, 2024			
			March 14, 2022	5.00	February 25, 2025			
			March 14, 2022	5.00	August 25, 2025			
			March 14, 2022	5.00	February 25, 2026			
			March 14, 2022	5.00	August 25, 2026			
			March 14, 2022	5.00	February 25, 2027			
			March 17, 2022	5.00	August 25, 2022			
			March 17, 2022	5.00	February 24, 2023			
			March 17, 2022	5.00	August 25, 2023			
			March 17, 2022	5.00	February 23, 2024			
			March 17, 2022	5.00	August 23, 2024			
			March 17, 2022	5.00	February 25, 2025			
			March 17, 2022	5.00	August 25, 2025			
			March 17, 2022	5.00	February 25, 2026			
			March 17, 2022	5.00	August 25, 2026			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			March 17, 2022	5.00	February 25, 2027			
			March 22, 2022	5.00	August 25, 2022			
			March 22, 2022	5.00	February 24, 2023			
			March 22, 2022	5.00	August 25, 2023			
			March 22, 2022	5.00	February 23, 2024			
			March 22, 2022	5.00	August 23, 2024			
			March 22, 2022	5.00	February 25, 2025			
			March 22, 2022	5.00	August 25, 2025			
			March 22, 2022	5.00	February 25, 2026			
			March 22, 2022	5.00	August 25, 2026			
			March 22, 2022	5.00	February 25, 2027			
42.	NABARD Date of Sanction: June 21, 2021	500.00	September 30, 2021	25.00	September 30, 2022	Tenor: 60 months Repayment Schedule: 19 Quarterly Instalments Interest Payable: Monthly	Exclusive charge on the assets / receivables assigned to NABARD with a security cover of 1.10 times	The rate of pre-payment will be 2.50% p.a. and will be chargeable for each instalment due separately for the entire period (minimum 6 months) from the date of pre-payment to the date on which the instalment is actually due for payment. The prepayment can only be initiated after minimum notice of 3 working days.
			September 30, 2021	25.00	December 31, 2022			
			September 30, 2021	25.00	March 31, 2023			
			September 30, 2021	25.00	June 30, 2023			
			September 30, 2021	25.00	September 30, 2023			
			September 30, 2021	25.00	December 30, 2023			
			September 30, 2021	25.00	March 30, 2024			
			September 30, 2021	25.00	June 29, 2024			
			September 30, 2021	25.00	September 30, 2024			
			September 30, 2021	25.00	December 31, 2024			
			September 30, 2021	25.00	March 31, 2025			
			September 30, 2021	25.00	June 30, 2025			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			September 30, 2021	25.00	September 30, 2025			
			September 30, 2021	25.00	December 31, 2025			
			September 30, 2021	25.00	March 31, 2026			
			September 30, 2021	25.00	June 30, 2026			
			September 30, 2021	25.00	June 30, 2026			
43.	NABARD Date of Sanction: December 27, 2021	1,500.00	January 3, 2022	75.00	September 30, 2022	Tenor: 60 months Repayment: Repayable in 19 Quarterly Instalments Interest Payable: Monthly	Exclusive charge on assets/ receivables assigned to NABARD with a security cover of 1.10 times	The Borrower may prepay the whole or part of the Loan by giving an irrevocable prior written notice to the 1% on the amount prepaid
			January 3, 2022	75.00	December 31, 2022			
			January 3, 2022	75.00	March 31, 2023			
			January 3, 2022	75.00	June 30, 2023			
			January 3, 2022	75.00	September 30, 2023			
			January 3, 2022	75.00	December 30, 2023			
			January 3, 2022	75.00	March 30, 2024			
			January 3, 2022	75.00	June 29, 2024			
			January 3, 2022	75.00	September 30, 2024			
			January 3, 2022	75.00	December 31, 2024			
			January 3, 2022	75.00	March 31, 2025			
			January 3, 2022	75.00	June 30, 2025			
			January 3, 2022	75.00	September 30, 2025			
			January 3, 2022	75.00	December 31, 2025			
			January 3, 2022	75.00	March 31, 2026			
			January 3, 2022	75.00	June 30, 2026			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			January 3, 2022	75.00	September 30, 2026			
			January 3, 2022	75.00	December 31, 2026			
			January 3, 2022	75.00	December 31, 2026			
44.	State Bank of India Date of Sanction: December 7, 2018	3,200.00	March 20, 2019	125.00	September 19, 2022	Tenor: 48 months Repayment Schedule: 8 equal half yearly instalments Interest Payable: Monthly	Charge over receivables/ book debts present and future net of finance charges, securitized assets and NPAs on pari passu with other lender with a security cover of 1.10 times.	The Borrower may prepay the whole or part of the Loan by giving an irrevocable prior written notice to the Bank stating the amount and the date of proposed prepayment and subject to the payment of the prepayment premium ("Prepayment Premium") calculated at the rate of 1% (one per cent) on the amount being prepaid plus applicable Taxes together with all interests and other charges, accrued on such amount being prepaid, up to the date of prepayment. 4.2.2 The Borrower may, however, prepay the Loan without the
			March 20, 2019	125.00	March 18, 2023			
			March 20, 2019	17.00	September 19, 2023			
			March 22, 2019	125.00	September 19, 2022			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			March 22, 2019	125.00	March 18, 2023			payment of any Prepayment Premium: (a) if the prepayment is made at the instance of the Bank; (b) the prepayment is made, once in a year, out of the surplus cash accruals of the Borrower. 4.2.3 Where the Borrower makes any partial prepayment, the amounts which have been prepaid shall be applied towards the Repayment Instalments in the inverse order of maturity. 4,2.4 Any notice of prepayment under this Agreement is irrevocable. 4.2.5 All prepayment under this Agreement shall be made together with all interest accrued on the amount being prepaid and any other amounts due and payable under this Agreement up to the date of such prepayment with respect to
			March 22, 2019	17.00	September 19, 2023			
			March 25, 2019	150.00	September 19, 2022			
			March 25, 2019	150.00	March 18, 2023			
			March 25, 2019	66.00	September 19, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
								the amount prepaid. 4.2.6 No prepayment is permitted except in accordance with the express terms of this Agreement. 4.2.7 No amount repaid and/or prepaid under this Agreement may subsequently be re-borrowed under the Facility.
45.	State Bank of India Date of Sanction: March 8, 2019	1,500.00	March 26, 2019	25.00	December 31, 2022	Tenor: 60 months. Repayment Schedule: 8 equal half yearly instalments Interest Payable: Monthly	Exclusive charge over receivables / book debts present and future excluding securitization, if any and NPAs	1% of the amount prepaid , as long as the external credit rating remains AAA, else 2% of the amount prepaid
			March 26, 2019	25.00	June 30, 2023			
			March 26, 2019	25.00	December 30, 2023			
			March 29, 2019	37.50	December 31, 2022			
			March 29, 2019	37.50	June 30, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			March 29, 2019	37.50	December 30, 2023			
			June 26, 2019	62.50	December 31, 2022			
			June 26, 2019	62.50	June 30, 2023			
			June 26, 2019	62.50	December 30, 2023			
			June 27, 2019	62.50	December 31, 2022			
			June 27, 2019	62.50	June 30, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			June 27, 2019	62.50	December 30, 2023			
46.	State Bank of India Term Loan Date of Sanction: May 04, 2022	500.00	June 30, 2022 June 30, 2022 June 30, 2022 June 30, 2022 June 30, 2022 June 30, 2022 June 30, 2022 June 30, 2022	62.50 62.50 62.50 62.50 62.50 62.50 62.50 62.50	December 30, 2023 June 29, 2024 December 31, 2024 June 30, 2025 December 31, 2025 June 30, 2026 December 31, 2026 June 30, 2027	Tenor: 60 months. Repayment Schedule: 8 equal half yearly instalments after moratorium of 12 months Interest Payable: Monthly	Pari-Passu charge with other banks/lenders over the Company's Identified loan receivables/book debts (both current and non-current) net of NPA, Securitization, finance costs and over-dues. The Company shall maintain during the currency of the facility a minimum Asset Coverage Ratio of 1.10 arrived on the value of loan receivables/Book Debts (both current and non-	The Borrower may prepay the amounts due under the Facility without any prepayment penalty in the following cases: (i) if prepayment is made within 30 (thirty) days of the date of interest reset if the Applicable Interest Rate on reset is not acceptable to the Borrower; or, (ii) if prepayment with is made with a notice period of 30 (thirty) days

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
							current) net of NPA, Securitization, finance costs and over-dues. The company/security trustee should provide confirmation of regarding asset cover on monthly basis. The same should be confirmed by Chartered Accountant on quarterly intervals.	and the prepayment is made from the Borrower's own resources out of collections and equity infusions by the promoter(s). Except as provided in Clause herein, the prepayment penalty shall be 2% on the amount prepaid.
47.	Sumitomo Mitsui Bank Date of Sanction: January 18, 2022	200. 00	February 8, 2022	100.00	February 6, 2025	Tenor: 36 months Repayment: Bullet repayment at the end of tenor Interest Payable: Monthly	First pari passu charge over present and future receivables and book debts with a security cover of 110%.	Borrower may prepay entire of part of the facility by giving minimum notice of 2 business days in such an event the lender shall be entitled to charge break cost, however, the break cost will not be applicable in case prepayment is made interest reset date
			February 8, 2022	100.00	February 6, 2025			
48.	South Indian Bank Date of Sanction: September 21, 2021	150. 00	September 29, 2021	25.00	September 29, 2022	Tenor: 36 months Repayment Schedule: 3 structured yearly	First pari passu charge by way of hypothecation of standard loan receivables (other than specifically charged) of the	The Borrower may prepay the Facility at any time by giving 30 (thirty) Business Days; notice of such prepayment, without any

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			September 29, 2021	25.00	September 29, 2023	instalments. Interest Payable: Monthly	company-present and future with an asset cover of 110%.	prepayment charges. Any other prepayment shall be made with prepayment charges at the rate of 2% (two percent) per annum on the balance amount of the Facility for the residual period of prepayment of the Facility.
			September 29, 2021	100.00	September 27 , 2024			
49.	South Indian Bank Date of Sanction: September 21, 2021	150.00	December 28, 2021	16.67	December 28, 2022	Tenor: 36 months Repayment Schedule: 3 structured yearly instalments Interest Payable: Monthly	Exclusive charge on the receivables of standard assets portfolio with the minimum asset cover of 1.10x, of which 1.0x shall be in the form of PLS assets and 0.10x shall be in form of Non-PSL assets	The Borrower may prepay the Facility at any time by giving 30 (thirty) Business Day's notice of such prepayment, without any prepayment charges. Any other prepayment shall be made with prepayment charges at the rate of 2% (two percent) per annum on the balance amount of the Facility for the residual period of prepayment of the Facility.
			December 28, 2021	16.67	December 28, 2023			
			December 28, 2021	16.67	December 27, 2024			
			December 30, 2021	33.33	December 28, 2022			
			December 30, 2021	33.33	December 28, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			December 30, 2021	33.33	December 27, 2024			
50.	Société Générale Date of Sanction: March 28, 2022	200.00	March 30, 2022	200.00	March 28, 2025	28.03.2025 Tenor: 36 months. Repayment Schedule: Bullet Repayment at the end of 36 months Interest Payable: Monthly	First pari passu charge by way of hypothecation of standard receivables (other than specifically charged) and/or fixed deposits of the company-present and future to the extent of 1.10 times of the exposure maintained at any point of time, through Security Trustee, Catalyst Trusteeship.	Prepayment: The Bank may, in its sole discretion and on such terms as to pre-payment fees, etc., as it may prescribe, permit pre-payment. If permitted by the Bank, the Borrower shall give prior written notice of his intention to pre-pay the part/full amount of Loan and pay to the Bank such pre-payment charges mentioned in the Schedule 1 of the term loan agreement subject to change by the Bank from time to time.
51.	Micro Units Development & Refinance Agency ltd. (MUDRA Letter of Intent	340.00	March 30, 2022	42.50	April 10, 2023	10.01.2025 Tenor: 36 months Repayment Schedule: 8 quarterly	Exclusive first charge by way of hypothecation of specific book debts and receivables of Borrower including collateral free MUDRA	The Borrower shall not prepay the outstanding principal amount of loan in full or part thereof before the due dates except after obtaining prior approval of
			March 30, 2022	42.50	July 10, 2023			
			March 30, 2022	42.50	October 10, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
	dated March 17, 2022		March 30, 2022	42.50	January 10, 2024	instalments. Interest Payable: Monthly	compliant loans provided by borrower and which are standard assets in the Books of the Borrower as per extant RBI guidelines with a minimum asset cover of 1.10 times.	MUDRA in writing which may be granted subject to such conditions. MUDRA may deem fit to levy interest on residual period of repayment for loans i.e. upto 12 months 1% of outstanding amount, for loans upto 13 to 24 months 2% of outstanding amount, for loans more than 24 months 3% of outstanding amount.
			March 30, 2022	42.50	April 10, 2024			
			March 30, 2022	42.50	July 10, 2024			
			March 30, 2022	42.50	October 10, 2024			
			March 30, 2022	42.50	January 10, 2025			
52.	UCO Date of Sanction: November 22, 2021	300.00	November 30, 2021	7.50	November 30, 2022	30.11.2026 Tenor: 60 months Repayment Schedule 20 equal quarterly instalments. Interest Repayable: Monthly	Security cover will be 1.10 times of the loan outstanding of which 1x will be secured by first exclusive charge on specific book debts and future receivables for Agriculture and Allied activities. Exclusive charge on Receivables will be in the form of Current Assets/FDs until the amount is deployed for eligible onward lending.	Borrower will have an option to prepay the entire outstanding facility in part or full by giving an advance notice within 10 days and such prepayment shall not attract any prepayment charges/penalty.
			November 30, 2021	7.50	February 28, 2023			
			November 30, 2021	7.50	May 31, 2023			
			November 30, 2021	7.50	August 31, 2023			
			November 30, 2021	7.50	November 30, 2023			
			November 30, 2021	7.50	February 29, 2024			
			November 30, 2021	7.50	May 31, 2024			
			November 30, 2021	7.50	August 31, 2024			
			November 30, 2021	7.50	November 30, 2024			
			November 30, 2021	7.50	February 28, 2025			
			November 30, 2021	7.50	May 31, 2025			
			November 30, 2021	7.50	August 30, 2025			
			November	7.50	Novemb			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			30, 2021		er 29, 2025			
			November 30, 2021	7.50	February 27, 2026			
			November 30, 2021	7.50	May 30, 2026			
			November 30, 2021	7.50	August 31, 2026			
			November 30, 2021	7.50	November 30, 2026			
			November 30, 2021	7.50	August 30, 2022			
			December 17, 2021	2.50	August 31, 2022			
			December 17, 2021	2.50	November 30, 2022			
			December 17, 2021	2.50	February 28, 2023			
			December 17, 2021	2.50	May 31, 2023			
			December 17, 2021	2.50	August 31, 2023			
			December 17, 2021	2.50	November 30, 2023			
			December 17, 2021	2.50	February 29, 2024			
			December 17, 2021	2.50	May 31, 2024			
			December 17, 2021	2.50	August 31, 2024			
			December 17, 2021	2.50	November 30, 2024			
			December 17, 2021	2.50	February 28, 2025			
			December 17, 2021	2.50	May 31, 2025			
			December 17, 2021	2.50	August 30, 2025			
			December 17, 2021	2.50	November 29, 2025			
			December 17, 2021	2.50	February 27, 2026			
			December 17, 2021	2.50	May 30, 2026			
			December 17, 2021	2.50	August 31, 2026			
			December	2.50	Novemb			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			17, 2021		er 30, 2026			
			December 23, 2021	2.50	August 31, 2022			
			December 23, 2021	2.50	November 30, 2022			
			December 23, 2021	2.50	February 28, 2023			
			December 23, 2021	2.50	May 31, 2023			
			December 23, 2021	2.50	August 31, 2023			
			December 23, 2021	2.50	November 30, 2023			
			December 23, 2021	2.50	February 29, 2024			
			December 23, 2021	2.50	May 31, 2024			
			December 23, 2021	2.50	August 31, 2024			
			December 23, 2021	2.50	November 30, 2024			
			December 23, 2021	2.50	February 28, 2025			
			December 23, 2021	2.50	May 31, 2025			
			December 23, 2021	2.50	August 30, 2025			
			December 23, 2021	2.50	November 29, 2025			
			December 23, 2021	2.50	February 27, 2026			
			December 23, 2021	2.50	May 30, 2026			
			December 23, 2021	2.50	August 31, 2026			
			December 23, 2021	2.50	November 30, 2026			
			December 29, 2021	2.50	August 31, 2022			
			December 29, 2021	2.50	November 30, 2022			
			December 29, 2021	2.50	February 28, 2023			
			December 29, 2021	2.50	May 31, 2023			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			December 29, 2021	2.50	August 31, 2023			
			December 29, 2021	2.50	November 30, 2023			
			December 29, 2021	2.50	February 29, 2024			
			December 29, 2021	2.50	May 31, 2024			
			December 29, 2021	2.50	August 31, 2024			
			December 29, 2021	2.50	November 30, 2024			
			December 29, 2021	2.50	February 28, 2025			
			December 29, 2021	2.50	May 31, 2025			
			December 29, 2021	2.50	August 30, 2025			
			December 29, 2021	2.50	November 29, 2025			
			December 29, 2021	2.50	February 27, 2026			
			December 29, 2021	2.50	May 30, 2026			
			December 29, 2021	2.50	August 31, 2026			
			December 29, 2021	2.50	November 30, 2026			
53.	UCO Date of Sanction: September 24, 2019	500.00	September 27, 2019	25.00	September 30, 2022	27.09.2024 Tenor: 60 months Repayment Schedule: 20 equal quarterly instalments. Interest Payable: Monthly	1st Charge on the Book debts and future receivables to the extent of 1.10 times of the outstanding amount. (of which 1x will represent receivable from Agriculture Priority Lending)	The company may prepay the facility without any prepayment penalty/charge at the time of reset at any time by giving 10 days advance notice.
			September 27, 2019	25.00	December 31, 2022			
			September 27, 2019	25.00	March 31, 2023			
			September 27, 2019	25.00	June 30, 2023			
			September 27, 2019	25.00	September 30, 2023			
			September 27, 2019	25.00	December 30, 2023			
			September 27, 2019	25.00	March 30, 2024			
			September 27, 2019	25.00	June 29, 2024			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
			September 27, 2019	25.00	September 27, 2024			
54.	Kotak Mahindra Bank Date of Sanction: June 26, 2021, October 14, 2021	150.00	September 30, 2021	25.00	September 30, 2022	Tenor: 60 months Repayment Schedule: INR 25 cr. to be repaid at the end of 12th month, INR 30 cr. at the end of the 24th month, INR 37.5 cr. at the end of 36th and 48th months and final repayment of INR 20 cr. at the end of 60th month from the date of disbursement Interest Payable: Monthly	Secured by first and exclusive charge by way of hypothecation of present and future retail loan receivables with a 1.1x cover.	The Borrower shall not without the prior written approval of the Bank (which approval may be given subject to such terms and conditions as may be stipulated by the Bank including payment of prepayment premium), prepay the outstanding principal amount together with interest due in full or in part before the due dates. The Borrower shall give the Bank at a minimum of 30 days' prior notice of its intention to prepay (i.e. repay ahead of the previously agreed tenor or repayment date) whole or part of the Facilities subject to Borrower's agreeing to bear the Prepayment Charges
			September 30, 2021	30.00	September 30, 2023			
			September 30, 2021	37.50	September 30, 2024			
			September 30, 2021	37.50	September 30, 2025			
			September 30, 2021	20.00	May 30, 2026			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
55.	Kotak Mahindra Bank Date of Sanction: September 28, 2021 and 14 October 14, 2021	150.00	August 6, 2021	20.00	April 6, 2026	Tenor: 60 months Repayment Schedule: INR 25 cr. to be repaid at the end of 12th month, INR 30 cr. at the end of the 24th month, INR 37.5 cr. at the end of 36th and 48th months and final repayment of INR 20 cr. at the end of 60th month from the date of disbursement Interest Payable: Monthly	Secured by first and exclusive charge by way of hypothecation of present and future retail loan receivables with a 1.1x cover.	Prepayment of any amounts before their due date shall attract a prepayment penalty of 1% of the amount being pre-paid. However, in the event that any pre-payment is made under advice or instruction from KMBL, no pre-payment penalty shall be levied.
			August 6, 2021	25.00	August 6, 2022			
			August 6, 2021	37.50	August 6, 2024			
			August 6, 2021	37.50	August 6, 2025			
			August 6, 2021	30.00	August 5, 2023			
56.	Union Bank of India Date of Sanction: September 27, 2019	300.00	September 30, 2019	50.00	September 30, 2022	Tenor: 36 months Repayment: 6 equal half yearly instalments	Secured by first and exclusive charge by way of hypothecation on the specific non capital market receivable of the company to the lenders/security trustee (on behalf of	Prepayment penalty is waived.

S. N o.	Name of Lender	Amount Sanctio ned (₹ in crore)	Date of Disburse ment	Principal Amount Outstand ing as on June 30, 2022 (₹ in crore)	Principa l Repaym ent Date	Repayme nt Schedule	Security	Prepayment Clause in Loan Agreement
							lenders). Security to an extent of minimum 1.10 times of the outstanding amount.	
57.	CITI Bank	185.00	June 2, 2022	23.13	August 30, 2022	Tenor: 24 months Repayme nt: 8 Equal Quarterly Installme nts Interest Payable: as per drawdow n letter	An exclusive charge by way of hypothecation over the Borrower's sepecific receivables as identified by the Borrower from time to time under the stock statement/portf olio certitificate submitted by the Borrower to the Bank both present and future ("Hypothecated Assets") such that the total vlalue of the securitity shall be maintained at a minimum Security Cover of 1.1 x while the Facility remains outstanding.	Prepayment is permitted, in full or in minimum amounts of INR 100 MM and multiples of INR 100 MM, in accordance with Clause 4 of the Standard Terms.
			June 2, 2022	23.13	Novemb er 29, 2022			
			June 2, 2022	23.13	February 27, 2023			
			June 2, 2022	23.13	June 2, 2023			
			June 2, 2022	23.13	Septemb er 2, 2023			
			June 2, 2022	23.13	Decemb er 2, 2023			
			June 2, 2022	23.13	March 2, 2024			
			June 2, 2022	23.09	June 1, 2024			
58.	Bank of Baroda	1,250.00	December 19,2019	62.50	June 19, 2023	Quarterly	Pari passu first charge on loan receivables of the Company in favor of all the Banks through security trustee namely catalyst trusteeship limited under security trustee arrangement (STA) with minimum	Waived, if prepayment is made with 3 days prior written Notice. In all other cases prepayment penalty of 2% of the amount prepaid shall be applicable.
				62.50	Septemb er 19, 2023			
				62.50	Decemb er 19, 2023			
				62.50	March 19, 2024			
				62.50	June 19,			

S. No.	Name of Lender	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
					2024		Security Cover of 1.10 times of our Bank's loan amount outstanding.	
				62.50	September 19, 2024			
				62.50	December 19, 2024			
				62.50	March 18, 2023			

The total outstanding after Ind AS adjustment on account of Effective Interest Rate is ₹ 18,300.08 crores.

Penalty: The loan documentation executed with respect to the term loans mentioned **below** set out penalty/additional interest provisions for compliance with the provisions of the loan documents. Such provisions *inter alia*, include, but are not limited to:

(a) Company fails to pay any outstanding amount on its due date, an additional default interest at 2%;
(b) Any default occurs or is outstanding or continuing;
(c) Company fails to/does not submit its audited balance sheets within 6 months of closure of financial year;
(d) Penal interest/additional penal interest
  - **a.** SMA 0 – Penal interest of 2 %
  - **b.** SMA 1 – Penal interest of 2%; Additional interest of 0.5 %
  - **c.** SMA 2 – Penal interest of 2%; Additional interest of 1 %
  - **d.** NPA- Penal interest of 2%

(e) Delay/non-submission of stock/book debts statements/QIS within stipulated period- 1% on the amount outstanding
(f) Expiry of working capital limits- 2% on the outstanding amount of fund based credit facilities
(g) Delay / failure to obtain external credit risk rating from the agency approved by RBI, within stipulated time period and/or if the rating is suspended, or delay /failure to submit the yearly certificate to confirm compliance with the stipulation pertaining to ownership / control / management- 1 % on the outstanding amount of the fund based credit facilities
(h) Breach in the financial covenants- 2% above the applicable interest rate on the outstanding amount of fund based credit facilities

Rescheduling: None of the loan documents provides for rescheduling provisions.

Events of Default: The facility documents executed by the Company stipulates certain events as "***Events of Default***", pursuant to which the Company may be required to immediately repay the entire loan facility availed by it and be subject to additional penalties by the relevant lenders. Such events include, but are not limited to:

(a) The Company fails to pay any sum due from it under any of the facility documents in the due dates;
(b) The Company fails to repay any other amounts including additional interest, penal interest, charges, costs, expenses or any portion thereof on the respective due dates whether at stated maturity or acceleration or otherwise;
(c) Any representation or statement made or deemed to be made by the Company in the facility documents (to which it is a party) or any other document delivered by or on behalf of the Company under or in connection with any facility documents, is or proves to have been incorrect or misleading in any material respect when made or deemed to be made;
(d) Company fails to observe terms and conditions of the facility/any finance document;
(e) The Company ceases to carry its business;
(f) Any breach of financial covenant;

(g) If Company is included in defaulters list issued by RBI or credit information company or any other similar agency from time to time;
(h) Occurring of a cross default event whereby payment default pursuant to any agreement and amount of default is more than or equivalent to INR 500 crores;
(i) Change in shareholding/ownership below 51% (fifty one percent) without prior consent of respective lenders under the facility documents;
(j) Non-maintenance of security coverage ratio and failing to provide additional security under the terms of facility documents;
(k) The Company is unable to, or admits its inability to, pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness or the value of its assets is less than its liabilities (taking into account contingent and prospective liabilities) or a moratorium is declared in respect of any of its indebtedness;
(l) Any corporate action or other steps are taken, an application under the Insolvency and Bankruptcy Code 2016 is filed against the Company or legal proceedings are started for its winding-up, dissolution or administration or re-organisation, on a liquidation or for the appointment of liquidator, receiver, administrator, administrative receiver, trustee or similar officer of it or of all or any material part of its revenues and assets;
(m) It is or becomes unlawful for the Company (as may be decided by the lenders) to perform any of its obligations under the finance documents or the lenders has the grounds to believe that the Company may not be in a position to fulfil its obligations or for any change in law or it otherwise becomes unlawful for the Company to fulfil its obligations under any of the finance documents.
(n) Any expropriation, attachment, sequestration, distress or execution (including any proceedings initiated under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002) affects any asset or assets of the Company;
(o) There occurs any event or situation which has a material adverse effect;
(p) Any security document ceases to be in full force and effect or does not (once entered into) create in favour of the lender, the security which it is expressed to create, with the ranking it is expressed to have;
(q) If, in the reasonable opinion of the lender, any transaction security held by the lender is in jeopardy, under threat or ceases to have effect;
(r) If any other financial institution(s) or bank(s), with whom, the Company has entered into agreements for financial assistance have refused to disburse its/their loan(s) or any part thereof because of deterioration of financial health of the Company die to rating downgrade by more than 3 notches;
(s) The Company/co-obligant(s) entering into any agreement or composition with their creditors or committing an act the consequences of which may lead to the winding up of the Company/co-obligant(s);
(t) If the loan or any part thereof is utilized for any purpose other than the purpose for which it is applied by the Company and sanctioned by the banks
(u) If the Company, without prior written consent of the lenders, attempt or purport to create any charge, mortgage, pledge, hypothecation, lien or other encumbrance over the assets which are provided/changed to the lenders as the security for the repayment of the dues.
(v) Failure of the Company to pay any amount under any court order or decree or judgement against the Company;
(w) The cessation or revocation for any reason of any consent, authorisation, license and/or exemption which is required to enable the Company to carry on all or any material part of its business, or to ensure that the terms of the facility document or any security held by the lender in relation to the facility are valid, binding and enforceable, or it becoming unlawful for such party to perform all or any of its obligations hereunder or thereunder or any such document not being or ceasing to be legal, valid and binding on it;
(x) The Company repudiates facility agreement or does or causes to be done any act or thing evidencing an intention to repudiate the agreement;
(y) If (i) the Company is held to be a willful defaulter, or (ii) any of the Company's directors/promoters is a director (other than a nominee director appointed by any regulatory or statutory body, after the willful default has been declared)/ promoter of any other company/entity that is held to be a willful defaulter by any bank, financial institution or other entity in accordance with the guidelines/circulars issued by the RBI from time to time in this regard and the Company fails to promptly take all necessary steps to have such person removed from its board of directors;
(z) The present management of the Company is wholly or substantially displaced or has its authority curtailed;
(aa) The Company's business is, in the opinion of the lender, is in jeopardy;
(bb) The Company entering into any arrangement or composition with his/her/its/their creditors or committing any act of insolvency, or any act the consequence of which may lead to the insolvency or winding up of the Company;
(cc) The Company being certified by an accountant or a firm of accountants appointed by the lender (which the lender is entitled and authorised to do at any time) that the liabilities of the Company exceed its assets or that the Company is carrying on business at a loss;

(dd) The passing of any order of a court ordering, restraining or otherwise preventing the Company from conducting all or any material part of its business;

(ee) Use of the facility for investments in shares, securities, on-lending to associate companies, investments in ICD/inter corporate loans;

(ff) Company is not or ceases to be a subsidiary of L&T Finance Holdings Limited;

(gg) The auditors when certifying the annual financial statements of the Company have made qualifications or have refused to certify them, in a manner that could reasonably be expected to be materially adverse to the interests of the lender.

ii. Working Capital Demand Loans/ Cash Credit/Line of Credit

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
1.	Bank of Baroda	Working Capital Demand Loan	December 31, 2021	1,250.00	February 9, 2022	750.00	February 9, 2023	Tenor: Minimum 6 month and maximum 12 months Repayment: Bullet Repayment Interest payment: As and when due	Pari passu first charge on loan receivables of the Company with minimum Security Cover of 1.10 times of loan amount outstanding.	The Borrower may prepay the Facility by providing 3 (Three) Days' prior written notice, without any prepayment charges. Any other prepayment shall be made with prepayment charges at the rate of 2% p.a. (two percent) per annum of the amount prepaid for the residual period of WCDL shall be applicable. The prepaymen
					February 11, 2022	500.00	February 10, 2023			

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
										t notice provided by the Borrower shall be irrevocable.
2.	Bank of Maharashtra	Working Capital Demand Loan	July 13, 2021	1,450.00	June 30, 2022	205.00	July 30, 2022	Tenor: 12 months Repayment Bullet Repayment Interest Repayable: As and when due	First pari passu charge by way of hypothecation of standard loan receivables (other than specifically charged) of the company present and future to the extent of 1.10 times of the exposure maintained at any point of time.	No prepayment charges.
					June 27, 2022	300.00	July 27, 2022			
					June 27, 2022	250.00	July 27, 2022			
					June 29, 2022	250.00	July 29, 2022			
					June 17, 2022	175.00	July 16, 2022			
					June 10, 2022	100.00	July 8, 2022			
					June 14, 2022	120.00	July 14, 2022			
					June 24, 2022	50.00	July 22, 2022			
3.	DBS Bank	Working Capital Demand Loan	August 26, 2021	675.00	June 6, 2022	670.00	July 6, 2022	Tenor: 180 days Repayment: Bullet Repaym	First ranking *pari passu* charge over receivables which are Standard in nature with	NA

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
								ent	minimum security cover of 1.10 x.	
4.	Indian Bank	Working Capital Demand Loan	December 20, 2021	700.00	June 30, 2022	700.00	December 27, 2022	Tenor: 6 months Repayment: Bullet Repayment Interest Payable: Monthly	An exclusive charge on specific book debts and future Receivables (Standard) of the Company. Minimum Security cover shall be 1.10 times of the loan outstanding at all times during the tenor of the loans	The borrower may prepay the facility by giving 30 business day's notice without any prepayment charges, in other cases in prepayment charges as per facility agreement
5.	Federal Bank	Agreement for Working Capital Facility dated 30 November 2021	September 22, 0221	30.00	February 17, 2022	30.00	August 12, 2022	Tenor: 6 months Repayment: Bullet Repayment Interest Payable: Monthly	Pari passu first charge on the receivables of the company through Security Trustee (Catalyst Trusteeship Limited) at 1.10 times.	1% per annum of the outstanding amount
6.	United Overseas Bank	Working capital loan facility	June 29, 2021	20.00	March 22, 2022	15.00	March 21, 2023	Tenor: 12 months and Repayment: repayab	First ranking pari passu, charge on specific Receivables of the Borrower in	Prepayment of the loan is permitted with prior notice of 7 days without

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
				130.00	June 8, 2022	130.00	July 7, 2022	le on demand Interest Payable: Monthly	favour of the Bank by way of hypothecation under the Security Trustee arrangement.	any prepayment charges.
7.	Punjab and Sind Bank	Line of Credit	January 20, 2022	825.00	June 27, 2022	400.00	July 27, 2022	Tenor: 6 months Repayment: Bullet Repayment Interest Repayable: Monthly	Exclusive charge on present and future receivables of the security receipts held by the Borrower as identified by the Borrower from time to time in favour of our bank with asset coverage of minimum 1.10 times of the loan amount outstanding at any point of time during the tenure of the loan. Further, the company to undertake that in case of any asset turning to NPA, the same shall be replaced with	Nil
					June 27, 2022	355.00	July 27, 2022			
					June 16, 2022	70.00	July 16, 2022			

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
									another security receipts and security cover of 1.10 times shall be maintained at all the time.	
8.	Canara Bank	Line of Credit	December 29, 2020	500.00	June 24, 2022	100.00	June 23, 2023	Tenor: 12months Repayment: Bullet repayment Interest Payable: Monthly	Hypothecation of specigic standard receivables with asset coverege of 1.11 times	Prepayment charges waived.
					June 10, 2022	75.00	June 9, 2023			
					June 14, 2022	100.00	June 14, 2023			
					June 30, 2022	175.00	June 30, 2023			
					June 27, 2022	50.00	June 27, 2023			
					June 2, 2022	23.13	November 29, 2022			
					June 2, 2022	23.13	February 27, 2023			
					June 2, 2022	23.13	June 2, 2023			
					June 2, 2022	23.13	September 2, 2023			

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
					June 2, 2022	23.13	December 2, 2023			
					June 2, 2022	23.13	March 2, 2024			
					June 2, 2022	23.13	June 1, 2024			
9.	DBS Bank	Line of Credit	March 31, 2021	350.00	March 31, 2021	250.00	March 30, 2024	Tenor: 36 months Repayment: Bullet repayment Interest Payable: Monthly	First rnaking exclusive charge over specific receivables of the Borrower which are Standard in nature and for an amount corresponding to 110 % security cover.	Prepayment will be permitted in whole or in part, after a minimum of three months from the date of the first drawdown, without any prepayment penalty/premium, at the end of an interest period only. Prepayment should be in minimum amounts of INR Five Hundred Million and in integral multiples of INR

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
										Five Hundred Million, subject to at least 7 days prior irrevocable written notice being given to the Bank. Any amount prepaid may be available to drawdown at mutually agreed terms at the time of establishing a new facility.
10.	Central bank Of India	Working Capital	October 6, 2020	100.00	June 28, 2022	50.00	July 28, 2022	**Tenor:** 12 months **Repayment:** Bullet Repayment	Exclusive charge on specific receivables of the company with a minimum security cover of 1.11 times.	Option to prepay the entire outstanding facility anytime after 30 days from the date of drawdown without prepayment penalty. In case company prepays within 30 days from the date of drawdown prepayment penalty of
					June 29, 2022	50.00	July 29, 2022			

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
										1 % will be covered on the prepaid amount.
11.	Federal Bank of India	Working Capital	September 22, 0221	20.00	February 17, 2022	19.90	August 12, 2022	Tenor: 6 months Repayment: Bullet Repayment Interest Payable : Monthly	Pari passu first charge on the receivables of the company through Security Trustee (Catalyst Trusteeship Limited) at 1.10 times.	1% per annum of the outstanding amount
12.	Punjab National Bank	Working Capital	February 15, 2022	337.50	April 8, 2022	337.50	July 7, 2022	Tenor: 12 months Bullet Repayment Interest Payable : as and when charged	Pari Passu charge over identified pool of book debts and future receivables with a minimum cover of 1.12 times	Right to prepay at anytime after 7 days from the date of drawdown without any prepayment penalty
13.	Punjab National Bank	Working Capital	February 15, 2022	600.00	June 28, 2022	600.00	July 28, 2022	Tenor: 12 months Bullet Repayment Interest Payable : as and	Pari Passu Charge on identified pool of book debts and future receivables of the company (Both present and	Right to prepay at anytime after 7 days from the date of drawdown without any prepayment penalty

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
								when charged	Future). Covering minimum 1.12 times of the facility outstanding throughout the tenure of the facility.	
14.	Punjab National Bank	Working Capital	February 15, 2022	400.00	June 28, 2022	100.00	July 28, 2022	Tenor: 12 months Bullet Repayment Interest Payable: as and when charged	Pari Passu Charge on identified pool of book debts and future receivables of the company (Both present and Future). Covering minimum 1.12 times of the facility outstanding throughout the tenure of the facility.	Right to prepay at anytime after 7 days from the date of drawdown without any prepayment penalty
					June 29, 2022 May 31, 2022 June 10, 2022	165.00 35.00 100.00	July 29, 2022 May 31, 2023 July 8, 2022			
15.	Punjab National Bank	Working Capital	February 15, 2022	112.50	May 31, 2022 June 29,2022	100.00 12.50	May 31, 2023 July 29,2022	Tenor: 12 months Bullet Repayment Interest Payable: as and when charged	Pari Passu Charge on identified pool of book debts and future receivables of the company (Both present and Future). Covering minimum 1.12 times	Right to prepay at anytime after 7 days from the date of drawdown without any prepayment penalty

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
									of the facility outstanding throughout the tenure of the facility.	
16.	Punjab National Bank	Working Capital	February 15, 2022	300.00	June 10, 2022 June 29, 2022 June 14,2022 June 16,2022	100;00 50.00 50.00 100.00	July 8, 2022 July 29, 2022 July 14, 2022 July 16, 2022	Tenor: 12 months Bullet Repayment Interest Payable : as and when charged	Pari Passu Charge on identified pool of book debts and future receivables of the company (Both present and Future). Covering minimum 1.12 times of the facility outstanding throughout the tenure of the facility.	Right to prepay at anytime after 7 days from the date of drawdown without any prepayment penalty
17.	Punjab National Bank	Working Capital	February 15, 2022	462.50	June 29, 2022 May 31, 2022	282.50 180.00	July 29, 2022 May 31, 2023	Bullet Repayment	Pari Passu Charge on identified pool of book debts and future receivables of the company (Both present and Future). Covering minimum 1.12 times of the facility outstanding throughout	Right to prepay at anytime after 7 days from the date of drawdown without any prepayment penalty

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
									the tenure of the facility.	
18.	Punjab National Bank	Line of Credit	February 15, 2022	1387.50	April 8, 2022	1387.50	July 7, 2022	Tenor: 12 months Repayment: Bullet Repayment Interest Payable: As and when charged	Pari Passu Charge on identified pool of book debts and future receivables of the company (Both present and Future). Covering minimum 1.12 times of the facility outstanding throughout the tenure of the facility.	Right to prepay at anytime after 7 days from the date of drawdown without any prepayment penalty
19.	CITI Bank	Long term revolving Line of Credit	Undated	400.00	September 29, 2021	400.00	October 6, 2022	Tenor: Maximum 1 year and 7 days Repayment: Bullet repayment Interest Payable: monthly	An exclusive charge by way of hypothecation over the Borrower's specific receivables as identified by the Borrower from time to time under the stock statement/portfolio certificate submitted by the Borrower to the Bank both present	Prepayment is permitted, in full or in minimum amounts of ₹ 100 MM and multiples of ₹ 100 MM, in accordance with the Standard Terms.

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
									and future ("Hypothecated Assests") such that the total value of the security shall be maintained at a minimum Security Cover of 1.1x while the Facility remains outstanding	
20.	Deutsche Bank	Line of Credit	March 9, 2020	600.00	June 6, 2022	100.00	July 1, 2022	July 8, 2022 Tenor: 12 months Repayment Schedule: Bullet Repayment Interest Payable: Monthly	Pari-passu charge over the identified receivables/ book debts in accordance with the Deed of Adherence executed between L&T Finance and Deutsche Bank Limited vide	You shall compensate us for any cost, loss and expense (including fund breakage cost) that we may incur/suffer in connection with any prepayment under the Facilities. However, at the time of every date of revision borrower shall have a right to prepay the entire outstanding amount
					June 10, 2022	500.00	July 8, 2022			

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
										without any prepayment penalty/ Charges within 7 days after the date of revision.
21.	Bank of Baroda	Line of Credit	August 8, 2021	1000.00	June 22, 2022	200.00	July 22, 2022	July 30, 2022 Tenor: 12 months Repayment: Bullet Repayment	Pari passu first charge on loan receivables of the Company in favor of all the Banks through security trustee namely catalyst trusteeship limited with minimum Security Cover of 1.10 times of our Bank's loan amount outstanding. Security to be perfected within 60 days from the date of disbursement, failing which penal interest @2% to be charged.	You shall compensate us for any cost, loss and expense (including fund breakage cost) that we may incur/ suffer in connection with any prepayment under the Facilities. However, at the time of every date of revision borrower shall have a right to prepay the entire outstanding amount without any prepayment penalty/ Charges within 7 days after the date of revision.
					June 29, 2022	400.00	July 29, 2022			
					June 30, 2022	400.00	July 30, 2022			

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
22.	Bank of India	Line of Credit	March 9, 2022	1500.00	June 22, 2022	130.00	July 22, 2022	July 30, 2022 Tenor: 12 months Repayment: Bullet Repayment Interest Payable: Monthly	Pari passu first charge on loan receivables of the Company in favour of all the Banks through security trustee with miminum cover of 1.10 times of our Bank's loan amount outstanding.	Company shall have the option to prepay the outstanding facility in part or in full at any time without any prepayment penalty subject to Company to give 1 day notice prior to prepayment of STL under LOC. In all other cases, prepayment charged of 0.50% of amount pre-paid shall be levied.
					June 23, 2022	100.00	July 22, 2022			
					June 10, 2022	200.00	July 8, 2022			
					June 14, 2022	120.00	July 14, 2022			
					June 27, 2022	100.00	July 27, 2022			
					June 27, 2022	100.00	July 27, 2022			
					June 30, 2022	750.00	July 30, 2022			
23.	UCO Bank	Working Capital	June 29, 2022	200.00	June 29, 2022	180.00	June 29, 2023	June 29, 2023 Bullet Repayment	First ranking exclusive charge on (a) the Portfolio and the Receivables in relation to the Sub Loans	NA
					June 13, 2022	20.00	June 13, 2023			

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
									constituting the Portfolio as on the date of this Deed, details of which are set out in Schedule III of this Deed, such that Security Cover will be maintained in accordance with Clause 5 of the Deed; and (b) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio with respect to any Utilization(s) of any Loans other than the Utilizations for which the charge on all	

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
									Receivables relating to any Sub Loans is created vide this Deed (as amended or supplemented from time to time) in accordance with paragraph 3(a) above, such that immediately following the relevant Utilization the Security Cover will be maintained in accordance with Clause 5 of this Deed and which are set out under the relevant Supplemental Deed of Hypothecation and/or or Portfolio Certificate provided by the	

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
									Borrower to the Security Trustee from time to time in accordance with the terms of this Deed; and (c) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio, that may be required for the purpose of maintaining the Security Cover in accordance with Clause 5 of this Deed and which are set out under the relevant Portfolio Certificates provided by the Borrower to the	

S. No.	Name of Lender	Type of Facility	Date of Sanction	Amount Sanctioned (₹ in crore)	Date of Disbursement	Principal Amount Outstanding as on June 30, s2022 (₹ in crore)	Principal Repayment Date	Repayment Schedule	Security	Prepayment Clause in Loan Agreement
									Security Trustee from time to time in accordance with the terms of the Deed	

The total outstanding after Ind AS adjustment on account of Effective Interest Rate is ₹ 13,237.29crores.

Penalty: The loan documentation executed with respect to the term loans mentioned above set out penalty/additional interest provisions for compliance with the provisions of the loan documents. Such provisions inter alia, include, but are not limited to:

(a) the Company committing a default in the payment of any sum due hereunder, whether by way of repayment of the outstanding balance of a Loan or by way of payment of interest or any other payment due and payable by the Company on the due date under this Agreement;
(b) the Company not being in compliance with the terms & conditions of the facility agreement and the sanction letter;
(c) any irregularities in the Company's account with the lender; and
(d) non submission / delayed submission of book debts / receivables statement by the Company

the Company shall, in respect of the outstanding amount and in respect of the interest or other amount in default, pay, by way of liquidated damages, additional interest on the entire outstanding at the rate of 2% (two percent) per annum higher than the applicable interest rate, from the date of default till date of remedying the default or the date of payment (as the case may be).

Rescheduling**:** None of the loan documents provides for rescheduling provision.

Events of Default*:* The facility documents executed by the Company stipulates certain events as "***Events of Default***", pursuant to which the Company may be required to immediately repay the entire loan facility availed by it and be subject to additional penalties by the relevant lenders. Such events include, but are not limited to:

(a) The Company fails to pay any sum due from it under any of the facility documents on the due date unless the lender is unable to receive the due payment due to any administrative or technical error at its end;
(b) Any representation or statement made or deemed to be made by the Company in the facility documents (to which it is a party) or any other document delivered by or on behalf of the Company under or in connection with any facility documents, is or proves to have been incorrect or misleading in any material respect when made or deemed to be made;
(c) The Company takes any corporate action or other steps are taken, an application under the (Indian) Insolvency and Bankruptcy Code, 2016 is filed against the Company and is not dismissed within 15 days or legal proceedings are started for its winding-up, dissolution or administration or re-organisation, on a liquidation or for the appointment of liquidator, receiver, administrator, administrative receiver, trustee or similar officer of it or of all or any material part of its revenues and assets;
(d) The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
(e) There occurs any event or situation which has a material adverse effect;

(f) Occurring of a cross default event whereby payment default pursuant to any agreement and amount of default is more than or equivalent to INR 500 crores;

(g) Any expropriation, attachment, sequestration, distress or execution (including any proceedings initiated under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002) affects any asset or assets of the Company;

(h) It is or becomes unlawful for the Company (as may be decided by the Lender, in consultation with the Company) to perform any of its obligations under the finance documents or the lender has reasonable grounds to believe that the Company may not be in a position to fulfil its obligations under the agreement or for any change in law or it otherwise becomes unlawful for the Company to fulfil its obligations under any of the finance documents;

(i) Any change effected in the material ownership structure of the Company resulting in reduction of the direct and indirect shareholding of L&T Finance Holdings Limited in the Company to below 51% (fifty one percent) without the prior written consent of the lender;

(j) At any point of time, if the stipulated security coverage ratio is not maintained;

(k) If, in the reasonable opinion of the lender, any transaction security held by the lender is in jeopardy, under threat or ceases to have effect, the lender shall issue a notice of the same to the Company, and if the Company fails to rectify the issues within 60 (sixty) days from the date of notice of the lender. The lender shall be entitled to enforce its security for realization of its dues.

iii. Overdraft against Fixed Deposit ("ODFD") facility availed by our Company

As on June 30, 2022 our outstanding ODFD amounts to Nil.

iv. External Commercial Borrowings

As on June 30, 2022 we have Nil outstanding borrowings from Collaterised Borrowing and Lending Obligations ("CBLO") and ₹ 2,296.88 Crores by way of External Commercial Borrowings. The total outstanding after Ind AS adjustment on account of Effective Interest Rate is Nil and Rs. 2,542.99 crores of CBLO and External Commercial Borrowings respectively

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
1.	Asian Infrastructure	June 12, 2020	USD 50,000,000	377.65	July 06, 2023 Bullet Repayment	First ranking exclusive charge on (a) the Portfolio and the Receivables in relation to the Sub Loans constituting the Portfolio as on the date of this Deed, details of which are set out in Schedule III of this Deed, such that Security Cover will be maintained in accordance with Clause 5 of

Sr. No.	Lender’s Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						this Deed; and (b) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio with respect to any Utilization(s) of any Loans other than the Utilizations for which the charge on all Receivables relating to any Sub Loans is created vide this Deed (as amended or supplemented from time to time) in accordance with paragraph 3(a) above, such that immediately following the relevant Utilization the Security Cover will be maintained in accordance with Clause 5 of this Deed and which are set out under the relevant Supplemental Deed of

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						Hypothecation and/or or Portfolio Certificate provided by the Borrower to the Security Trustee from time to time in accordance with the terms of this Deed; and (c) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio, that may be required for the purpose of maintaining the Security Cover in accordance with Clause 5 of this Deed and which are set out under the relevant Portfolio Certificates provided by the Borrower to the Security Trustee from time to time in accordance with the terms of the Deed
2.	Asian Infrastructure	June 12, 2020	USD 50,000,000	368.35	December 22, 2023	First ranking exclusive

Sr. No.	Lender’s Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
					Bullet Repayment	charge on (a) The Portfolio and the Receivables in relation to the Sub Loans constituting the Portfolio as on the date of this Deed, details of which are set out in Schedule III of this Deed, such that Security Cover will be maintained in accordance with Clause 5 of this Deed; and (b) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio with respect to any Utilization(s) of any Loans other than the Utilizations for which the charge on all Receivables relating to any Sub Loans is created vide this Deed (as amended or supplemented from time to time) in accordance with paragraph 3(a) above, such that immediately

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						following the relevant Utilization the Security Cover will be maintained in accordance with Clause 5 of this Deed and which are set out under the relevant Supplemental Deed of Hypothecation and/or or Portfolio Certificate provided by the Borrower to the Security Trustee from time to time in accordance with the terms of this Deed; and (c) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio, that may be required for the purpose of maintaining the Security Cover in accordance with Clause 5 of this Deed and which are set out under the relevant Portfolio Certificates provided by the

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						Borrower to the Security Trustee from time to time in accordance with the terms of the Deed
3.	FAB	June 22, 2019	USD 46,000,000	315.86	July 22, 2022 Bullet Repayment	First ranking exclusive charge on (a) the Portfolio and the Receivables in relation to the Sub Loans constituting the Portfolio as on the date of this Deed, details of which are set out in Schedule III of this Deed, such that Security Cover will be maintained in accordance with Clause 5 of the Deed; and (b) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio with respect to any Utilization(s) of any Loans other than the Utilizations for which the charge on all Receivables relating to any Sub Loans is created vide this

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						Deed (as amended or supplemented from time to time) in accordance with paragraph 3(a) above, such that immediately following the relevant Utilization the Security Cover will be maintained in accordance with Clause 5 of this Deed and which are set out under the relevant Supplemental Deed of Hypothecation and/or or Portfolio Certificate provided by the Borrower to the Security Trustee from time to time in accordance with the terms of this Deed; and (c) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio, that may be required for the purpose of maintaining the Security

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						Cover in accordance with Clause 5 of this Deed and which are set out under the relevant Portfolio Certificates provided by the Borrower to the Security Trustee from time to time in accordance with the terms of the Deed
4.	SBI Mauritius Ltd	June 22, 2019	USD 4,000,000	27.47	July 22, 2022 Bullet Repayment	First ranking exclusive charge on (a) the Portfolio and the Receivables in relation to the Sub Loans constituting the Portfolio as on the date of this Deed, details of which are set out in Schedule III of this Deed, such that Security Cover will be maintained in accordance with Clause 5 of the Deed; and (b) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio with
			USD 4,000,000	27.47		

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						respect to any Utilization(s) of any Loans other than the Utilizations for which the charge on all Receivables relating to any Sub Loans is created vide this Deed (as amended or supplemented from time to time) in accordance with paragraph 3(a) above, such that immediately following the relevant Utilization the Security Cover will be maintained in accordance with Clause 5 of this Deed and which are set out under the relevant Supplemental Deed of Hypothecation and/or or Portfolio Certificate provided by the Borrower to the Security Trustee from time to time in accordance with the terms of this Deed; and (c) all Receivables

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio, that may be required for the purpose of maintaining the Security Cover in accordance with Clause 5 of this Deed and which are set out under the relevant Portfolio Certificates provided by the Borrower to the Security Trustee from time to time in accordance with the terms of the Deed
5.	UCO Bank, Singapore Branch	June 22, 2019	USD 46,000,000	315.56	July 22, 2022 Bullet Repayment	First ranking exclusive charge on (a) the Portfolio and the Receivables in relation to the Sub Loans constituting the Portfolio as on the date of this Deed, details of which are set out in Schedule III of this Deed, such that Security Cover will be maintained in accordance with Clause 5 of

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						the Deed; and (b) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio with respect to any Utilization(s) of any Loans other than the Utilizations for which the charge on all Receivables relating to any Sub Loans is created vide this Deed (as amended or supplemented from time to time) in accordance with paragraph 3(a) above, such that immediately following the relevant Utilization the Security Cover will be maintained in accordance with Clause 5 of this Deed and which are set out under the relevant Supplemental Deed of Hypothecation and/or or Portfolio Certificate

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						provided by the Borrower to the Security Trustee from time to time in accordance with the terms of this Deed; and (c) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio, that may be required for the purpose of maintaining the Security Cover in accordance with Clause 5 of this Deed and which are set out under the relevant Portfolio Certificates provided by the Borrower to the Security Trustee from time to time in accordance with the terms of the Deed
6.	IFC	June 7, 2019	USD 50,000,000	346.15	June 28, 2024 Bullet Repayment	the Portfolio and the Receivables in relation to the Sub Loans constituting the Portfolio as on the date of this

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						Deed, details of which are set out in Schedule III of this Deed, such that Security Cover will be maintained in accordance with Clause 5 of this Deed; and (b) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio with respect to any Utilization(s) of any Loans other than the Utilizations for which the charge on all Receivables relating to any Sub Loans is created vide this Deed (as amended or supplemented from time to time) in accordance with paragraph 3(a) above, such that immediately following the relevant Utilization the Security Cover

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						will be maintained in accordance with Clause 5 of this Deed and which are set out under the relevant Supplemental Deed of Hypothecation and/or or Portfolio Certificate provided by the Borrower to the Security Trustee from time to time in accordance with the terms of this Deed; and (c) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio, that may be required for the purpose of maintaining the Security Cover in accordance with Clause 5 of this Deed and which are set out under the relevant Portfolio Certificates provided by the

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						Borrower to the Security Trustee from time to time in accordance with the terms of the Deed
7.	IFC	June 7, 2019	USD 25,000,000	172.75	June 28, 2024 Bullet Repayment	the Portfolio and the Receivables in relation to the Sub Loans constituting the Portfolio as on the date of this Deed, details of which are set out in Schedule III of this Deed, such that Security Cover will be maintained in accordance with Clause 5 of this Deed; and (b) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio with respect to any Utilization(s) of any Loans other than the Utilizations for which the charge on all Receivables relating to any Sub

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						Loans is created vide this Deed (as amended or supplemented from time to time) in accordance with paragraph 3(a) above, such that immediately following the relevant Utilization the Security Cover will be maintained in accordance with Clause 5 of this Deed and which are set out under the relevant Supplemental Deed of Hypothecation and/or or Portfolio Certificate provided by the Borrower to the Security Trustee from time to time in accordance with the terms of this Deed; and (c) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						Portfolio, that may be required for the purpose of maintaining the Security Cover in accordance with Clause 5 of this Deed and which are set out under the relevant Portfolio Certificates provided by the Borrower to the Security Trustee from time to time in accordance with the terms of the Deed
8.	IFC	June 7, 2019	USD 50,000,000	345.65	June 28, 2024 Bullet Repayment	the Portfolio and the Receivables in relation to the Sub Loans constituting the Portfolio as on the date of this Deed, details of which are set out in Schedule III of this Deed, such that Security Cover will be maintained in accordance with Clause 5 of this Deed; and (b) all Receivables relating to any Sub Loans made after the

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						date of this Deed and constituting a part of the Portfolio with respect to any Utilization(s) of any Loans other than the Utilizations for which the charge on all Receivables relating to any Sub Loans is created vide this Deed (as amended or supplemented from time to time) in accordance with paragraph 3(a) above, such that immediately following the relevant Utilization the Security Cover will be maintained in accordance with Clause 5 of this Deed and which are set out under the relevant Supplemental Deed of Hypothecation and/or or Portfolio Certificate provided by the Borrower to the Security

Sr. No.	Lender's Name	Date of Facility Agreement	Facility availed	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Security
						Trustee from time to time in accordance with the terms of this Deed; and (c) all Receivables relating to any Sub Loans made after the date of this Deed and constituting a part of the Portfolio, that may be required for the purpose of maintaining the Security Cover in accordance with Clause 5 of this Deed and which are set out under the relevant Portfolio Certificates provided by the Borrower to the Security Trustee from time to time in accordance with the terms of this Deed
	Total			**2,296.88**		

The total outstanding after Ind AS adjustment on account of Effective Interest Rate is ₹ 2,542.99 crores

v. Redeemable Secured Non-Convertible Debentures

a. Public Issue of NCDs

The Company has issued secured redeemable non-convertible debentures of face value of ₹ 1,000 each through public issue of which ₹ 2723.30 crores is outstanding as on June 30, 2022 the details of which are set forth below*:

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
1.	PUBSR-III 9.1%	INE027E07923	30.31	13-Mar-19	13-Mar-24	9.10%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs(Along with the interest due thereon).	CARE AAA, ICRA AAA, INDIA AAA
2.	PUB SR III 9.25	INE027E07931	235.62	13-Mar-19	13-Mar-24	9.25%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the	CARE AAA, ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon	
3.	PUB SR-IV 8.75%	INE027E07949	1.76	13-Mar-19	13-Mar-24	8.75%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	CARE AAA, ICRA AAA, INDIA AAA
4.	PUB SR-IV 8.89%	INE027E07956	60.07	13-Mar-19	13-Mar-24	8.89%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the	CARE AAA, ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	
5.	PUB SR V 9.20	INE027E07964	8.01	13-Mar-19	13-Mar-29	9.20%	3653	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	CARE AAA, ICRA AAA, INDIA AAA
6.	PUB SR V 9.35	INE027E07972	110.91	13-Mar-19	13-Mar-29	9.35%	3653	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present	CARE AAA, ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	
7.	PUB SR VI 8.84	INE027E07980	0.70	13-Mar-19	13-Mar-29	8.84%	3653	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest	CARE AAA, ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								due thereon).	
8.	PUB SR VI 8.98	INE027E07998	101.75	13-Mar-19	13-Mar-29	8.98%	3653	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	CARE AAA, ICRA AAA, INDIA AAA
9.	PUB2 S3O1 8.80%	INE027E07AE6	72.85	15-Apr-19	15-Apr-24	8.80%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture	CARE AAA, ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	
10.	PUB2 S3O2 9%	INE027E07AF3	185.97	15-Apr-19	15-Apr-24	9.00%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	CARE AAA, ICRA AAA, INDIA AAA
11.	PUB2 S4O1 8.48%	INE027E07AG1	1.55	15-Apr-19	15-Apr-24	8.48%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the	CARE AAA, ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	
12.	PUB2 S4O2 8.66%	INE027E07AH9	21.90	15-Apr-19	15-Apr-24	8.66%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	CARE AAA, ICRA AAA, INDIA AAA
13.	PUB2 S6O1 8.85%	INE027E07AK3	10.52	15-Apr-19	15-Apr-27	8.85%	2922	Exclusive and/or pari passu charge in favour of the Debenture Trustee on	CARE AAA, ICRA AAA, INDIA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	AAA
14.	PUB2 S6O2 9.05%	INE027E07AL1	351.99	15-Apr-19	15-Apr-27	9.05%	2922	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest	CARE AAA, ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								due thereon).	
15.	PUB2 S7O1 8.52%	INE027E07AM9	0.45	15-Apr-19	15-Apr-27	8.52%	2922	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	CARE AAA, ICRA AAA, INDIA AAA
16.	PUB2 S7O2 8.70%	INE027E07AN7	17.49	15-Apr-19	15-Apr-27	8.70%	2922	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture	CARE AAA, ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Trustee for the NCD holders on the assets adequate to ensure 100% asset cover for the NCDs (Along with the interest due thereon).	
17.	PUB SR1O1 8.24%	INE027E07AR8	29.78	23-Dec-19	23-Dec-22	8.25%	1096	Exclusive and/or pari passu charge is favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon).	CARE AAA, INDIA AAA, CRISIL AAA
18.	PUB SR1O2 8.45%	INE027E07AS6	417.22	23-Dec-19	23-Dec-22	8.45%	1096	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture	CARE AAA, INDIA AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the CD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon).	
19.	PUB SR3O1 7.96%	INE027E07AV0	0.85	23-Dec-19	23-Dec-22	7.96%	1096	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon).	CARE AAA, INDIA AAA, CRISIL AAA
20.	PUB SR3O2 8.15%	INE027E07AW8	43.36	23-Dec-19	23-Dec-22	8.15%	1096	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company	CARE AAA, INDIA AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon).	
21.	PUB SR4O1 8.45%	INE027E07AX6	23.23	23-Dec-19	23-Dec-24	8.45%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the CD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon).	CARE AAA, INDIA AAA, CRISIL AAA
22.	PUB SR4O2 8.60%	INE027E07AY4	325.53	23-Dec-19	23-Dec-24	8.60%	1827	Exclusive and/or pari passu charge in favour of the Debenture	CARE AAA, INDIA AAA,

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon).	CRISIL AAA
23.	PUB SR5O1 8.15%	INE027E07AZ1	0.79	23-Dec-19	23-Dec-24	8.15%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due	CARE AAA, INDIA AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								thereon).	
24.	PUB SR5O2 8.29%	INE027E07BA2	75.31	23-Dec-19	23-Dec-24	8.29%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon).	CARE AAA, INDIA AAA, CRISIL AAA
25.	PUB SR6O1 8.50%	INE027E07BB0	25.03	23-Dec-19	23-Dec-26	8.50%	2557	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to	CARE AAA, INDIA AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								ensure 100% asset cover for the NCDs (along with the interest due thereon).	
26.	PUB SR6O2 8.65%	INE027E07BC8	398.19	23-Dec-19	23-Dec-26	8.65%	2557	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon).	CARE AAA, INDIA AAA, CRISIL AAA
27.	PUB2 S5O1 8.81%	INE027E07AI7	0.23	15-Apr-19	15-Apr-24	8.81%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of our Company as may be decided mutually by our Company and the Debenture Trustee. Our Company will create appropriate	CARE AAA, ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								security in favour of the Debenture Trustee for the Secured CD Holders on the assets adequate to ensure 100% asset cover for the Secured NCDs (along with the interest due thereon).	
28.	PUB2 S5O2 9.01%	INE027E07AJ5	18.34	15-Apr-19	15-Apr-24	9.01%	1827	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of our Company as may be decided mutually by our Company and the Debenture Trustee. Our Company will create appropriate security in favour of the Debenture Trustee for the Secured CD Holders on the assets adequate to ensure 100% asset cover for the Secured NCDs (along with the interest due thereon).	CARE AAA, ICRA AAA, INDIA AAA
29.	PUB SR2O1 8.25%	INE027E07AT4	6.26	23-Dec-19	23-Dec-22	8.26%	1096	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as	CARE AAA, INDIA AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon).	
30.	PUB SR2O2 8.45%	INE027E07AU2	62.33	23-Dec-19	23-Dec-22	8.46%	1096	Exclusive and/or pari passu charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company as may be decided mutually by the Company and the Debenture Trustee. The Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon).	CARE AAA, INDIA AAA, CRISIL AAA

The total outstanding after Ind AS adjustment on account of Effective Interest Rate is ₹ 2723.30 Crores.

b. Private Placement

Our Company has issued on private placement basis, secured, redeemable, non-convertible debentures of face value of ₹ 10 Lakh and ₹ 25 lakh under various series of which ₹ 23,820.79 crore (including IND AS adjustments), gross of unamortised discount of ₹ 0.46 crores and gross premium of ₹ 27.87 crores is outstanding as on June 30, 2022 the details of which are set forth below:

Maturity date represents actual redemption date or the date of call/put option, whichever is earlier.

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
1.	Sr E FY 2017-18	INE691I07ED4	50.0	August 30, 2017	August 30, 2022	7.65%	1,826	First pari-passu Mortgage in favour of the Trustees on Leasehold rights on 4322 sq. ft. premises on 6th Floor, B Wing. In the building known as KGN Towers situated on 62. Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/20Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 50 Crore,	CARE AAA, ICRA AAA
2.	Sr T FY 16-17	INE691I07DW6	47.00	November 16, 2016	November 16, 2026	7.95%	3,652	First pari-passu Mortgage	CARE AAA, ICRA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								in favour of the Trustees on Leasehold rights on 4322 sq.ft. premises on 6th Floor, B Wing. In the building known as KGN Towers situated on 62. Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/20ExclusiveFirst Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 47 Crore,	AAA
3.	Sr A FY 17-18	INE691I07DZ9	667.0	June 29, 2017	November 18, 2024	7.59%	2,699	Exclusive first ranking charge on (a) the Portfolio and the Receivables in relation to the RE Loans (which are classified	ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								as Standard Assets by the Company) constituting the Portfolio as on the date of this Deed, details of which are set out in Scehdule III of this Deed; and (b) all Receivables relating to any RE Loans (which are classified as Standard Assets by the Company) made after the date of this Deed and constituting a part of the Portfolio, that may be required for the purpose of maintaining the Security Cover in accordance with clause 2.11(b)(iv) of the DTD and which are set out under the relevant Portfolio Certificates provided	

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								by the Company to the Debenture Trustee from time to time in accordance with the terms of the DTD	
4.	Sr D FY18 OPT 2	INE691I07EC6	205.0	June 25, 2017	August 16, 2022	7.80%	1,848	First pari-passu mortgage in favour of the Trustees on leasehold rights on 4,322 sq.ft. premises on 6th Floor, B Wing. In the building known as KGN Towers situated on 62. Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/20Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								amount of Rs. 295Crore,	
5.	SR A19-20-OPT 2	INE691I07EH5	625.0	November 29, 2019	November 29, 2022	8.55%	1,096	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on land measuring 8.38 Acres, S.No.65, village No. 66, Manapakkam village, 30 sq.ft. on 2nd Floor, TCTC Building, P.B.No.979, Mount Poonamallee Road, Manapakkam, Chennai Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 750.00 Crore	CARE AAA, CRISIL AAA
6.	Re Sr B 19-20 I	INE691I07EI3	35.0	February 5, 2020	February 17, 2025	8.45%	1,839	First pari-passu Mortgage in favour of the Trustees on Leasehold rights on 30 sq. ft.,	CARE AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								situated in the 2nd Floor, TCTC Building at P.B.No. 979, Mount Poonamallee Road, Manapakkam, Chennai 600 089 in the State of Tamil Nadu an exclusive and first ranking charge by way of hypothecation over identified fixed deposits of the Company and/or an exclusive and first ranking floating charge by way of hypothecation on identified specific standard receivables	
7.	Re Sr B 19-20 I	INE691I07EI3	65.0	January 28, 2020	February 17, 2025	8.45%	1,847	First pari-passu Mortgage in favour of the Trustees on Leasehold rights on 30 sq. ft., situated in the 2nd Floor,	CARE AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								TCTC Building at P.B.No. 979, Mount Poonamallee Road, Manapakkam, Chennai 600 089 in the State of Tamil Nadu an exclusive and first ranking charge by way of hypothecation over identified fixed deposits of the Company and/or an exclusive and first ranking floating charge by way of hypothecation on identified specific standard receivables	
8.	Re Sr B 19-20II	INE691I07EJ1	220.0	February 11, 2020	January 28, 2030	8.55%	3,639	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on 30 sq. ft., situated in the 2nd Floor, TCTC Building at P.B.No. 979, Mount	CARE AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Poonamallee Road, Manapakkam, Chennai 600 089 in the State of Tamil Nadu an exclusive and first ranking charge by way of hypothecation over identified fixed deposits of the Company and/or an exclusive and first ranking floating charge by way of hypothecation on identified specific standard receivables	
9.	Re Sr B 19-20II	INE691I07EJ1	55.0	January 28, 2020	January 28, 2030	8.55%	3,653	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on 30 sq. ft., situated in the 2nd Floor, TCTC Building at P.B.No. 979, Mount Poonamallee Road, Manapakka	CARE AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								m, Chennai 600 089 in the State of Tamil Nadu an exclusive and first ranking charge by way of hypothecation over identified fixed deposits of the Company and/or an exclusive and first ranking floating charge by way of hypothecation on identified specific standard receivables	
10.	NCD SR C19-20 1	INE691I07EK9	800	17 February 2020	17January 2023	8.50%	1065	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on land measuring 8.38 Acres, S.No.65, village No. 66, Manapakkam village, 30 sq.ft. on 2nd Floor, TCTC Building, P.B.No.979, Mount Poonamall	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								ee Road, Manapakkam, Chennai Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 20.00 Crore	
11.	NCD SR C19-20 2	INE691I07EL7	800	17 February 2020	17 February 2023	8.50%	1096	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on land measuring 8.38 Acres, S.No.65, village No. 66, Manapakkam village, 30 sq.ft. on 2nd Floor, TCTC Building, P.B.No.979, Mount Poonamallee Road, Manapakkam, Chennai Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivable	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								s, for an aggregate amount of Rs. 3000.00 Crore	
12.	NCD SR C19-20 3	INE691I07EM5	900	17 February 2020	17 March 2023	8.50%	1124	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on land measuring 8.38 Acres, S.No.65, village No. 66, Manapakkam village, 30 sq.ft. on 2nd Floor, TCTC Building, P.B.No.979, Mount Poonamallee Road, Manapakkam, Chennai Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 20.00 Crore	CRISIL AAA
13.	Re Sr B20-21III	INE691I07EO1	251.30	13 July 2020	13 July 2020	8.10%	3,637	First pari-passu Mortgage in favour of the Trustees on Leasehold	CRISIL AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								rights on land measuring 8.38 Acres, S.No.65, village No. 66, Manapakkam village, 30 sq.ft. on 2nd Floor, TCTC Building, P.B.No.979, Mount Poonamallee Road, Manapakkam, Chennai First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking floating charge by way of hypothecation on Identified standard receivables for an amount of 119.30 crores.	
14.	SR E 20-21 OPTI	INE691I07ER4	500.00	13 July 2020	28 July 2025	7.95%	1,841	First and exclusive change by way of hypothecation over identified fixed	CARE AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								deposits of the Issuer and/or an exclusive and first ranking floating charge by way of hypothecation on Identified standard receivables.	
15.	SR E 20-21OPTII	INE691I07ES2	244.90	13 July 2020	12 July 2024	7.90%	1,460	First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking floating charge by way of hypothecation on Identified standard receivables.	CARE AAA, CRISIL AAA
16.	SR J 20-21 OPT I	INE691I07ET0	500.00	9 September 2020	08 September 2023	7.30%	1,094	An exclusive and first ranking charge by way of hypothecation over identified fixed deposits of the laser anchor an exclusive and first ranking	CARE AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								floating charge by way of hypothecation on identified standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1.00 times of the principal amount outstanding under the NCDs ("Charged Assets")	
17.	SR J OPT II	INE691I07EU8	100.00	9 September 2020	09 September 2030	7.66%	3,652	An exclusive and first ranking charge by way of hypothecation over identified fixed deposits of the laser anchor an exclusive and first ranking floating charge by way of hypothecati	CARE AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								on on identified standard receivables (“Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1.00 times of the principal amount outstanding under the NCDs ("Charged Assets")	
18.	NCD SR K OPT II	INE691I07EV6	175.00	16 September 2020	16 September 2024	7.15%	1,461	First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking floating charge by way of hypothecation on Identified standard receivables.	CARE AAA, CRISIL AAA
19.	RE	INE691I07	50.00	16	09	7.66%	3,645	First and	CARE

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
	NCDSR K OP 1	EU8		September 2020	September 2030			exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking floating charge by way of hypothecation on Identified standard receivables.	AAA, CRISIL AAA
20.	NCD SR M 20-21	INE691I07EW4	200.00	3 November 2020	01 November 2024	6.75%	1,459	First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking floating charge by way of hypothecation on Identified standard receivables.	CARE AAA, CRISIL AAA
21.	NCD SR N 20-21	INE691I07EX2	1,500.00	30 December 2020	30 December 2030	7.62%	3,652	First and exclusive change by way of hypothecation over identified fixed deposits of	CRISIL AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								the Issuer and/or an exclusive and first ranking charge by way of hypothecation on Identified standard receivables.	
22.	Sr G FY17 Opt 1	INE476M07AA6	10.00	1 July 2016	30 June 2023	8.75%	2,555	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on 523 sq.ft. premises on 5th Floor, "A" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salal, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part)- New S.No. 1632/20 Exclusive First Charge in favour of Trustees by way of hypothecati	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								on of Specific Receivables, for an aggregate amount of Rs. 51 Crore,	
23.	Sr H FY17 Opt 2	INE476M07AD0	16.00	22 July 2016	21 July 2023	8.70%	2,555	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on 523 sq.ft. premises on 5th Floor, "A" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salal, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part)- New S.No. 1632/20 Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								amount of Rs. 51 Crore,	
24.	Sr S FY17	INE476M07AS8	10.00	25 October 2016	23 October 2026	7.90%	3,650	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on 523 sq.ft. premises on 5th Floor, "A" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salal, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part)- New S.No. 1632/20 Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 10 Crore,	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
25.	Sr G FY18 OPT 2	INE476M07BE6	75.00	19 June 2017	19 July 2022	7.72%	1,856	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on 523 sq.ft. premises on 5th Floor, "A" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salal, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part)- New S.No. 1632/20 Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 27 Crore,	CARE AAA, ICRA AAA
26.	Sr C FY 18-19	INE476M07BN7	485.00	August 29, 2018	May 18, 2023	8.44%	1,723	first pari-passu Mortgage in favour of the Trustees on	CARE AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Leasehold rights on 523 sq.ft. premises on 5th Floor, "A" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salal, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part)- New S.No. 1632/20 Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 27 Crore.	
27.	SR G 18-19	INE476M07BS6	27.00	January 11, 2019	January 11, 2024	8.90%	1,826	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on 523 sq.ft. premises on 5th Floor, "A"	ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Wing, in the building known as KGN Towers situated on 62, Ethiraj Salal, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part)- New S.No. 1632/20 Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 27 Crore,	
28.	SR A19-20-OPT 2	INE476M07BU2	375.00	November 29, 2019	November 29, 2022	8.48%	1,096	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on land measuring 8.38 Acres, S.No.65, village No. 66, Manapakkam village, 30 sq.ft. on	CARE AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								2nd Floor, TCTC Building, P.B.No.979, Mount Poonamallee Road, Manapakkam, Chennai Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 750.00 Crore	
29.	NCD SRB 19-20	INE476M07BV0	250.00	February 28, 2020	February 28, 2023	7.75%	1,096	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on land measuring 8.38 Acres, S.No.65, village No. 66, Manapakkam village, 30 sq.ft. on 2nd Floor, TCTC Building, P.B.No.979, Mount Poonamallee Road, Manapakkam, Chennai Exclusive First Charge in	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 250.00 Crore	
30.	NCD SR C 19-20	INE476M07BW8	20.00	March 4, 2020	March 15, 2023	7.75%	1,106	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on land measuring 8.38 Acres, S.No.65, village No. 66, Manapakkam village, 30 sq.ft. on 2nd Floor, TCTC Building, P.B.No.979, Mount Poonamallee Road, Manapakkam, Chennai Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 20.00 Crore	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
31.	SR B 20-21	INE476M07BY4	279.00	July 9, 2020	July 9, 2025	7.85%	1,826	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on land measuring 8.38 Acres, S.No.65, village No. 66, Manapakkam village, 30 sq.ft. on 2nd Floor, TCTC Building, P.B.No.979, Mount Poonamallee Road, Manapakkam, Chennai Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 20.00 Crore	CRISIL AAA, INDIA AAA
32.	Sr K FY 18	INE476M07BI7	200.00	September 29, 2017	September 29, 2022	7.65%	1,826	first pari-passu Mortgage in favour of the Trustees on Leasehold rights on 523 sq.ft. premises on 5th Floor, "A"	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Wing, in the building known as KGN Towers situated on 62, Ethiraj Salal, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part)- New S.No. 1632/20 Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 200Crore,	
33.	NCD SR M 21-22	INE027E07BV8	40.00	1 February 2022	26 September 2025	6.45%	1,333	First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecati	ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								on on Identified standard receivables.	
34.	NCD SR M 21-22	INE027E07BV8	25.00	1 February 2022	26 September 2025	6.45%	1,333	First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on Identified standard receivables.	ICRA AAA, INDIA AAA
35.	NCD SR M 21-22	INE027E07BV8	500.00	1 February 2022	26 September 2025	6.45%	1,333	First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on Identified standard receivables.	ICRA AAA, INDIA AAA
36.	MLD SR C 20-21	INE691I07EP8	41.00	1 July 2020	01 July 2022	7.00%	730	First and exclusive change by way of	CARE AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on Identified standard receivables.	
37.	NCD SR G 20-21	INE691I07EP8	20.00	4 August 2020	01 July 2022	7.00%	696	First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on Identified standard receivables.	CARE AAA
38.	MLD SR H 20-21	INE691I07EP8	53.00	7 August 2020	01 July 2022	7.00%	693	First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking	CARE AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								charge by way of hypothecation on Identified standard receivables.	
39.	NCD SR I 20-21	INE691I07EP8	27.50	14 August 2020	01 July 2022	7.00%	686	First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on Identified standard receivables.	CARE AAA
40.	MLD SR L 20-21	INE691I07EP8	29.50	18 September 2020	01 July 2022	7.00%	651	First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on Identified standard receivables.	CARE AAA
41.	MLD SR G	INE027E0	30.00	8	08	5.12%	730	First and	ICRA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
	21-22	7BQ8		September 2021	September 2023			exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on Identified standard receivables.	AAA
42.	MLD SR H 21-22	INE027E07BR6	50.00	15 September 2021	15 March 2023	5.62%	546	First and exclusive change by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on Identified standard receivables.	ICRA AAA
43.	Sr W FY16 OPT 6	INE691I07BS8	10.00	7-Aug-15	05-Aug-22	8.82%	2,555	(i) First pari-passu mortgage on leasehold rights on 4322 sq.ft. premises on 6th Floor, "B" Wing, in	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								the building known as KGN Towers situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge in by way of hypothecation of Specific Receivables. for an amount	

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								aggregating to 280 crores.	
44.	Sr AG FY15-16	INE691I07CH9	18.00	13-Nov-15	11-Nov-22	8.60%	2,555	(i) First pari-passu mortgage on leasehold rights on 4322 sq.ft. premises on 6th Floor, "B" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
45.	Sr E FY 2012-13	INE691I07356	450.00	11-Jan-13	11-Jan-23	9.00%	3,652	(i) First pari-passu mortgage on leasehold rights on 300 sq.ft. undivided share of vacant land situated at Commander-in-Chief Road, Egmore, Chennai in the State of Tamil Nadu with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								to belong or be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
46.	Sr AK FY 15-16	INE691I07CN7	10.00	16-Mar-16	16-Mar-23	8.80%	2,556	(i) First pari-passu mortgage on leasehold rights on 4322 sq.ft. premises on 6th Floor, "B" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
47.	Sr C FY 2013-14	INE691I07398	110.00	29-May-13	29-May-23	8.35%	3,652	(i) First pari-passu mortgage on leasehold rights on 300 sq.ft. undivided share of vacant land situated at Commander-in-Chief Road, Egmore, Chennai in the State of Tamil Nadu with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
48.	Sr J FY16 OPT 3	INE691I07AL5	44.50	19-May-15	19-May-25	8.84%	3,653	(i) First pari-passu mortgage on leasehold rights on 4322 sq.ft. premises on 6th Floor, "B" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/20	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
49.	Sr M FY16 OPT 2	INE691I07AR2	20.00	26-May-15	26-May-25	8.85%	3,653	(i) First pari-passu mortgage on leasehold rights on 4322 sq.ft. premises on 6^{th} Floor, "B" Wing, in the building known as KGN Towers situated on 62, Ethiraj	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge in by way of hypothecation of Specific Receivables.	
50.	Sr R FY 15-16	INE691I07AX0	50.00	5-Jun-15	05-Jun-25	8.84%	3,653	(i) First pari-passu mortgage on leasehold rights on 4322 sq.ft. premises	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								on 6th Floor, "B" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific	

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Receivables.	
51.	SrAJ FY16 OPT 2	INE691I07CM9	52.00	8-Feb-16	06-Feb-26	8.75%	3,651	(i) First pari-passu mortgage on leasehold rights on 4322 sq.ft. premises on 6th Floor, "B" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								appurtenant. (ii) Exclusive First by way of hypothecation of Specific Receivables.	
52.	Sr O FY16 OPT 3	INE476M07800	32.50	20-Oct-15	20-Oct-22	8.65%	2,557	(i) First pari-passu mortgage on leasehold rights on 523 sq.ft. premises on 5th Floor, "A" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part) New S.No. 1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
53.	Sr C FY16 OPT V	INE476M07578	30.00	26-May-15	26-May-25	8.90%	3,653	(i) First pari-passu mortgage on leasehold rights on 523 sq.ft. premises on 5th Floor, "A" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part) New	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								S.No. 1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
54.	Sr D FY16 OPT V	INE476M07636	25.00	5-Jun-15	05-Jun-25	8.90%	3,653	(i) First pari-passu mortgage on leasehold rights on 523 sq.ft. premises on 5th Floor, "A" Wing, in the building known as KGN Towers	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part) New S.No. 1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
55.	Sr B FY17 Opt 3	INE476M07925	5.00	20-Apr-16	20-Apr-26	8.65%	3,652	(i) First pari-passu mortgage	CARE AAA, ICRA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								on leasehold rights on 523 sq.ft. premises on 5th Floor, "A" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part) New S.No. 1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant.	AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								(ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
56.	Sr I FY16 OPT 4	INE476M07719	10.00	17-Jul-15	17-Jul-25	8.95%	3,653	(i) First pari-passu mortgage on leasehold rights on 523 sq.ft. premises on 5th Floor, “A” Wing, in the building known as KGN Towers situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part) New S.No. 1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
57.	Sr K FY16 OPT 3	INE476M07743	3.00	28-Jul-15	28-Jul-22	8.90%	2,557	(i) First pari-passu mortgage on leasehold rights on 523 sq.ft. premises on 5th Floor, "A" Wing, in the building known as KGN Towers situated on 62, Ethiraj Salai, (Commander-in-Chief Road) Egmore, Chennai 600 105 bearing Old R.S. No. 1632/4 (Part) New S.No.	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								1632/20 with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
58.	Sr A FY 2011-12	INE691I07240	500.00	18-Oct-11	18-Oct-28	9.70%	6,210	(i) First pari-passu mortgage on leasehold rights on 300 sq.ft. undivided share of vacant land situated at Commander-in-Chief Road, Egmore, Chennai in the State of	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								Tamil Nadu with all the liberties, privileges, easements and appurtenances whatsoever on the same or any part thereof belonging or in anywise appurtening or usually held, occupied, enjoyed therewith or reputed to belong or be appurtenant. (ii) Exclusive First Charge by way of hypothecation of Specific Receivables.	
59.	SR D-20-21	INE476M07BZ1	300.00	3-Nov-20	01-Nov-24	6.55%	1,459	(i) Exclusive and first ranking charge by way of hypothecation over initial identified fixed deposits of the issuer and an exclusive and first	CRISIL AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								ranking floating charge by way of hypothecation on initial identified and specific standard receivables of the issuer to the extent that the principal amount of Movable Assets/Hypothecated Assets is equivalent to the 1.00 times of the Outstanding amount under the Debentures.	
60.	SR A MLD 20-21	INE476M07BX6	125.00	3-Jul-20	03-Jul-23	7.00%	1095	(i) Exclusive and first ranking charge by way of hypothecation over initial identified fixed deposits of the issuer and an exclusive and first ranking floating charge by way of hypothecation on initial identified and	CARE AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								specific standard receivables of the issuer to the extent that the principal amount of Movable Assets/Hypothecated Assets is equivalent to the 1.00 times of the Outstanding amount under the Debentures.	
61.	SR C MLD 20-21	INE476M07BX6	75.00	20-Jul-20	03-Jul-23	7.00%	1078	(i) Exclusive and first ranking charge by way of hypothecation over initial identified fixed deposits of the issuer and an exclusive and first ranking floating charge by way of hypothecation on initial identified and specific standard receivables of the issuer to the extent that the principal	CARE AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								amount of Movable Assets/Hypothecated Assets is equivalent to the 1.00 times of the Outstanding amount under the Debentures.	
62.	Sr M FY 17-18	INE027E07543	465.00	8-Aug-2017	08-Aug-2022	7.71%	1,826	Specific Receivables arsing from construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	CARE AAA, ICRA AAA
63.	Sr N (2017-18)	INE027E07550	310.00	6-Oct-2017	06-Oct-2022	7.70%	1,826	Specific Receivables arsing from construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	CARE AAA, ICRA AAA
64.	Sr T (2017-18)	INE027E07618	85.00	12-Dec-2017	12-Dec-2022	7.95%	1,826	Specific Receivables arsing from construction equipments, lease/ hire purchase/T	CARE AAA, ICRA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								erm Loans, Loan against securities etc. of the Company	
65.	Sr E FY 18-19	INE027E07717	35.00	2-Aug-2018	02-Aug-23	8.86%	1,826	Specific Receivables arsing from construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	CARE AAA, INDIA AAA
66.	RE Sr G 18-19 3	INE027E07618	16.50	31-Oct-2018	12-Dec-2022	7.95%	1,503	Specific Receivables arsing from construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	CARE AAA, INDIA AAA
67.	RE H 18-19 Op 2	INE027E07550	65.00	20-Nov-2018	06-Oct-2022	7.70%	1,416	Specific Receivables arsing from construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	CARE AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
68.	SR J (2018-19)	INE027E07774	800.00	4-Jan-2019	04-Jan-2024	9.00%	1,826	Specific Receivables (current and future receivables) arising from construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	CARE AAA, ICRA AAA, INDIA AAA
69.	SR K OPT 2 18-19	INE027E07790	25.00	11-Jan-2019	09-Feb-2024	9.00%	1,855	Specific Receivables arising from construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	CARE AAA, INDIA AAA
70.	NCD SR L (opt 2)	INE027E07857	50.00	24-Jan-2019	08-Aug-2022	8.93%	1,292	Specific Receivables arising from construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	CARE AAA, INDIA AAA
71.	NCD SR N 18-19	INE027E07865	25.00	1-Feb-2019	11-Mar-2024	9.02%	1,865	Specific Receivables arising from	CARE AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	
72.	NCD SR E 19-20	INE027E07BD6	405.00	24-Jan-2020	24-Jan-2023	8.25%	1,096	Specific Receivables arising from construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	CARE AAA, CRISIL AAA
73.	SR F 19-20	INE027E07BE4	75.00	4-Mar-2020	03-Mar-2023	7.68%	1,094	Specific Receivables arising from construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	CRISIL AAA
74.	SR A 20-21	INE027E07BF1	1,075.00	28-Apr-2020	28-Apr-2023	7.80%	1,095	Specific Receivables arising from construction equipments, lease/ hire purchase/Term Loans, Loan	CARE AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								against securities etc. of the Company	
75.	NCD SR C 20-21	INE027E07BH7	300.00	12-Jun-2020	12-Jun-2023	7.70%	1,095	A First and exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an first and exclusive charge by way of hypothecation on identified standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1.25 time of the amount outstanding under the NCDs ("Security Cover") as shall be identified each quarter	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								under the quarterly portfolio certificate/stock statement submitted by the Company to the Debenture Trustee maintaining the asset coverage of 1.25 times.	
76.	SR D 20-21	INE027E07BI5	345.00	10-Jul-2020	10-Jul-2025	7.75%	1,826	An exclusive and first ranking charge by way of hypothecation over identified fixed deposits of the issuer and/or an exclusive and first ranking floating charge by way of hypothecation on identified standard receivables (“Hypothecated Assets”) of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount	CRISIL AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								in case of fixed deposits) is equivalent to the 1,00 times of the principal amount outstanding under the NCDs ("Charged Assets").	
77.	NCD SR F 20-21	INE027E07BK1	600.00	2-Dec-2020	01-Dec-2023	5.85%	1,094	An exclusive and first ranking charge by way of hypothecation over identified fixed deposits of the issuer and/or an exclusive and first ranking floating charge by way of hypothecation on identified standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								equivalent to the 1.25 times of the principal amount outstanding under the NCDs ("Charged Assets").	
78.	NCD SR G 20-21	INE027E07BL9	50.00	3-Mar-2021	01-Mar-2024	6.40%	1,094	First and exclusive charge by way of hypothecation over identified fixed deposits of the issuer and/or an first and exclusive charge by way of hypothecation on identified standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1.25 times of the principal amount outstanding under the	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								NCDs (“Security Cover”).	
79.	NCD SR G 20-21	INE027E07BL9	400.00	3-Mar-21	01-Mar-24	6.40%	1,094	First and exclusive charge by way of hypothecation over identified fixed deposits of the issuer and/or an first and exclusive charge by way of hypothecation on identified standard receivables (“Hypothecated Assets”) of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1.25 times of the principal amount outstanding under the NCDs (“Security Cover”).	CRISIL AAA
80.	NCD SR H 20-21	INE027E07BM7	50.00	10-Mar-2021	10-May-24	6.45%	1,157	First and exclusive charge by	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								way of hypothecation over identified fixed deposits of the issuer and/or an first and exclusive charge by way of hypothecation on identified standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1.25 times of the principal amount outstanding under the NCDs ("Security Cover").	
81.	NCDSR I 20-21 I	INE027E07BN5	300.00	17-Mar-2021	17-May-2023	6.15%	791	Exclusive and first ranking charge by way of hypothecation over identified fixed deposits of	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								the issuer and/or an exclusive and first ranking floating charge by way of hypothecation on identified standard receivables (“Hypothecated Assets”) of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 times of the principal amount outstanding under the NCDs (“Charged Assets”)	
82.	NCDREI20-21 II	INE027E07BE4	25.00	17-Mar-2021	03-Mar-2023	7.68%	716	Exclusive and first ranking charge by way of hypothecation over identified fixed deposits of the issuer and/or an exclusive and first	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								ranking floating charge by way of hypothecation on identified standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 times of the principal amount outstanding under the NCDs ("Charged Assets")	
83.	Re SR A 21-22	INE027E07BM7	300.00	30-Apr-21	10-May-24	6.45%	1,106	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecati	CARE AAA, CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								on on identified standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the principal amount outstanding under the NCDs ("Charged Assets").	
84.	RE SR C 21-22	INE027E07BM7	200.00	27-May-2021	10-May-2024	6.45%	1,079	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on identified standard receivables ("Hypothec	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								ated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the principal amount and coupon outstanding under the NCDs ("Security Cover")	
85.	SR D 21-22	INE027E07BE4	500.00	30-Jul-2021	03-Mar-2023	7.68%	581	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on identified standard receivables ("Hypothecated Assets") of the Issuer, to the	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the principal amount and coupon outstanding under the NCDs (“Security Cover”).	
86.	NCD SR E 21-22	INE027E07BE4	250.00	10-Aug-2021	03-Mar-2023	7.68%	570	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on identified standard receivables (“Hypothecated Assets”) of the Issuer, to the extent that the principal amount of	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the principal amount and coupon outstanding under the NCDs (“Security Cover”).	
87.	NCD SR F21-22 I	INE027E07BE4	500.00	31-Aug-2021	03-Mar-23	7.68%	549	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on identified standard receivables (“Hypothecated Assets”) of the Issuer, to the extent of the Security Cover as applicable to Option I Debentures and Option	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								II Debentures.	
88.	NCD SR F21-22 II	INE027E07BP0	500.00	31-Aug-21	30-Aug-2024	5.90%	1,095	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on identified standard receivables ("Hypothecated Assets") of the Issuer, to the extent of the Security Cover as applicable to Option I Debentures and Option II Debentures.	CRISIL AAA
89.	NCD SR I 21-22	INE027E07BH7	55.00	30-Sep-2021	12-Jun-2023	7.70%	620	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								and/or an exclusive and first ranking charge by way of hypothecation on identified standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the principal amount and coupon outstanding under the NCDs ("Security Cover").	
90.	NCD SR J 21-22	INE027E07BS4	150.00	16-Nov-2021	15-Nov-2024	6.25%	1,095	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an first and exclusive charge by	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								way of hypothecation on identified standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the principal amount outstanding under the NCDs ("Security Cover").	
91.	NCD SR J 21-22	INE027E07BS4	65.00	16-Nov-2021	15-Nov-2024	6.25%	1,095	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an first and exclusive charge by way of hypothecation on identified standard receivables	CRISIL AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								(“Hypothecated Assets”) of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the principal amount outstanding under the NCDs (“Security Cover”).	
92.	NCD SR K 21-22I	INE027E07BT2	150.00	3-Dec-2021	03-Dec-2024	6.25%	1,096	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an first and exclusive charge by way of hypothecation on standard receivables (“Hypothecated Assets”) of the Issuer, to the extent that the	CRISIL AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the principal amount outstanding under the NCDs ("Security Cover").	
93.	NCD SR K RE II 21-22	INE027E07790	50.00	3-Dec-2021	09-Feb-2024	9.00%	798	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an first and exclusive charge by way of hypothecation on standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of	ICRA AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								fixed deposits) is equivalent to the 1 time of the principal amount outstanding under the NCDs ("Security Cover").	
94.	NCD SR L 21-22	INE027E07BU0	300.00	23-Dec-2021	23-Jan-2025	6.15%	1,127	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an first and exclusive charge by way of hypothecation on standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the principal amount	CRISIL AAA, INDIA AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								outstanding under the NCDs ("Security Cover").	
95.	MLD SR E 20-21	INE027E07BJ3	50.00	17-Aug-2020	17-Aug-2022	6.05%	730	An exclusive and first ranking charge by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking floating charge by way of hypothecation on standard receivables ("Hypothecated Assets") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the principal amount outstanding under the MLDs ("Hypothec	CARE AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								ated Assets”).	
96.	NCD SR B 21-22	INE027E07BO3	1,000.00	19-May-2021	19-May-2031	7.40%	3,652	First ranking exclusive charge by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking floating charge by way of hypothecation on standard receivables (“Hypothecated Assets”) of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1.25 times of the principal amount and coupon outstanding under the NCDs (“Security Cover”).	CRISIL AAA, INDIA AAA
97.	SR B (19-	INE027E0	850.00	28-May-	28-May-	8.80%	2,557	Exclusive	CARE

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
	20)	7AP2		2019	2026			charge by way of hypothecation on movables being the Specific Receivables (current and future loan assets of the issuer and all monies receivable hereunder) such that the security cover of minimum 1.25 times is maintained till the maturity/redemption date for an aggregate of sums outstanding of principal and interest on the Debentures	AAA, ICRA AAA, INDIA AAA
98.	SR C (19-20)	INE027E07AQ0	15.00	31-Jul-2019	31-Jul-2026	8.55%	2,557	Specific Receivables arising from construction equipments, lease/ hire purchase/Term Loans, Loan against securities etc. of the Company	CARE AAA, ICRA AAA
99.	Re Sr B20-21 III	INE691I07EO1	119.30	30-Jun-20	28-Jun-30	8.10%	3650	hereby creates an exclusive	CRISIL AAA, INDIA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								and first ranking charge by way of hypothecation over initial identified fixed deposits of the Issuer as more particularly set out in Part A of the Schedule I modified quarterly subject to the terms of this Deed, in respect of the identified Fixed Deposits, as set out in the Quarterly Portfolio Certificate, delivered by the Issuer to the Debenture Trustee in the format provided under Part C of Schedule I ("Fixed Deposits) and an exclusive and first ranking floating charge by way of hypothecation on initial	AAA

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								identified and specific standard receivables of the issuer as more particularly set out in Part B of Schedule I modified quarterly subject to the terms of this Deed in respect of the identified and specific standard receivables, as set out in the Quarterly Portfolio Certificate, delivered by the Issuer to the Debenture Trustee in the format provided under Part C of Schedule I, to the extent that the principal amount of Movable Assets/Hypothecated Assets is equivalent to the 1.00 times of the Outstanding amount	

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Security	Credit Rating and Outlook
								under the Debentures	
100	Sr H FY18 Opt 2	INE027E07493	25.00	21-Jun-17	21-Jul-22	7.81%	1856	Exclusive First Charge in favour of Trustees by way of hypothecation of Specific Receivables, for an aggregate amount of Rs. 75 Crore, as more particularly described in the Schedule-l hereunder written. The Company agrees to maintain asset coverage of 1 time, at all times, till the Debentures are completely redeemed along with interest	CARE AAA

The total outstanding after Ind AS adjustment on account of Effective Interest Rate is ₹ 23,820.49 crores.

Penalty: The debenture documentation executed by the Company have set out penalty/additional interest provisions for compliance with the provisions of the transaction documents. Such provisions *inter alia*, include, but are not limited to:

In event of default in the payment of interest and/or in the redemption of the debentures, the Company shall pay to the holder/s of the debentures, further interest at such rate as may be prescribed under the applicable law.

Rescheduling: None of the debenture documents provides for rescheduling provision.

Events of Default: The transaction documents executed by the Company stipulates certain events as "***Events of Default***", pursuant to which the Company may be required to immediately repay the entire debenture amount. Such events include, but are not limited to:

(a) Default is committed in payment of principal amount of the debentures on the due date(s);
(b) Default is committed in payment of interest on the debenture on the due date;
(c) Default is committed in the performance or observance of any covenant condition or provision contained in the presents and/or financial covenants and conditions (other than obligation to pay principal and intertest) and, except where the trustee certify that such default is in their opinion incapable of remedy (in which case no notice shall be required), such default continue for thirty days after written notice has been given thereof by the Trustees to the Company requiring the same to be remedied.
(d) Any indebtedness of the Company for borrowed monies i.e., indebtedness for and in respect of monies borrowed or raised (whether or not for cash or consideration) each debenture holders (the acceptances, credits, deposits and leasing) becomes due prior to its standard maturity by reason of default of the terms thereof or any such indebtedness is not paid at its stated maturity;
(e) Any information given by the Company to the debenture holders in the respective offer document, and the subscription application forms, in the reports and other information furnished by the Company and the warranties given/deemed to have been given by it to the institutional debenture holders/trustees is misleading or misleading in any material respect;
(f) If there is reasonable apprehension that the Company is unable to pay its debts or proceedings for taking into liquidation, either voluntarily or compulsorily, may be or have been commenced;
(g) If, the charged/mortgaged properties have not been kept insured or depreciate in value to such an extent that in the opinion of the trustees further security should be given and on advising the Company to that effect such security has not been given to the trustees to their satisfaction;
(h) If, without the prior written approval of the trustees, the charged/mortgaged properties or nay part thereof is sold, disposed of, changed, encumbered or alienated or any of the buildings, structures, plant and machinery is removed, pulled down or demolished;
(i) The Company has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law or the Company is voluntarily or involuntarily dissolved;
(j) The Company is unable to or has admitted in writing its inability to pay its debts as they mature;
(k) The Company has suffered to be taken any action for reorganisation of its capital, liquidation or dissolution;
(l) A receiver or liquidator has been appointed or allowed to be appointed for all or any part of the undertaking of the Company;
(m) If, an attachment or distraint has been levied on the charged/mortgaged properties or any part thereof or certificate proceedings have been taken or commenced for recovery of nay dues from the Company;
(n) If, any, extra-ordinary circumstances have occurred which make it impossible for the Company to fulfil its obligations under the respective presents and/or the debentures;
(o) The Company ceases or threatens to cease to carry on its business or gives notice of its intention to do so;
(p) If, the Company is unable to pay its debts within the meaning of section 434 of the Act or if the Company is carrying on business at a loss and it appears to the trustees that continuation of it business will endanger the security created;
(q) If, in the opinion of the trustees, the security of the debenture holders is in jeopardy;
(r) If it is certified by an accountant or firm of accountants appointed by the debenture trustee that the liabilities of the Company exceed its assets;
(s) Any of the necessary clearances required or desirable in relation to the Company or the debentures in accordance with any of the transaction documents is not received or is revoked or terminated

B. Details of unsecured borrowings:

Our Company's unsecured outstanding borrowings (NIL- gross of unamortized discount), on a standalone basis, as on June 30, 2022 amounts to ₹ 14,745.19 crores (including IND AS adjustments).The details of the unsecured borrowings are set out below:

i. Working Capital Demand Loans/ Cash Credit

S.No.	Name of the Lender	Date of Sanction	Type of Facility	Amount Sanctioned *(₹ in crores)*	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Principal Repayment Date	Repayment Schedule	Prepayment Clause in Loan Agreement
1.	Union Bank of India	March 29, 2017	Line of Credit	1,000.00	June 23, 2022 June 30, 2022 June 10, 2022 June 14, 2022	190.00 50.00 615.00 140.00	December 20, 2022 December 27,2022 December 7, 2022 December 9, 2022	Tenor: 15 months from date of each drawl Repayment: Repayable by means of Bullet Payment at the end of the tenor or each drawl Interest Payment: Monthly	NIL
2	Union Bank of India	June 29, 2017	Line of Credit	450.00	June 24, 2022 June 30,2022 June 17,2022 June 28,2022	75.00 125.00 150.00 100.00	December 21, 2022 December 27,2022 December 14,2022 December 23,2022	December 27, 2022 Tenor: 15 months from date of each drawl. Repayable by means of bullet payment at the end of each drawl. Interest Payment: Monthly	NIL
3	IDBI Bank	February 15, 2022	WCDL	335.00	June 28, 2022	35.00	July 28, 2022	Tenor: Minimum of 7 days and Maximum of 1 year Repayable at any time 7 days after the date of drawdown, in full or in	Borrower may prepay the entire outstanding principal after 7 days without any prepayment penalty.

S.No.	Name of the Lender	Date of Sanction	Type of Facility	Amount Sanctioned *(₹ in crores)*	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Principal Repayment Date	Repayment Schedule	Prepayment Clause in Loan Agreement
								part, and upto 1 year from the date of drawdown in full, subsequent to each tranche of the drawdown.	
4	Punjab National Bank	February 15, 2022	WCDL	125.00	June 29, 2022	125.00	July 29, 2022	Repayable in bullet payments	Option to prepay the facility at any time after 7 days from the date of drawdown without any prepayment charges provided that the Borrower shall avail the facility for a minimum period of 60 days in a year.
5	Punjab National Bank	February 15, 2022	WCDL	375.00	April 8, 2022	375.00	July 07, 2022	Repayable in bullet payments	Option to prepay the facility at any time after 7 days from the date of drawdown without any prepayment charges provided that the

S.No.	Name of the Lender	Date of Sanction	Type of Facility	Amount Sanctioned *(₹ in crores)*	Date of Disbursement	Principal Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Principal Repayment Date	Repayment Schedule	Prepayment Clause in Loan Agreement
									Borrower shall avail the facility for a minimum period of 60 days in a year
6	Union Bank of India	October 15, 2020	WCDL	500.00	June 30, 2022	80.00	December 27,2022	Tenor: 15 months Repayment: Bullet Repayment Interest payment: Monthly	Prepayment permitted any time without any prepayment penalty
					June 27,2022	420.00	December 23, 2022		
7	Union Bank of India	October 15, 2020	WCDL	1,000.00	June 30,2022	100.00	December 27,2022	Tenor: 15 months Repayment: Bullet Repayment Interest payment: Monthly	Prepayment permitted any time without any prepayment penalty
					June 30,2022	50.00	December 27,2022		
					June 27,2022	350.00	December 23,2022		
					June 29,2022	500.00	December 26,2022		

The total outstanding after Ind AS adjustment on account of Effective Interest Rate is ₹ 3,480 crores.

Penalty: The loan documentation executed with respect to the term loans mentioned below set out penalty/additional interest provisions for compliance with the provisions of the loan documents. Such provisions *inter alia*, include, but are not limited to**:**

(a) In case of any delay/ default in repayment of principal/interest/ other monies on their respective due date;
(b) In case the audited financial statement is not submitted before 31st October every year or in case of delay in submission of stock statement after 21st of the following month;
(c) In case non-compliance of any of the sanctioned terms/conditions and/or conditions as stipulated b y the Bank in the financing documents;
(d) In case of non-submission of review/renewal data at least one month prior to the due date;
(e) Non-obtention of external credit risk rating from agency approved by RBI;
(f) Non-submission/delayed submission of follow up/ review data within due date.

Rescheduling: None of the loan documents provides for rescheduling provisions.

Events of Default: The facility documents executed by the Company stipulates certain events as "***Events of Default***", pursuant to which the Company may be required to immediately repay the entire loan facility availed by it and be subject to additional penalties by the relevant lenders. Such events include, but are not limited to:

(a) Default in payment of principal sum of the loan;
(b) Default in payment of intertest;
(c) Default in performances of material covenants and conditions;
(d) Cross default, as defined under the respective finance documents, where for the purpose of the covenant;
(e) The Company shall have voluntarily or involuntarily become the subject of proceedings under any bankruptcy and insolvency law;
(f) The Company is unable or has admitted in writing its inability to pay its debts as they mature;
(g) The Borrower has taken or suffered any action to be taken for its liquidation of dissolution;
(h) A receiver or liquidator is appointed or allowed to be appointed of all or any part of the undertaking of the Company and such appointment is not stayed, quashed or dismissed within a period of 30 days;
(i) Occurrence of extra-ordinary circumstances which make it impossible for the purpose of line of credit out and for the Company to fulfil its obligation under the agreement;
(j) If an attachment or restraint is levied on any of the properties and assets or any part thereof belonging to the Company or any proceedings are taken or commenced for recovery of any dues from the Company and the Company has failed to have the same removed or stayed or terminated within a period of 6 months.
(k) If the Company shall be voluntarily or involuntary dissolved, or become bankrupt or insolvent.

ii. Details of Redeemable Unsecured Non-Convertible Debentures

The Company has issued subordinated debts of face value of ₹ 10 Lakhs on private placement basis of which ₹ 2,686.92 crores (including IND AS adjustments) is outstanding as on June 30, 2022, the details of which are set forth below:

Sr. No.	**Debenture Name / Series**	**ISIN**	**Amount Outstanding as on June 30, 2022** ***(₹ in crore)***	**Date of Allotment**	**Final Maturity Date**	**Coupon (p.a.) in %**	**Tenure /Period (Days)**	**Credit Rating and Outlook**
1.	Sr U FY 16-17	INE691I08487	125.00	04 January 2017	04 January 2027	8.05%	3652	CARE AA+, ICRA AA+
2.	Sr V FY 16-17	INE691I08495	15.00	30 January 2017	29 January 2027	8.05%	3651	CARE AA+, ICRA AA+
3.	Sr K FY 2016-17	INE691I08453	25.00	09 August 2016	08 August 2031	8.65%	5477	CARE AA+, ICRA AA+
4.	Sr L FY 2016-17	INE691I08461	25.00	12 August 2016	12 August 2031	8.63%	5478	CARE AA+, ICRA AA+
5.	Sr P FY 2016-17	INE691I08479	20.00	07 September 2016	05 September 2031	8.55%	5476	CARE AA+, ICRA AA+
6.	Sr B FY 2018-19	INE691I08529	45.00	31 October 2018	31 October 2028	9.10%	3653	CARE AAA, ICRA AAA
7.	SRA (20-21)TIER2	INE691I08537	86.00	10 June 2020	10 June 2030	8.30%	3652	CARE AAA/Stable, CRISIL AAA/Stable

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Credit Rating and Outlook
8.	Sr F 20-21	INE691I08545	100.00	20 July 2020	19 July 2030	8.15%	3651	CARE AAA/Stable, CRISIL AAA/Stable
9.	Sr H FY 2016-17	INE691I08446	80.00	21 July 2016	21 July 2026	8.78%	3652	CARE AA+, ICRA AA+
10.	Sr O FY14-15	INE476M08014	100.00	29-Jan-15	29-Jan-25	9.35%	3653	CARE AA+, ICRA AA+
11.	Sr H FY15-16	INE476M08030	14.00	14-Jul-15	14-Jul-25	9.32%	3653	CARE AA+, ICRA AA+
12.	Sr J FY15-16	INE476M08048	50.00	24-Jul-15	25-Jul-25	9.30%	3652	CARE AA+, ICRA AA+
13.	Sr N FY 2014-15	INE691I08313	100.00	13-Nov-14	13-Nov-24	9.10%	3653	CARE AA+, ICRA AA+
14.	Sr U FY 14-15	INE691I08339	225.00	18-Feb-15	18-Feb-25	8.75%	3653	CARE AA+, ICRA AA+
15.	Sr C FY 2015-16	INE691I08354	79.50	21-Apr-15	21-Apr-25	8.90%	3653	CARE AA+, ICRA AA+
16.	Sr D FY 2015-16	INE691I08362	45.00	22-Apr-15	22-Apr-25	8.90%	3653	CARE AA+, ICRA AA+
17.	Sr G FY 2015-16	INE691I08370	75.00	29-Apr-15	29-Apr-25	8.90%	3653	CARE AA+, ICRA AA+
18.	Sr I FY 2015-16	INE691I08388	43.00	15-May-15	15-May-25	8.90%	3653	CARE AA+, ICRA AA+
19.	Sr P FY 2015-16	INE691I08396	60.00	03-Jun-15	03-Jun-25	8.87%	3653	CARE AA+, ICRA AA+
20.	Sr AB FY 15-16	INE691I08412	20.00	15-Sep-15	15-Sep-25	8.90%	3653	CARE AA+, ICRA AA+
21.	Sr K FY 13-14	INE691I08271	20.00	10-Feb-14	09-Feb-24	9.73%	3651	CARE AA+, ICRA AA+
22.	Sr L FY 13-14	INE691I08289	20.00	18-Feb-14	16-Feb-24	9.73%	3650	CARE AA+, ICRA AA+
23.	Sr M FY 13-14	INE691I08297	30.00	14-Mar-14	14-Mar-24	9.73%	3653	CARE AA+, ICRA AA+
24.	Sr S FY 14-15	INE691I08321	125.00	19-Jan-15	17-Jan-25	8.75%	3651	CARE AA+, ICRA AA+
25.	Sr A FY 2015-16	INE691I08347	100.00	17-Apr-15	17-Apr-25	8.90%	3653	CARE AA+, ICRA AA+
26.	Sr O FY 13-14	INE691I08305	5.00	04-Mar-14	04-Mar-24	9.73%	3653	CARE AA+, ICRA AA+
27.	Sr C FY14	INE027E08012	25	28-Feb-14	28-Feb-24	10.90%	3652	CARE AA+, ICRA AA+
28.	Sr F FY14	INE027E08020	50	27-Mar-14	27-Mar-24	10.90%	3653	CARE AA+
29.	Sr E-FY15	INE027E08038	40	30-Jun-14	28-Jun-24	10.40%	3651	CARE AA+
30.	Sr F FY 15	INE027E08046	32	30-Jan-16	29-Jan-26	9.35%	3652	CARE AA+

Sr. No.	Debenture Name / Series	ISIN	Amount Outstanding as on June 30, 2022 *(₹ in crore)*	Date of Allotment	Final Maturity Date	Coupon (p.a.) in %	Tenure /Period (Days)	Credit Rating and Outlook
31.	Sr G FY 15	INE027E08053	18	09-Feb-16	09-Feb-26	9.35%	3653	CARE AA+
32.	Sr H FY15	INE027E08061	50	04-Mar-16	04-Mar-26	9.48%	3652	CARE AA+, ICRA AA+
33.	Sr S FY14-15	INE759E08028	50	30-Mar-15	28-Mar-25	9.95%	3651	CARE AA+, ICRA AA+
34.	Sr M FY 14-15	INE759E08010	50	31-Dec-14	31-Dec-24	9.95%	3653	CARE AA+
35.	Sr J 15-16	INE759E08036	100	09-Sep-15	09-Sep-25	9.25%	3653	CARE AA+, ICRA AA+
36.	Sr M 15-16	INE759E08044	100	23-Mar-16	23-Mar-26	9.30%	3652	CARE AA+, ICRA AA+
37.	Sr J FY 12-13	INE523E08NH8	275	21-Dec-12	21-Dec-22	9.80%	3652	CARE AA+, ICRA AA+
38.	Sr I FY 13-14	INE523E08NI6	50	27-Mar-14	27-Mar-24	10.35%	3653	CARE AA, ICRA AA
39.	SRD (19-20) TIER2	INE027E08087	26	13-Sep-19	13-Sep-29	8.90%	3653	CARE AAA, INDIA AAA
40.	Sr J FY 13-14	INE691I08263	25	31-Jan-14	31-Jan-24	9.73%	3652	CARE AA+, ICRA AA+
41.	Sr B FY 17-18	INE691I08511	60	14-Jul-17	13-Jul-29	7.80%	4382	CARE AA+, ICRA AA+

The total outstanding after Ind AS adjustment on account of Effective Interest Rate is ₹ 2686.92 Crores.

iii. Inter-Corporate Loans, Deposits and other borrowings

Sr. No.	Lender's Name	Date of disbursement	Rate of Interest	Maturity date	Amount outstanding as on June 30, 2022 *(₹ in crore)*
1	L&T Finance Holdings Limited	14.03.2022	6.5%	15.12.2022	3.65
2	L&T Finance Holdings Limited	24.03.2022	6.5%	15.12.2022	3.20
3	L&T Finance Holdings Limited	28.03.2022	6.5%	15.12.2022	100.00
4	L&T Finance Holdings Limited	28.03.2022	6.5%	07.10.2022	124.00
5	L&T Finance Holdings Limited	30.03.2022	6.5%	15.12.2022	2.57
6	L&T Finance Holdings Limited	04.04.2022	6.5%	06.10.2022	545.84
7	L&T Finance Holdings Limited	04.04.2022	6.5%	15.12.2022	16.50
8	L&T Finance Holdings Limited	07.04.2022	6.5%	15.12.2022	0.55
9	L&T Finance Holdings Limited	26.05.2022	7%	06.10.2022	3.03
10	L&T Finance Holdings Limited	06.06.2022	7%	05.06.2023	138.97
11	L&T Finance Holdings Limited	07.06.2022	7%	06.06.2023	7.07

Sr. No.	Lender's Name	Date of disbursement	Rate of Interest	Maturity date	Amount outstanding as on June 30, 2022 *(₹ in crore)*
12	L&T Finance Holdings Limited	10.06.2022	7%	06.06.2023	3.00
13	L&T Finance Holdings Limited	13.06.2022	7%	12.06.2023	5.06
14	L&T Finance Holdings Limited	28.06.2022	7%	29.07.2022	12.70
15	L&T Finance Holdings Limited	11.01.2022	6.5%	15.12.2022	3.00
16	L&T Finance Holdings Limited	11.01.2022	6.5%	15.12.2022	76.35

The total outstanding after Ind AS adjustment on account of Effective Interest Rate is ₹ 1,059.85 crores

iv. Unsecured ECB

Sr. No.	Lender's Name	Facility Agreement	Amount Sanctioned	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Date / Schedule	Prepayment
1.	Mizuho Bank	Date: September 26, 2019	USD 60,000,000	425.76	Tenor: 36 months Repayment: Bullet Repayment Interest payment: Monthly	The Borrower may, if it gives the Agent not less than 10 Business Days' (or such shorter period as the Majority Lenders may agree) prior written notice, prepay on the last day of an Interest Period applicable thereto the whole or any part of any Loan (but, if in part, being an amount that reduces the amount of the Loans by a minimum of US$10,000,000).

The total outstanding after Ind AS adjustment on account of Effective Interest Rate is ₹ 481.12 crores.

v. Perpetual Debt Instruments

S. No.	Lender's Name	ISIN	Tenor/ Period of Maturity (Days)	Credit Rating	Coupon	Date of Allotment	Amount outstanding as on June 30, 2022	Call Option Exercise Date
1.	Sr I FY15	INE027E08079	Perpetual	CARE AA, ICRA AA	10.10%	30-Mar-16	50.00	30-Mar-26
2.	Sr I FY 13-14	INE691I08255	Perpetual	CARE AA, ICRA AA	10.35%	29-Jan-14	50.00	29-Jan-24
3.	Sr X FY 15-16	INE691I08404	Perpetual	CARE AA, ICRA AA	9.90%	27-Aug-15	150.00	27-Aug-25
4.	Sr AL FY 15-16	INE691I08420	Perpetual	CARE AA, ICRA AA	9.50%	18-Mar-16	50.00	18-Mar-26
5.	Sr AO FY 15-16	INE691I08438	Perpetual	CARE AA, ICRA AA	9.50%	30-Mar-16	30.00	30-Mar-26
6.	Series U FY16	INE476M08055	Perpetual	CARE AA, ICRA AA	9.90%	30-Mar-16	50.00	30-Mar-26
7.	Series E FY17	INE476M08063	Perpetual	CARE AA, ICRA AA	9.60%	03-Jun-16	15.00	03-Jun-26

The total outstanding after Ind AS adjustment on account of Effective Interest Rate is ₹ 412.81 crores.

C. *Details of outstanding Commercial Papers*

The Company has issued unsecured Commercial Paper of face value of ₹ 5,00,000 each on a private placement basis of which ₹ 6,755 crores (gross of unamortised discount of ₹ 129.78 crores) is outstanding as on June 30, 2022 the details of which are set forth below:

Sr. No.	Particulars	Amount Sanctioned (Maturity Value) *(₹ in crores)*	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Terms	Maturity Date	Credit Rating
1.	INE027E14LI0	100.00	100.00	Bullet Repayment at maturity.	08-08-2022	CAREA1+ CRISIL A1+
2.	INE027E14LL4	525.00	525.00	Bullet Repayment at maturity.	05-08-2022	ICRA A1+ CRISIL A1+
3.	INE027E14LO8	150.00	150.00	Bullet Repayment at maturity.	02-09-2022	ICRA A1+ CRISIL A1+
4.	INE027E14LO8	400.00	400.00	Bullet Repayment at	02-09-2022	CRISIL A1+ ICRA A1+

Sr. No.	Particulars	Amount Sanctioned (Maturity Value) *(₹ in crores)*	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Terms	Maturity Date	Credit Rating
				maturity.		
5.	INE027E14LN0	365.00	365.00	Bullet Repayment at maturity.	05-09-2022	ICRA A1+ CRISIL A1+
6.	INE027E14LR1	200.00	200.00	Bullet Repayment at maturity.	16-08-2022	ICRA A1+ CRISIL A1+
7.	INE027E14MB3	80.00	80.00	Bullet Repayment at maturity.	07-07-2022	ICRA A1+ CAREA1+
8.	INE027E14MD9	200.00	200.00	Bullet Repayment at maturity.	29-12-2022	ICRA A1+ CRISIL A1+
9.	INE027E14MF4	250	250.00	Bullet Repayment at maturity.	17-01-2023	CRISIL A1+ ICRA A1+
10.	INE027E14LN0	550	550.00	Bullet Repayment at maturity.	05-09-2022	ICRA A1+ CAREA1+
11.	INE027E14MJ6	500	500.00	Bullet Repayment at maturity.	29-07-2022	ICRA A1+ CAREA1+
12.	INE027E14MJ6	250	250.00	Bullet Repayment at maturity.	29-07-2022	ICRA A1+ CAREA1+
13.	INE027E14MK4	400	400.00	Bullet Repayment at maturity.	21-02-2023	CRISIL A1+ CAREA1+
14.	INE027E14MK4	300	300.00	Bullet Repayment at maturity.	21-02-2023	CRISIL A1+ CAREA1+
15.	INE027E14MM0	300	300.00	Bullet Repayment at maturity.	06-03-2023	CRISIL A1+ ICRA A1+
16.	INE027E14MN8	250	250.00	Bullet Repayment at maturity.	20-03-2023	CRISIL A1+ ICRA A1+
17.	INE027E14MS7	160	160.00	Bullet Repayment at maturity.	21-04-2023	CRISIL A1+ ICRA A1+
18.	INE027E14MS7	25	25.00	Bullet Repayment at maturity.	21-04-2023	CRISIL A1+ ICRA A1+
19.	INE027E14MS7	200	200.00	Bullet Repayment at maturity.	21-04-2023	CRISIL A1+ ICRA A1+
20.	INE027E14MU3	500	500.00	Bullet Repayment at maturity.	29-08-2022	CRISIL A1+
21.	INE027E14MY5	25	25.00	Bullet Repayment at maturity.	05-06-2023	CRISIL A1+ ICRA A1+
22.	INE027E14MY5	25	25.0	Bullet Repayment at	05-06-2023	CRISIL A1+ ICRA A1+

Sr. No.	Particulars	Amount Sanctioned (Maturity Value) *(₹ in crores)*	Amount Outstanding as on June 30, 2022 *(₹ in crores)*	Repayment Terms	Maturity Date	Credit Rating
				maturity.		
23.	INE027E14 MZ2	175	175.00	Bullet Repayment at maturity.	30-08-2022	CRISIL A1+ ICRA A1+
24.	INE027E14 MZ2	325	325.00	Bullet Repayment at maturity.	30-08-2022	CRISIL A1+ ICRA A1+
25.	INE027E14N A3	200	200.00	Bullet Repayment at maturity.	19-06-2023	CRISIL A1+ ICRA A1+
26.	INE027E14N B1	225	225.00	Bullet Repayment at maturity.	23-06-2023	CRISIL A1+ ICRA A1+
27.	INE027E14N B1	75	75.00	Bullet Repayment at maturity.	23-06-2023	CRISIL A1+

The total outstanding after Ind AS adjustment on account of Effective Interest Rate is ₹ 6,624.49 crores.

D. Servicing behaviour on existing debt securities, payment of due interest on due dates on financing facilities or debt securities

As on the date of this Draft Shelf Prospectus, there has been no default/ delay in payment of principal or interest on any existing term loan, debt security or any other financial indebtedness including corporate guarantee issued/ availed by the Issuer in the past five years.

E. List of top 10 holders of non-convertible securities (secured and unsecured) as on June 30, 2022

S. No.	Name of holder of Non-convertible Securities	Outstanding Amount (₹ in crore))	% of total non-convertible securities outstanding
1.	LICI Pension Plus Non Unit Fund	5,020.00	18%
2.	State Bank of India	1,950.00	7%
3.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life CRISIL AAA Jun 2023 INDEX FU	1,694.00	6%
4.	HDFC Trustee Co. Ltd. A/C HDFC Ultra Short Term Fund	1,421.00	5%
5.	International Finance Corporation	1,152.00	4%
6.	Larsen And Toubro Limited	990.00	3%
7.	Nippon Life India Trustee Ltd-A/C Nippon India Liquid Fund	872.25	3%
8.	Bank of Baroda	690.00	2%
9.	Bank of India	500.00	2%
10.	Central Bank of India	400.00	1%

For the purpose of the Issue, our Company has obtained the necessary consent from our lender, as required under the relevant borrowing arrangements for undertaking activities relating to the Issue.

F. Details of any outstanding borrowings taken/ debt securities issued where taken/ issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on June 30, 2022.

As on June 30, 2022, save and except as disclosed under this section titled '*Financial Indebtedness*', there are ₹ 2,722.80 crores outstanding borrowings taken/ debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium of ₹ 58.82 crores or discount of ₹ 4.72 crores, or (iii) in pursuance of an option.

As on June 30, 2022, unamortised discount and Premium on reissuance of ₹ 0.46 crores & ₹ 27.87 crores respectively.

(₹ in crores)

Sr. No	Description	Secured / Unsecured	Premium / Discount	Discount Amount (Rs. Cr)	Premium Amount (Rs. Cr)	Coupon (%)	Residual Tenure / Period of Maturity (Days)	Face Value	Date of Allotment	Final Redemption Date	Latest Credit Rating
1.	RE Sr G 18-19 3	Secured	0.85	0.09	-	7.95	1503	2500000	31-10-2018	12-12-2022	CARE AAA, INDIA AAA
2.	RE H 18-19 Op 2	Secured	3.69	0.25	-	7.7	1416	2500000	20-11-2018	06-10-2022	CARE AAA, INDIA AAA
3.	NCDRE I20-21 II	Secured	-0.75	-	0.26	7.68	716	1000000	17-03-2021	03-03-2023	CRISIL AAA
4.	Re Sr B 19-20 I	Secured	0.01	0.01	-	8.45	1839	1000000	05-02-2020	17-02-2025	CARE AAA, CRISIL AAA
5.	Re Sr B 19-20II	Secured	0.14	0.10	-	8.55	3639	1000000	11-02-2020	28-01-2030	CARE AAA, CRISIL AAA
6.	Re Sr B20-21III	Secured	-1.08	-	0.86	8.1	3637	1000000	13-07-2020	28-06-2030	CRISIL AAA, INDIA AAA
7.	RE NCDSR K OP 1	Secured	-0.29	-	0.24	7.66	3645	1000000	16-09-2020	09-09-2030	CARE AAA, CRISIL AAA
8.	Re SR A 21-22	Secured	-1.24	-	0.76	6.45	1106	1000000	30-04-2021	10-05-2024	CARE AAA, CRISIL AAA
9.	RE SR C 21-22	Secured	-2.27	-	1.43	6.45	1079	1000000	27-05-2021	10-05-2024	CRISIL AAA
10.	SR D 21-22	Secured	-18.95	-	7.99	7.68	581	1000000	30-07-2021	03-03-2023	CRISIL AAA
11.	NCD SR E 21-22	Secured	-9.45	-	4.06	7.68	570	1000000	10-08-2021	03-03-2023	CRISIL AAA
12.	NCD SR F21-22 I	Secured	-18.73	-	8.36	7.68	549	1000000	31-08-2021	03-03-2023	CRISIL AAA

Sr. No	Description	Secured / Unsecured	Premium / Discount	Discount Amount (Rs. Cr)	Premium Amount (Rs. Cr)	Coupon (%)	Residual Tenure / Period of Maturity (Days)	Face Value	Date of Allotment	Final Redemption Date	Latest Credit Rating
13.	NCD SR I 21-22	Secured	-2.25	-	1.26	7.7	620	1000000	30-09-2021	12-06-2023	CRISIL AAA
14.	NCDS RKREII 2122	Secured	-3.41	-	2.51	9	798	1000000	03-12-2021	09-02-2024	ICRA AAA, INDIA AAA
15.	NCD SR G 20-21	Secured	0.00	0.00	-	7	696	1000000	04-08-2020	01-07-2022	CARE AAA
16.	MLD SR H 20-21	Secured	0.01	0.00	-	7	693	1000000	07-08-2020	01-07-2022	CARE AAA
17.	NCD SR I 20-21	Secured	0.01	0.00	-	7	686	1000000	14-08-2020	01-07-2022	CARE AAA
18.	MLD SR L 20-21	Secured	0.02	0.00	-	7	651	1000000	18-09-2020	01-07-2022	CARE AAA
19.	SR C MLD 20-21	Secured	-0.41	-	0.14	7	1078	1000000	20-07-2020	03-07-2023	CARE AAA

G. **Details of rest of borrowings if any, including hybrid debt instruments such as foreign currency convertible bonds or optionally convertible debentures or preference shares as on June 30, 2022**

Our Company has not availed any other borrowings including hybrid debt instruments such as foreign currency convertible bonds or convertible debentures and preference shares as on June 30, 2022.

H. As on the date of this Draft Shelf Prospectus, there has been no default in payment of principal or interest on any existing term loan, debt security issued by the Issuer and other financial indebtedness including corporate guarantee issued by the Issuer, in the past three years.

I. The amount of corporate guarantee issued by the Issuer along with details of the counterparty (viz. name and nature of the counterparty, subsidiary, Joint Venture entity, group company etc) on behalf of whom it has been issued.

Our Company has not issued any corporate guarantee as on June 30, 2022.

As on the date of this Draft Shelf Prospectus, there has been no default and non-payment of statutory dues.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS

Our Company, Subsidiaries, Promoters, Directors and our Group Companies are subjected to various legal proceedings from time to time, mostly arising in the ordinary course of its business. The legal proceedings are either initiated by us or by customers, past employees and other parties. These legal proceedings are primarily in the nature of (a) civil suits, actions and applications; (b) consumer complaints and (c) criminal complaints. We believe that the number of proceedings in which we are involved is not unusual for a company of our size in the context of doing business in India. Except as disclosed below, there is no outstanding litigation involving our Company, Subsidiaries, Promoters, Directors and Group Companies or any other person that would have a material adverse effect on our operations and/or financial position which may affect the issue or the investor's decision to invest in the Issue.

For the purpose of disclosures in this Draft Shelf Prospectus, our Company has considered the following litigation as "material" litigation for our Company, Subsidiaries, Promoter, Directors, and Group Companies (except as specified separately) as material litigation:

- *all pending proceedings whether civil (including cases related to Labour, Motor Accident Claims Tribunal (MACT), and Cases pending before Lok Adalat), arbitral, or otherwise, of value exceeding 5% of the consolidated Profit after Tax as on March 31, 2022, i.e. more than ₹ 39.70 Crore;*
- *all criminal proceedings whether complaints, first information reports ("FIR"), bail applications or otherwise wherein our Company is a party;*
- *tax related litigations; and*
- *any other outstanding legal proceeding which is likely to have a material adverse effect on the financial position, profitability and cash flows of our Company which may affect the issue or the investor's decision to invest/continue to invest in the debt securities.*

Further, in relation to the Group Companies listed out below, for the purpose of disclosures in this Draft Shelf Prospectus, all pending proceedings whether civil, arbitral, or otherwise, of value exceeding such amount as provided below have been identified as material:

Sr. No.	*Name of the Group Company*	*Materiality*
1.	Larson & Toubro Limited	₹ *100 Crore*
2.	L&T Financial Consultants Limited	₹ *39.70 Crore*
3.	Larsen & Toubro Infotech Limited	₹ *39.70 Crore*
4.	L&T Investment Management Limited	₹ *39.70 Crore*
5.	Larsen & Toubro Electromech LLC	₹ *39.70 Crore*
6.	L&T Capital Company Limited	₹ *39.70 Crore*

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, Directors, our Promoter or our Group Companies shall, unless otherwise decided by our Board of Directors, not be considered as litigation until such time that our Company, Directors, Promoter and/or Group Companies, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.

Save as disclosed below, there are no:

1. *litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of our Company during the last five years immediately preceding the year of the issue of the Draft Shelf Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;*

2. *litigation involving our Company, Promoter, Directors, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the position of our Company, which may affect the issue or the investor's decision to invest/continue to invest in the debt securities;*

3. *acts of material frauds committed against our Company in the last three years and the action taken by the Company;*

4. *failures or defaults to meet statutory dues, institutional dues and dues towards instrument holders including holders of debentures, fixed deposits, and arrears on cumulative preference shares, etc., by our Company.*

5. *pending proceedings initiated against our Company for economic offences and default; and*

6. *inquiries, inspections or investigations initiated or conducted under the securities laws or Companies Act or any previous company law in the last three years immediately preceding the year of issue of offer document in the case of company and all of its subsidiaries; and if there were any prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last three years immediately preceding the year of the prospectus for the Company and our Subsidiary,*

7. *disciplinary action taken by SEBI or Stock Exchanges against the Promoters/Group companies in the last five financial years, including outstanding action; and*

8. *reservations, qualifications or adverse remarks of the auditors of our Company in the last three years immediately preceding the year of issue of this Draft Shelf Prospectus against our Company.*

I. Litigations by and against our Company

Criminal Proceedings by and against our Company

1. A criminal petition bearing reference 41/2010 was filed by Mr. Gopal Chandra Gorai ("Complainant") before Judicial Magistrate of First Class, Bishnupur of Bankura District on May 26, 2010 under Section 156(3) of the Code of Criminal Procedure, 1973, and under Section 379 and 427 of the Indian Penal Code, 1860. The Complainant alleged that his vehicle had been forcefully re-possessed as he has defaulted on the repayment of the loan. The Complainant went to the police to file a complaint, but the police did not take any concrete action. Therefore, the Complainant has filed the current criminal petition against our Company. The matter is currently pending and has been listed for evidence.

2. Meva Ram had lodged an FIR bearing number 159/2012 dated December 19, 2012 under section 382 and 386 of IPC against employees of our Company in the PS. Kareda, district Bhilwara, alleging that Nagji Suthar's tractor was taken away from him forcefully by our Company. The employees of our Company were arrested and immediately bail applications were moved before the lower court which was rejected. Again, fresh bail applications were moved before the sessions court which were allowed successfully. Matter posted for evidence.

3. Sangita Datta Kanakate and Purna, Parbhani ("Complainant") in front of Judicial Magistrate of First Class. The criminal case was filed against our employees Sachin Shinde and Malhar Inamdar ("Employees") under Section 363 of the Indian Penal Code. The Borrower and her husband took financial assistance from our Company for purchasing a tractor. On April 04, 2015, the agents of our Company visited the Complainant's house and asked for loan repayment. Further, the Complainant filed a charge-sheet against our Employees under Section 363, 34, on July 7, 2017. Our Company then filed a discharge application. The matter is pending for framing of charges.

4. Our Company granted a loan to Shree Shyam Pulp and Board Mills ("Borrower"). The directors of the Borrower had issued cheques in favour of our Company and were returned unpaid due to "insufficient balance" in the Borrower company's bank account. Our Company had also obtained conviction order against the directors of the Borrower company. Aggrieved by such order of Ld. Trial Magistrate, Mandeep Kumar Dhillon ("Applicant"), a director of the Borrower company filed a writ petition bearing No. W.P. (Cr.) 1642 of 2018. The Applicant has argued and prayed for quashing of the aforesaid order of the Lt. Trial Magistrate, stating that she had resigned from the Borrower company a long time ago and that she was inducted in the board not as a chief executive or director of the Borrower company. The matter is pending for admission.

5. Our Company granted financial assistance to Baldev Singh ("Borrower") to purchase a vehicle. Eventually the said loan was rejected but the dealer delivered the vehicle to the Borrower. The Borrower alleges that his vehicle was repossessed illegally, and that Company has committed fraud. The original criminal complaint was dismissed and hence the Borrower filed a criminal appeal bearing number CRA 342 of 2018 before the Session Court, Amritsar against an order passed by the lower court dismissing his criminal complaint. The matter is posted for hearing.

6. Our Company granted a financial assistance to Sarita ("Borrower"). The Borrower has filed a FIR bearing no. 176 of 2019 in Thanjavur Police Station against 5 employees of our Company. The said FIR has been filed under Section 147, 294(b), 324 and 506(1) of Indian Penal Code, 1860 ("**IPC**"). The Borrower has alleged that the employees of our Company got into a fight with her husband and also mistreated her and other family members. The Company have also filed counter complaint registered 177/2019 under section 294 (b) 323 of IPC and the Company is in

process of filing anticipatory bail petition and writ petition under sec 482 of Cr.PC for quashing of the FIR. The matter is currently pending.

7. Our Company granted financial assistance to Jaswant Singh ("Borrower"), for purchasing a vehicle. Upon the default and irregularity in paying the loan amount, the vehicle was repossessed, without giving any notice. The Borrower filed a criminal complaint which was dismissed by the Learned Magistrate on the ground that that complainant has no locus standi and this case is also not maintainable because the civil case is already pending before District Court. Hence, the Borrower filed this criminal miscellaneous petition bearing no. 4485 of 2018, under Section 482 of Code of Criminal Procedure, 1973 before High Court Jharkhand. The said petition was filed against the order dated September 19, 2018 of the Magistrate for offences under the Section 420, 406, 467, 468, 120B, 34 of Indian Penal Code, 1860. The matter is pending for hearing.

8. A FIR is filed by Sabrita Rana, against 5 employees of our Company in Lalgarh Police Station, Jhargram, West Bengal, under Section 341, 354B, 325, 427, 506, 34 of IPC. One of our employees' bike was in police possession, the same has been recovered. We filed for anticipatory bail before Additional Chief Judicial Magistrate of Jhargram and the same has been granted. The matter is on trial and now pending for police report.

9. Nandkumar Pandurang Galande ("Complainant") has filed a criminal complaint bearing no. RCC 350/2019 before Judicial Magistrate, Pune, under section 200 of CrPC alleging offences under sections 406, 420, 120B, 34 IPC against Pawan Dagar (employee of our Company), Chief Executive Director, Mr. Subramanium, and Ghanti Sharma, employees of our Company. The Complainant claims that he availed financial assistance of our Company purchasing 4 vehicles. However, he was given possession of only one vehicle, he further claims that the said vehicle was repossessed illegally and with malafide intent by our Company and was kept at one place for 3 years and later sold it off at a lesser amount. He further claims that even without handing over possession of 3 other vehicles our Company's employees tried recovering EMIs from him. The Complainant further alleges that Company started recovering EMIs of other vehicles which were not financed to him. Hence, this complaint. Matter is pending for police report.

10. Our Company granted financial assistance for purchasing a vehicle Harpal Singh, ("Borrower"). He alleges that our Company had illegally repossessed the vehicle. The Borrower thus filed a petition under Section 156(3) of CrPC before Judicial Magistrate Kanpur. Further, Magistrate has directed police to file an FIR bearing no 0646 of 2018 against our employees in Bilhaur Police Station, Kanpur. The matter is pending for filing for police report.

11. Jajala Trading Private limited ("Borrower") availed financial assistance from our Company. Borrower issued cheques for repaying the loan amount, but the cheques were dishonoured. Hence, our Company initiated proceedings under Section 138 of Negotiable Instruments Act, 1881. The Court passed an order on August 04, 2017 for issuance of process against the accused. Hence the present case is filed by the directors of the Company challenging the said order. The matter is currently pending before the court and is posted for final hearing.

12. A FIR bearing no. 981/2018 has been filed against our employee Ashok Ghosh ("Accused") by the borrowers in Malda Police Station, West Bengal under the Section 420, 417, 468, 471, 472 of IPC for the wrongdoings of Company's former FLO named Basant Poddar during his tenure. The matter is currently pending in court and is posted for evidence.

13. The Company financed three machines of Leo Duct Engineers & Consultants Ltd & Ors. ("Complainant"). Eventually the Borrower defaulted in repaying the loan amount and is alleging that his all machines were repossessed and later sold out illegally. Customer filed criminal complaint under Section 156(3) of CrPC. against MD Dinanath Dubhashi and the Company for lodging FIR before Metropolitan Magistrate, Ballard Estate, Mumbai. Police officials filed closure report in favour of our Company mentioning that Criminal case cannot be filed if the dispute is of civil nature. The Complainant has filed a protest application against the closure report and the matter is pending for order. The legal proceeding initiated by the Company against the Borrower under Insolvency and Bankruptcy Code, 2016 was rejected due to criminal proceedings going on. Arbitration under section 34 of Arbitration and Act, 1996 is pending before the High Court. Loan account has been assigned to an Asset Reconstruction Company vide assignment agreement dated September 30, 2019.

14. Our Company granted financial assistance to Pradip Kumar Kanaiyalal ("Borrower") to purchase a vehicle. The Borrower filed criminal complaint under Section 409, 418, 420, 421, 423, 424, 504, 506(2) and 114 of IPC. The Borrower alleges that his vehicle was forcefully repossessed by Jitubhai Prajapati i.e., our Company's ex-employee and also by repo agents. Hence, he filed this criminal case no. 59 Of 2014 before Judicial Magistrate of First Class, Gandhinagar. The matter is posted for notice/summons.

15. Our Company granted financial assistance to Narayan Manikrao Chature ("Borrower") to purchase a vehicle. On the account of default his vehicle was repossessed and sold for recovery of outstanding dues. The Borrower lodged a criminal complaint with Badlapur Senior P.I. and Ambernath police station alleging that the vehicle was illegally repossessed with the help of the dealer. He also alleged that a forged no objection certificate was created and handed over to RTO for transfer of vehicle and that the vehicle was sold for a meagre amount on purpose to harass the Borrower. Both police stations did not take cognizance of the complaints. He thereafter filed the criminal application before the Judicial Magistrate of First Class, Ulhasnagar for the issuance of search warrants under Section 93 and 94 of CrPC against our Company. The matter is currently posted for evidence.

16. Our Company had initiated proceedings against Madhavrao Ghorpade ("Borrower") under Section 138 of the Negotiable Instruments Act 1881. Our Company have obtained the conviction orders in the aforesaid proceedings. In view of the order, the Borrower has filed an appeal challenging it and the matter is posted for orders.

17. Mr. Suchil Theron ("Proprietor") of M/s Riya Stone Crusher, has filed a criminal complaint bearing C.R. No. 1973 C/2012 against Mr. Binod Shah ("Accused 1"), Proprietor of M/s M.K. Machinery, and Mr. Ashish Saha ("Accused 2"), Assistant manager of our Company. Such complaint was filed under Sections 120(B), 406, 420, 427 and 34 of IPC, before the Learned Chief Judicial Magistrate Kamrup, Guwahati. The Proprietor has alleged that his asset was illegally repossessed by our Company, through its officers with the help of Accused 1. This matter is currently pending in court and is posted for evidence.

18. Sanjay Kumar Mishra ("Borrower") filed a criminal complaint before the Chief Judicial Magistrate, Jamshedpur against our Company, erstwhile director of the Company and other officials under Sections 106, 406 and 420 of IPC for alleged theft of the tractor of the Borrower. However, Police have taken cognizance only against the Company and its employee therefore the Director of the Company is outside the purview of these proceedings. Further, the Company filed a quashing petition before the Jharkhand High Court and a stay order dated 14 August 2012 was granted on the criminal proceedings. The matter is currently posted for arguments and awaiting orders.

19. Rockwell Infrastructure ("Borrower") being an authorised dealer of our Company entered into a dealer finance facility of ₹ 0.75 crores on revolving basis for one year with interest @10.50%. Subsequently, it was revised to 12.50%. by our Company. On accounts of defaults, our Company had initiated proceedings under Section 138 of Negotiable Instruments Act 1881, against Archit Jhunjhunwala, the proprietor of Borrower Company and succeeded in getting conviction orders. Hence, he has filed a criminal revision petition challenging the order of conviction. The matter is posted for final hearing.

20. Siksha 'O' Anusandhan University ("Borrower") has filed a criminal case against our Company and one of the officials of our Company. The case was filed before the Sub-Divisional Judicial Magistrate, Bhubaneshwar. The Borrower has alleged that our Company has cheated them by crediting excess Equated Monthly Instalments (EMI) in the accounts of our Company through electronic clearance system post closure of the loan account. The Borrower has sought direction to Inspector-in-Charge, Khandageri Police Station for registering the case and investigating the matter. The matter is currently posted for arguments.

21. Rekhabehen Kapadiya ("Complainant"), filed a criminal complaint before Chief Judicial Magistrate under the Section 465 ,467, 468, 471, 406, 420,120(B), 294(K), 504,506(2), 34 of IPC. The Complainant alleges that the Company officials had forged her documents and created a loan in her name by using use passport size photo, 3 Cheques and her signature. The matter is posted for hearing.

22. Our Company granted a loan to Rameshwar Singh ("Borrower") to finance the purchase of a tractor. Rameshwar Singh filed a criminal complaint before the Chief Judicial Magistrate, Jamshedpur, pursuant to which an FIR was registered against employees of our Company before Sakchi Police Station, in relation to refusal by the Accused to refund the amount deposited by the after the proposed loan was not sanctioned to him. The Company has filed a petition for quashing the criminal proceedings before the Jharkhand High Court. The Jharkhand High Court has granted a stay on the proceedings. The matter is currently posted for final order.

23. Uttam Kumar Chatterjee ("**Borrower**") has initiated criminal compliant bearing no. 5614 of 2019 before CJM, Alipore for extortion, criminal breach of trust, cheating and criminal conspiracy against two employees of the Company. The Borrower alleges that employees of the Company have harassed the Borrower for default in loan repayment despite regular payments. The matter is posted for appearance.

24. Sadek Ali Chowdhury ("**Borrower**") filed a criminal complaint against the Company bearing number CR/62/2017 in court of LD III.J.M Arambag, Hooghly claiming forceful repossession of vehicle financed by the Company. The matter pending for evidence before charge

25. Our Company has filed a Criminal revision petition bearing reference number CRR/2705/2019 against Mr. Ashok Ghosh ("**Borrower**") at High Court of Calcutta. Matter is yet to be listed.

26. An FIR has been filed at police station Samserganj by our customer Mamoni Singha ("**Borrower**") alleging that due to the pressure and coercion of the Company to repay the loan taken by her, her husband committed suicide. Wife of the Borrower filed FIR bearing number 154/2021 under sections 306 and 448 of IPC against our agency field officer of the Company. The matter is pending.

27. One of the Borrower of the Company Ms. Priya S filed criminal complaint bearing reference number CR/41/2019 in Bangalore High Court against the Company. The complaint alleged that for the first 12 months amount is debited from her account and last 4 months amount was not debited from the account. The complainant further alleged that the manager cheated the complainant by asking the complainant to pay Rs 3,000 additional in order to get the asset released. The company has filed a writ petition bearing reference number WP 15446 of 2019 in Bangalore High Court for quashing the FIR and have obtained a stay in it. The matter is pending for further hearing.

28. Dilshad Banu ("**Borrower**") had availed a loan of Rs.35,000 from L&T Finance repayable through an EMI of Rs.1950 every month. The Borrower was unable to pay the EMI for one month and claims to have requested for some time to pay the same. The Borrower alleged that once on her way back home, two Company's finance officials stopped her, used filthy language and assaulted her by dragging her. Hence, she filed an FIR. The Company filed anticipatory bail application and the same has been granted, and have filed the quashing petition. The Police filed the report and the original criminal complaint bearing reference Cr.0139/2019 is posted for objections to the B Report.

29. Krushnadev Das ("**Complainant**") filed a complaint *inter alia* against the Company and its employee under section 193 of CrPC before the Additional Chief Judicial Magistrate, Mothihari ("ACJM"), alleging that a tractor financed by Company was not given to him by the automobile dealer. The ACJM dismissed the said complaint on the grounds that the case was of a civil nature. Hence, the Complainant has filed criminal revision petition before the District and Sessions Judge, Motihari against order passed by the ACJM. The matter is currently pending for orders.

30. Amit Kumar Srivastava, one of the customers of Maa Durga Tractors has filed FIR bearing no 05/2020 before Vaishali Police Station Bihar, alleging that Mr. Bhagwat Giri along with the Company, TVS Credit Service and Hinduja Finance have defrauded him. He alleges that Mr. Bhagwat Giri approached him for taking financial assistance and in good faith Amit Kumar Srivastava agreed and provided him the requisite details of his PAN Card, Aadhaar Card, etc. Later on, he found out that the tractor was financed to multiple finance companies and all of them started asking for EMIs from him. Hence, a criminal case has been initiated and FIR regarding the same has been registered and investigations are ongoing.

31. An FIR has been filed by Ahiyapur police station bearing no 669/2015 under section 341, 323, 337, 338, 379, 504 and 34 of IPC against employee of the Company on the basis of the complaint filed by Mr. Johan Ara ("**Borrower**"). The Borrower has availed financial assistance from the Company for purchasing a tractor, he alleged that the Company official asked him to repay dues of Rs.15,000/- based on which the complainant had paid Rs10,000/- and has requested the accused to give some time so as to arrange for Rs.5,000/- but the accused did not pay any heed to the same and forcefully repossessed the vehicle. The complainant also alleged that his nephew was assaulted by the accused. Police has filed chargesheet. Against this a criminal miscellaneous petition for quashing of FIR has been filed by the Company bearing reference number Cr.Misc 5204/2022 before High Court of Patna. The matter is pending for further hearing.

32. FIR bearing reference No. 321 0f 2015 filed against the employee of the Company under Bidupur P.S, Vaishali under sections 341, 323, 379 and 34 of IPC by one of the customer Mr. Ashok Kumar ("**Borrower**"). The Borrower has alleged that during the collection team's visit, he was beaten up by an employee of the Company named Rahul Kumar and a sum of Rs. 1 lakh was looted from him. Police has filed chargesheet. Further, the Company has filed quashing petition before High Court of Patna.

33. A FIR number 365/2020 has been filed after the Judicial Magistrate FC ("JMFC") directed the police to file FIR and investigate the matter in Crime no 536/2020 vide order dated 19 September 2020. The FIR has been filed under sections 389, 391, 395 of the IPC at Kanhan police station against branch manager, and 6 repo agents of the

Company. The customer (Rohit Siddartha Manwatkar) alleges that the repo agents of the Company came to his house on 05 September 2020 and forcefully repossessed the vehicle without prior intimation. A criminal revision petition CR.R.P.277/20 has been filed before the Bombay High Court, Nagpur Bench for quashing of the order passed by the JMFC and the consequential proceedings arising out of the FIR bearing no 365/2020 filed by the Kanhan police station. Company has filed quashing petition and the same is pending for hearing.

34. In the complaint given by CITU Association leader Pottuselvam and on behalf of Councillor, Self Help Group women appeared before the police station submitted a complaint against the financial institutions doing business in the particular area, He stated in the complaint that our Company's employees are persuading these groups to come and avail the loan again, we give them the loan even there is a previous loan, after deducting the remaining amount so that they can repay the first loan they have taken out for the needs of the house. Although they do not intend to avail the loan, we keep copies of Aadhar card copies and ration card copies what we have already received and continue to lend. Further they have stated that we visit the groups at 6AM everyday threaten them that they cannot do anything about aadhaar card, further they have stated that we have violated the Government's announcement over moratorium. This is causing fights in the family. Further they did a protest in Tenkasi district against the Financial Institutions doing business in the said area as they are keep violating the moratorium announced by Government and harassing the woman who have availed loan. On the pressure given by them to the police, they have registered a FIR bearing reference number 84/2020 at Surandai police station. Anticipatory bail for accused person has been taken. Company will be filing quashing application.

35. The borrower Rekhaben Rakeshbhai Kapadia claims that when she approached the dealer to cancel the deal, she was informed that the blank cheuqes will be returned to her in a few days, however the same was not done and amount was deducted from her account by our Company. The customer has filed the FIR and has alleged that the accused had forged her documents and created a loan in her name by using passport size photo, three cheques and her signature. Therefore, we have filed quashing petition before High Court, Gujarat, which is pending and a stay on the lower court proceedings have been granted by the High Court, Gujarat. The matter is ongoing.

36. Abhinav Kureti ("**Borrower**") has obtained an order dated 31.03.2021 from the court Chief Judicial Magistrate, Gautam Buddha Nagar, Greater Noida for registration of FIR inter alia against Supertech Limited, L&T Housing Finance Limited ("**LTHF**") and others for the offences under section 406, 420, 467, 468, 471, 323, 506 and 504. Accordingly, FIR has been registered bearing FIR No. 0167/2021. Subsequently, the Final Report has been submitted by the police reporting dispute pertains to civil nature and matter has been settled in between the parties and possession has not been given to the customer however LTHF is asking for loan repayments.

37. Gavar Begum W/o Akbar khan, lodged a complainant at police station Jukkal stating that, she is a member of Veera Hanman Mahila Sangam and claiming that they formed a Group to get loans under Indra Kranti Patham (IKP) scheme on lower interest. About 12 months back our Company approached them and informed that they are providing loans as they are getting it under IKP and the Company was breaching local laws to give the loans. Against this our Company has submitted its reply the Police and the same is under consideration.

38. Ramesh Dasari had filed a private complaint bearing reference Cr 289/2021 before Karimnagar Court, and the court directed Karimnagar II/town police station, to register an FIR. As a result, police have registered FIR bearing no 289/2021 under sections 323, 384, 307, 506 of IPC against employees of the Company Mr. Remala Nagabala Pothuraju, Mr. Bodapati Paparao and Mr. Venkateswarlu V. Police has investigated the case and filed final report as "False".

39. Complainant (Aslam Kayum Shaikh) availed loan from Family Credit Ltd. (FCL) for purchasing a two-wheeler and claims to have paid all the installments. He alleges that even after repaying the loan his bike was stolen by Family Credit officials hence, he approached the Police Station to file an FIR, but the police did not file the same. Hence, Borrower filed a criminal complaint before Judicial Magistrate First Class, Solapur alleging offences under sections 379, 411 and 34 of IPC against Family Credit (Accused no 2). The matter is posted for verification.

40. FIR filed against Company's employees bearing FIR No. 405/2021 under sections 452, 294, 34, and 506 of IPC before Purushottampur P.S. by the borrower (Kanchan Roul) against our employees. Kanchan Roul who had availed financial assistance from the Company is alleging that when the FLO visited her for the collection of EMIs used foul languages and threatened her. Currently matter is pending for investigation and chargesheet still not filed.

41. M. Venkataswamy ("**Borrower**") had availed financial assistance of the Company for purchasing a tractor, The Borrower alleged that his vehicle was stolen by unknown persons, on enquiry he came to know that Company officials have repossessed the vehicle and when he approached the Company office for settling the matter, he was

abused and hence he lodged an FIR bearing no 215/2018 under sections 379, 500, 506 of IPC and 3(1) (r) of Scheduled Caste and Scheduled Tribe (Prevention of Atrocities) Act, 1989 against some of the officials of the Company. The police have filed B Report and the matter is now posted for filing objections to the B report.

42. The complainant (Ramprasad) field an FIR No. 246/2021 at Tohana police station claiming that he did not get the delivery of the asset. The Company and the dealer have defrauded him. The matter is pending investigation.

43. Agish Anandan ("**Borrower**") filed a criminal revision complaint Crl. R.C. No. 1105/2021 in Madras High Court against the Company. The Borrower has approached the Company for availing a loan for purchase of two-wheeler. The Borrower has filed the petition to direct the police to register the case against the Company. Matter is yet to be listed.

44. Samrendra Kumar, a customer of the Company took financial of Rs. 4 lakh to purchase ITL tractor assistance from Anna Ravindra dealer. The customer filed a criminal compliant bearing reference CC/2156/2019 in court of ACM 13, against the Company and dealer alleging that the dealer said to the customer that he can take the tractor, RC & insurance will be handed over to him between 02 March 2015 to 02 June 2016. But despite the several follow/up the dealer did not give the documents to him. The customer alleged that Company did not help him out in dealing with dealer and because of the unavailability of the documents he could not run the vehicle properly and as a consequence suffered a loss of Rs. 5 lakh. ACJM Court has taken cognizance of the complaint and summoned the accused person. Criminal Revision application against the order of ACJM has been filed by our employee Masoom Ali. Matter is pending for hearing.

45. Bharat Arya has filed FIR against Supertech, L&T Housing Finance Limited (now merged with our Company) and others for the offences under section 406, 420, 467, 468, 471, 323, 506 and 504. Alleging offence of cheating etc. In this matter, we have already issued settlement letter through settlement deed and the same has been consider by police station and accordingly filed report. Subsequently, the final report has been submitted by the police reporting dispute pertains to civil nature and matter has been settled in between the parties.

46. M/s HPCL registered F.I.R. No. 51 of 2022 against L&T Housing Finance Limited, now merged with our Company ("**LTHF**") and its Legal Manager at Maredpally Police Station, for the offences under Section 419, 420, 468 and 471 IPC. M/s HPCL has obtained a property on registered lease from Prabhakar Akula and Naveen Akula, who further mortgaged the said property to the LTHF. As per allegations levelled against LTHF, NOC was never obtained but LTHF has mortgaged the said property on the basis of NOC produced by the borrowers which was allegedly forged by the borrowers. M/s HPCL alleged that the Company has colluded with the borrowers namely Prabhakar Akula and Naveen Akula. Quashing Application has been filed before the High Court the same is pending for hearing.

47. Criminal Revision application is filed by Gopal Yadav who was a guarantor in the farm loan availed by Ramesh Yadav from the Company. The customer failed to make payments and he was asked to produce the vehicle for inspection which he failed to do so. Apprehending the disposal of a vehicle by the complaint, case no. 3332/2017 was filed by the Company before Judicial Magistrate, Ranchi in connection with the same, wherein the Judicial Magistrate took cognizance against the customer under section 420/34 of IPC. Hence, Gopal Yadav has filed the present revision petition to quash the order taking cognizance dated September 07, 2018 passed by the Judicial Magistrate. Matter is pending for appearance.

48. Sunita Pankaj Shah has purchased a property in a Green Valley Co-op. Housing Society by executing Deed of Assignment dated September 27, 2012. Thereafter, by further deed of assignment dated April 24, 2015, Sunita Pankaj Shah sold the property to Mr. Irfan Sattar Shaikh. Subsequently Irfan Sattar Shaikh availed a loan from the company but failed to repay the loan amount. Hence, a criminal complaint was filed against the borrowers u/s 420, 464, 467, 471 r/w 34 of IPC in the Court of JMFC, Pune vide RCC No. 3228 of 2016. The same was allowed. Therefore, Sunita Pankaj Shah has filed the Criminal Writ Petition No. 2441 / 2017 before Bombay High Court against the order of JMFC, Pune. Matter is pending for further hearings.

49. M/s Punj Lloyd Ltd has been declared as 'Fraud' by IDBI Bank pursuant to 'Master Directions on Frauds-Classification and Reporting by commercial banks and select FIs' dated 01.07.2016, Atul Punj i.e. the petitioner has filed this writ petition to restrain the respondents (IDBI Bank and Ors.) from initiating/pursuing any coercive action/criminal measures that they may be contemplating against the Petitioner under the criminal law on the basis of the 'Fraud Declaration'. The petitioner has sought a writ/order/direction to the respondents not to initiate/pursue any coercive measures, including filing/pursuing of criminal complaint against the petitioner in relation to and/or pursuant to the declaration of account of M/s Punj Lloyd Ltd as 'Fraud' until W.P (C) No. 10796/2020, tilted as Atul

Punj vs. Reserve Bank of India and Ors, with respect to 'Fraud' Declaration is pending adjudication before Delhi High Court. The Company is part of SBI Led Consortium, hence Company is arrayed as party to this appeal.

50. Bank of Baroda has on July 26, 2022 filed an application before the Debt recovery Tribunal (DRT), Delhi in Case No. RA/4/2022 against Atuj Punj, Punj Lloyd Limited and ors. and have sought certain reliefs against *inter alia* Atuj Punj and Punj Lloyd Limited. The Company is a pro forma defendant and no reliefs are sought against it. The matter was heard on August 31, 2022 wherein our counsel requested for the copy of the review application. Matter is pending for further hearings.

Criminal Proceedings against our Company under Section 420 of the Indian Penal Code, 1860

Our Company is a party to a number of criminal cases which are pending before various courts across India. All such criminal cases, while alleging the offences under Section 420, Indian Penal Code, 1860, also include allegations related to, *inter-alia*, cheating, fraud, defamation, illegal repossession and sale of the vehicles.

NCLT Proceedings involving our Company

Our Company is a party to 38 number of NCLT cases which are pending before various courts across India.

RERA Proceedings involving our Company

Our Company is a party to 18 number of RERA cases which are pending before various courts across India.

Civil Proceedings against our Company

There are various civil proceedings instituted against our Company before various courts, tribunals, forums and other judiciary authorities across India which mostly arise in the ordinary course of its business. However, there is only one such civil proceeding which involves an amount more than 5% of the consolidated profit after tax for the Fiscal 2022.

Our Company had granted a financial assistance of ₹ 185 crores to DM South India Hospitality Private Limited ("Borrower") vide two different facility agreements of ₹ 100 crores and ₹ 85 crores, both dated March 31, 2017. Upon the occurrence of certain breaches, the shares pledged as security for the facilities were invoked by Our Company and partially sold pursuant to the Notice of Sale dated April 24, 2019 issued by Our Company to the Pledgors. Against the said invocation and subsequent sale, the Borrower, Mr. Dineshchand Hirachand Munot, Mr. Utkarsh Dineshchand Munot, Ms. Nandini Dineshchand Munot and Ms. Pragati Dinesh Bothra ("Pledgors") initiated proceedings under the Arbitration and Conciliation Act, 1996 against Our Company and Justice Ajit Prakash Shah, Former Chief Justice of the Delhi High Court was appointed as an Arbitrator by the Hon'ble Delhi High Court and the proceedings have been initiated. The amount involved in the matter is ₹164.94 crore. The Arbitrator passed an award dated November 16, 2021 which was modified by the Arbitrator on December 28, 2021 vide which the arbitrator adjudicated upon the disputes between the parties. Subsequently, appeals have been filed by our Company and the Borrower respectively against the award dated November 16, 2021 modified by the order dated 28 December, 2021 before the Hon'ble, Delhi High Court. The matter is currently pending.

Show Cause Notice issued to our Company

1. The Director General of GST Investigation ("DGGI") has issued a show cause notice ("SCN") dated October 18, 2018 to our Company, *inter-alia*, alleging that additional interest, penal interest and default interest charged to customers is liable to service tax and goods and services tax ("GST") as applicable. The SCN was adjudicated by the Principal Commissioner of CGST and order was passed. The amount of tax involved in the SCN is ₹197.29 crores for the period starting from April 2013 to June 2017. Company has filed an appeal with the CESTAT against the order. Based on the tax opinions, our Company is of the view that such interest is not chargeable to service tax under Section 66D of the Finance, Act 1994. Further, the Central Board of Indirect taxes ("CBIC") vide its recent Circular 102/21/2019-GST dated June 28, 2019 clarified that the transaction of levy of additional/penal interest would not be subject to GST. The matter is ongoing.

2. A show cause notice has been received by the Company from stock exchanges for delay in submission of extent and nature of security created and maintained with respect to secured listed non-convertible debentures in the financial results for the quarter ended September 30, 2021 in pursuance of Regulation 54(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and fine of Rs. 1180/- each

levied by stock exchanges respectively in this regard.

***Notice under Section 91 and Section 160 of the Criminal Procedure Code*.**

The Inspector of Police, Central Bureau of Investigation, Bank Securities and Frauds Cell has issued a notice under Section 91 and Section 160 of the Criminal Procedure Code, 1973, dated January 11, 2019 requisitioning documents from our Company, with respect to an investigation of a case registered against one Arvind Remedies Limited, Chennai, on or before January 21, 2019. The requisite documents were provided as per the said notice. Further, similar notices dated January 25, 2019, February 5, 2019 and February 28, 2019 were received by us from the abovementioned authority with respect to Arvind Remedies Limited requisitioning certain further documents to be provided. Notwithstanding anything contained herein above, the aforesaid notice is not material in the opinion of the Company. Arvind Remedies Ltd. account has been closed in the records of the Company and the Company has no current exposure on Arvind Remedies Limited.

Litigations by our Company

A. **Criminal Proceedings by our Company**

Our Company has initiated various criminal litigations which are pending before various courts across India. However, all criminal cases initiated by our Company before various courts pertain to the offences under Section 406 & 420 of Indian Penal Code, 1860, which include, *inter-alia*, fraud and cheating against customers on account of loan defaults, cash misappropriation, forgery, dishonest intention, illegal disposal of asset, criminal breach of trust, misrepresentation and wrongful gain.

Cases filed by our Company under Section 138 of the Negotiable Instruments Act, 1881

Our Company has filed various complaints and notices under Section 138 of the Negotiable Instruments Act, 1881 and section 25 of the PSS Act, 2007 for recovering amounts due from various entities on account of dishonoring of cheques issued by such entities. As of the date of this Draft Shelf Prospectus, there are approximately 7507 such cases pending before various courts. The total amount involved in such cases is approximately ₹ 1901.47 crores.

Proceedings by our Company under SARFAESI Act

Our Company has initiated various cases pending before various courts across India. All such criminal cases, while alleging the offences under SARFAESI Act. As of the date of this Draft Shelf Prospectus, there are approximately 3302 such cases pending before various courts. The total amount involved in such cases is approximately ₹ 1504.58 crores.

B. Civil Proceedings by our Company

1. L&T Finance Limited ("Transferor 1") and L&T Fincorp Limited ("Transferor 2") amalgamated with Family Credit Limited (name subsequently changed to L&T Finance Limited, the "Transferee") by virtue of an order ("Amalgamation Order") passed by the National Company Law Tribunal, Mumbai, approving the scheme of amalgamation ("Scheme"). The Transferee had filed an application before the Collector and Superintendent of Stamps, Gujarat (the "Collector") for adjudication of stamp duty payable on transfer of certain immovable property belonging to Transferor 2 which is situated in Gujarat, to the Transferee, pursuant to the Amalgamation Order. Subsequently, the Collector passed an order dated August 29, 2017 (the "Collector Order") requiring the Transferee to pay a stamp duty amounting to Rs. 123.57 million within a period of 90 days, under the provisions of Gujarat Stamp Act, 1958 computed on the basis of the market value of the equity shares of Transferor 1 and the Transferor 2 which were issued to the shareholders of the Transferee pursuant to the provisions of the Scheme. The Transferee through its application filed with the Collector sought for recall and/ or modification of the Collector Order since the adjudication was erroneously conducted on the equity shares and not on the immovable property concerned which application was rejected by the Collector vide its Order dated October 26, 2017. Accordingly, the Transferee had filed the aforesaid special civil application before the Gujarat High Court seeking quashing of the Collector Order. The Gujarat High Court has passed a stay order vide an Order dated December 21, 2017 against the Collector Order. Subsequently, the Transferee basis the order of the Gujarat High Court approached the Chief Controlling Revenue Authority ("CCRA") Gandhinagar, Gujarat with a plea to set aside the order of the Collector dated August 31, 2018. The CCRA vide its order dated September 14, 2018 had remanded the matter to the Additional Collector and Superintendent of Stamps, Gandhinagar to revaluate the properties and to adjudicate and order accordingly. Interim demand notice dated December 12, 2018 was received from the Collector demanding ₹12.35 crores and to produce the stamp duties paid in the state of Maharashtra as well as West Bengal and to file our say by December 12, 201,

additional time was sought to file our reply. Next date for hearing was fixed on January 1, 2019. A representation along with detailed submission was submitted with the Collector on January 16, 2019. After repeated follow up, the Transferee received a notice from the Collector on July 18, 2019 requesting for details of valuation of the shares of Transferor 1 and Transferor 2. The Transferee vide its letter dated August 13, 2019 filed a reply providing the requisite information as well as outlining its stand that it is the property which needs to be adjudicated and not the issue of shares, as directed by the CCRA, Gujarat. The Collector vide its letter dated November 19, 2019 has reduced the demand from. ₹ 12.35 crores to ₹ 6.25 crores by allowing a set off for the Stamp Duty paid by the Transferee in the State of Maharashtra. The Transferee does not agree to the revised claim by the Collector and has filed a Writ Petition no. SCA 11607 /2020 dated September 14, 2020 in the High Court of Gujarat challenging the same and the writ petition is pending for hearing

Our Company has submitted proof of its claim by filing Form C as per the requirements of Regulation 8 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("Regulations") framed under the Bankruptcy Code in respect of the corporate insolvency resolution process ("CIRP") initiated by various creditors against Castex Technologies Limited ("Borrower"). Our Company has filed its claim amounting to ₹ 152.15 crores before the interim resolution professional. Deccan Value Investor being the resolution applicant has implemented the resolution plan and the Company as on September 10, 2022 has received approximately ₹ 4.4 crores.

Further, our Company has also filed an application bearing number CP(IB)195/2022 against Mr. Arvind Dham (the "Guarantor") before the NCLT, Chandigarh, amounting to ₹70 crore on June 14, 2022. The matter is currently pending before the Court.

2. Our Company has submitted proof of its claim by filing Form C as per the requirements of Regulation 8 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("Regulations") framed under the Bankruptcy Code in respect of the corporate insolvency resolution process ("CIRP") initiated by various creditors against Bhushan Steel Limited ("Borrower") under the Bankruptcy Code, filed by various creditors of the Borrower. Our Company has filed its claim of ₹ 114.68 crores before the interim resolution professional. The resolution plan was approved by the National Company Law Tribunal ("NCLT") under which our Company has received an amount of ₹ 70.89 crore plus 1,57,836 equity shares valued at ₹23.95 per share. However, the resolution plan contains provisions wherein a carve out has been made in favour of the lenders to recover their outstanding dues from the guarantors of the Borrower. In view of this carve-out, the Company has initiated arbitration proceedings against the guarantors of the Borrower, i.e., Mr. Brij Bhushan Singhal and Mr. Neeraj Singhal. Further, the Company filed a statement of claims on February 15, 2019 before the sole arbitrator, claiming defaults in payments of loans advanced by the Company to the extent of ₹ 67.36 crores. The Guarantors have filed their counter defence in the matter as well as an application under Section 32 of the Arbitration and Conciliation Act, 1996, seeking termination of the proceedings. The original documents and evidence have been inspected and the matter is currently pending adjudication pursuant to payment of stamp duty

   The Company has filed an application no IB 1014- ND/2020 under Section 95 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal, New Delhi ("NCLT, New Delhi") against Neeraj Singhal being the Personal Guarantor for our Companies' Borrower Bhushan Steel Limited. The amount involved in the case is ₹ 59.00 crores. The matter is ongoing.

3. Our Company had initiated arbitration proceeding against Saumya Mining Limited ("Borrower"), Ajay Jain, Ashok Jain and Pradnya Jain due to default of payment of the Borrower under a facility agreement dated September 26, 2013 and the security documents, deed of hypothecation and deed of guarantee. The sole arbitrator passed an award in favour of our Company directing the Borrower to repay an amount of ₹ 45.48 crores to our Company. On October 22, 2018, our Company filed an Execution Application (L) No. 2704 of 2018 before the Bombay High Court. Our Company filed Chamber Summons (L) No. 1593 of 2018 in Execution Application (L) No. 2704 of 2018 for the execution of the award and payment of ₹ 45.48 crores plus interest till date of repayment. Affidavit for disclosure of personal assets has been filed by the Borrower, our Company has filed objection to the said disclosure as the same is incomplete. The matter is currently pending.

4. Our Company has submitted proof of its claim by filing Form C as per the requirements of Regulation 8 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("Regulations") framed under Bankruptcy Code in respect of the corporate insolvency resolution process ("CIRP") initiated by various creditors against Metalyst Forgings Limited ("Borrower"). Our Company has filed its claim of ₹ 66.21 crores before the interim resolution professional. The resolution plan ("Resolution Plan") was approved by the Committee of Creditors and the resolution professional placed the resolution plan before the National Company

Law Tribunal, Mumbai ("Tribunal") for its approval. In the meantime, the resolution applicant, Deccan Value Investors ("RA"), filed an application for withdrawal of the resolution plan. The Tribunal, by impugned order dated September 27, 2019 refused to approve the resolution plan and directed the Resolution Professional/ Committee of Creditors to invite fresh bids. The Tribunal, while passing such an order, observed that the RA will not be entitled to refund of the amount of the bid bond guarantee in case a fresh bid of the RA is not accepted. The Committee of Creditors challenged the order dated September 27, 2019 as the approval of the Resolution Plan of the RA was rejected. The RA also challenged the order dated September 27, 2019 so far it relates to clarification that the RA was not entitled to get refund of forfeiture of bid bond guarantee in case of fresh bid of RA is not accepted or RA did not participate in fresh bidding process. The National Company Law Appellate Tribunal ("NCLAT") vide its order dated February 07, 2020 dismissed the appeals filed by the Committee of Creditors as well as the RA and refused to interfere with the impugned order dated September 27, 2019. Aggrieved, the Committee of Creditors and the Resolution Professional have filed 2 special leave petitions ("SLPs") before the Supreme Court of India which are pending. Further, the Resolution Applicant has also filed a SLP before the Supreme Court of India primarily to challenge the NCLAT order on the limited issue of upholding the invocation of the bid bond guarantee submitted by the Resolution Applicant which is pending.

5. There are 3 special leave petitions ("SLPs") no Civil Appeals No. 2432/2020 (CoC of Metalyst Forging Limited v. Deccan Value Investors LP); 2642/2020 (Mr. Dinkar Venkatasubramanian v. Deccan Value Investors LP); and 2801/2020 (Deccan Value Investors LP v. Mr. Dinkar Venkatasubramanian) filed before the Hon'ble Supreme Court, two SLPs have been filed on behalf of the resolution professional and the Committee of Creditors respectively, against the National Company Law Appellate Tribunal, Delhi,("NCLAT") order dated 07 February 2020 in which the NCLAT had upheld the withdrawal of the resolution plan by RA. The 3rd SLP has been filed by RA , primarily to challenge the NCLAT order on the limited issue of upholding the invocation of the bid bond guarantee submitted by RA.

6. Our Company has submitted proof of its claim by filing Form C as per the requirements of Regulation 8 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("Regulations") framed under the Bankruptcy Code in respect of the corporate insolvency resolution process ("CIRP") initiated by various creditors against Deccan Chronicle Holdings Limited ("Borrower") Our Company has filed its claim of ₹ 48.01 crores. The resolution plan has been approved by the National Company Law Tribunal ("NCLT") Hyderabad vide order dated June 3, 2019. Though the implementation of the approved resolution plan has currently been stayed by National Company Law Appellate Tribunal ("NCLAT") Delhi which as listed on 1 September 2020 (Appeal 553 of 2019). The matter is currently pending, and the resolution plan has been implemented by SREI Infrastructure Finance Limited which is the resolution applicant.

   Further, our Company, has also filed an application numbered IB/88/2021 before NCLT, Hyderabad against the personal guarantor of the Borrower, TV Reddy under section 95(1) of the Insolvency and Bankruptcy Code, 2016 and the matter was admitted on 24 June 2022. The amount involved in the case is ₹ 61.04 crores. The matter is currently pending.

   TV Reddy has also on July 23, 2022 filed a writ petition (W.P. (Civil) No. 559/2022) against the Company before the Supreme Court questioning the validity of various provisions of the Insolvency and Bankruptcy Code, 2016. The Supreme Court has on August 05, 2022 passed an interim order that the petitioner shall not transfer, alienate, encumber or dispose of any of their assets or legal rights or beneficial interest therein and the RP shall not proceed with filing of the report and if the report has been filed, the same shall not be acted upon. The matter is currently ongoing.

7. Our Company claimed that Zylog Systems Limited ("Borrower") and guarantors of the Borrower had defaulted in the payment of the loan provided by our Company in May 2012. Our Company sent a winding up notice to the Borrower on February 28, 2013 demanding the Borrower to repay the amount of ₹ 31.56 crores. In April 2013, our Company filed a winding up petition numbered C.P. 143 of 2013 before the High Court of Madras praying for the winding up of the Borrower and appointment of an official liquidator, which has subsequently been withdrawn.

   Our Company then initiated arbitration proceedings against the Borrower. The arbitrator passed an award in favour of Company on December 30, 2014 ("Award'). Our Company filed a Chamber Summons (L) No. 1266 of 2015 in Execution Application (L) No.1484 of 2015 in Arbitration No. 1294 of 2013 before the Bombay High Court dated July 3, 2015 for the appointment of a receiver, disclosure of the details of the properties of the Borrower and repayment of the loan. The amount involved in this matter is ₹ 42.87 crores. The matter is currently pending.

   Our Company has also filed a Contempt Petition bearing No.58 of 2013 in Arbitration Petition No. 325 of 2013 against the Borrower before the Hon’ble Bombay High Court on the ground of *inter alia* wilful disobedience and contempt of order dated May 3, 2013 passed by Hon’ble High Court in said Arbitration Petition. The matter is currently pending.

8. Precision Engineers and Fabricators Pvt. Ltd. (“Borrower”) had availed two loans one from our Company to the tune of ₹ 3 crores and ₹ 26.5 crores. When the Borrower consistently defaulted, our Company filed a winding up petition numbered C.P. No. 207 of 2016 against the Borrower before the Calcutta High Court (“Court”) in February 2016. The Court issued summons in June 2017, in the meantime, one of the operational creditors of the Borrower had filed an application under the Bankruptcy Code which was admitted. Our Company has filed its claim for the sum of ₹ 28 crores before the Interim Resolution Professional, Mr. S M Gupta, who has been appointed by the National Company Law Tribunal, Kolkata. The Committee of Creditors (“COC”) meetings were concluded and the resolution plan was accepted by the COC wherein our Company had to accept a major haircut by accepting a sum of ₹ 9 crores against the total claim. The resolution plan was defaulted upon and the COC had approached the National Company Law Tribunal for orders of liquidation. Currently, Mr. Rasik Singhania is appointed as the liquidator in the matter. The claim of our Company before the liquidator was filed for a sum of ₹ 51.12 crores, however the liquidator has accepted the claim for a sum of ₹ 47.59 crores. The matter is currently pending and the Liquidator is trying to sell the Borrower’s assets. An arbitration presided over by Advocate Bharat Jain is ongoing in the matter of disputes between L&T Finance Limited and the Borrower and Mr. Ravinder Pal Singh Sahni and Mr. Gurdeep Singh Sahni.

9. Our Company has filed an intervention application in the National Company Law Appellate Tribunal (“NCLAT”) under Rule 31 read with Rule 11 of the NCLAT Rules, 2016 to intervene, seek clarification and make appropriate submissions in Company Appeal (AT) No. 346 of 2018 filed by the Union of India (“UOI”) pending before the NCLAT, in its capacity as the financial creditor of Moradabad Bareily Expressway Limited (“MBEL”), a subsidiary of IL&FS Transportation Networks Limited (“ITNL”), which in turn is a subsidiary of Infrastructure Leasing and Financial Services Limited (“IL&FS”). The said intervention application also seeks a declaration from the NCLAT that the Interim Order dated October 15, 2018 does not affect the interests of Our Company. MBEL has now been classified as a Green entity from the Amber category and has started servicing its debt obligations as per agreed terms. The matter is currently pending.

   Our Company has also preferred a civil appeal bearing reference number 2397-98 of 2019 before the Hon’ble Supreme Court of India under Section 423 of the Companies Act, 2013, *inter alia* assailing the order dated February 11, 2019, passed by the NCLAT. This appeal is pending admission.

10. Our Company filed a petition (Petition/82/2019) (“Petition”) before the Telecom Disputes Settlement and Appellate Tribunal (“TDSAT”), New Delhi, inter-alia challenging the Department of Telecommunication’s (“DoT”) provisional assessment amounting to ₹ 1,600 crores, as license fee, plus interest and penalty for an internet service provider license (“ISP license”) held by one L&T Netcom Ltd (an erstwhile Larsen and Toubro Limited group company). L&T Netcom Ltd merged with our Company in 2004. Our Company paid the amounts due, towards license fees, calculated on the basis of percentage of adjusted gross revenue earned exclusively from the ISP business. The ISP License Agreement expired in January, 2015. The DoT, while undertaking assessment of their demand included all the revenue earned by the Company from financial services business of the Company in their computation instead of including the revenue only from ISP business. The DoT vide its provisional assessment notices dated December 24, 2018 and December 26, 2018 demanded the outstanding license fee (including interest, penalty and interest on penalty) for the financial years 2006-07, 2008-09, 2011-12. The aforesaid method of computation has been challenged vide the Petition. TDSAT while admitting the petition has vide its order dated October 21, 2019 inter-alia allowed our Company to seek interim relief if any coercive steps were taken by the DoT. In June 2020, in two orders were passed by the Hon’ble Supreme Court pertaining to separate cases, wherein the definition of adjusted gross revenue (AGR) was clarified, the demands raised against public sector undertakings not in the business of rendering telecommunication services but utilizing licenses for non-commercial purposes was directed to be withdrawn. Since the grounds raised in the Petition were similar, our Company filed a petition for quashing or withdrawal of the demand against it before the TDSAT. On January 29, 2021 DOT issued a notice for revised demand for the year 2008-09 increasing the outstanding amount (including interest, penalty and interest on penalty) for the said period to ₹ 420,76,79,253 with interest calculated up to February 28, 2021. On March 07, 2022 we filed a petition for early hearing with TDSAT on the grounds that our Petition is covered by the judgment of TDSAT dated February 28, 2021 in the review application no.7 of 2020 in Telecom Petition No.56 of 2020 filed by Netmagic Solutions Pvt Ltd.The matter is currently pending.

11. Our Company has filed an application numbered 646 of 2017 before National Company Law Tribunal, Chennai (“**NCLT, Chennai**”) against Surana Power Limited, in the corporate insolvency resolution proceeding under the Insolvency and Bankruptcy Code, 2016, initiated by Glimpex Limited. The amount involved in the case is ₹ 127.14

crores. The process of liquidation process is progress as on date. Due to a claim by Bharat Heavy Electronics Limited sale of all assets except major assets are pending and in relation to the same Karnataka Industrial Area Development Board has moved an application no MA 28 (CHE)/2021 in NCLT Chennai on 27 February 2021 for relief of possession of the leasehold land additionally, IDBI Bank has filed an intervening application 12 February 2022. The matter is pending at both the Supreme Court and NCLT Chennai.

Further, our Company has also filed an application numbered 122 of 2017 before Debt Recovery Tribunal, Chennai, ("**DRT Chennai**") praying for (i) issuance of recovery certificate for the aforementioned claim amount. and that the scheduled properties be sold in case of failure to make payment, (ii) to pass a decree against the personal guarantors, i.e., and Dineshchand Surana ("**Personal Guarantors**"), and (iii) pass orders for disclosure of assets of guarantors. DRT Chennai has vide its order dated 07 November 2018 has directed the personal guarantors to disclose theirs assets. The OA is infructuous as L&T Finance Limited is not a public financial institution as required under the RDB Act

12. A Section 7 Application under the Insolvency and Bankruptcy Code, 2016 filed by State Bank of India was admitted on 5 January 2018 before National Company Law Tribunal, Kolkata ("**NCLT, Kolkata**") against Coastal Projects Limited ("Borrower"). The amount involved in the case is ₹ 360.36 crores. Mantena Engitec Private Limited ("MEPL") bought the Borrower as a going concern. Our company is receiving money in tranches as per the transaction. Due to MEPL's failure to pay the tranches dated 31 July 2022 and 31 August 2022, an application has been filed in NCLT, Cuttack seeking NCLT directions to MEPL to pay the entire balance sale consideration immediately along with applicable interest. The listing of this application is awaited.

    Further, State Bank of India, and other lenders of the consortium along with our Company, have also filed a joint original application numbered OA/70/2020 on August 16, 2019 before Debt Recovery Tribunal, Hyderabad, ("**DRT Hyderabad**") against the personal guarantors of the Borrower, namely S. Surendra and G. Hari Hara Rao praying. The amount involved in the case is ₹ 311.90 crores. The matter is currently pending for admission.

13. Our Company has filed an application dated September 3, 2020 under Section 95 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal, Cuttack ("**NCLT, Cuttack**") against G. Hari Hara Rao being the Personal Guarantor for our Companies' Coastal Projects. The amount involved in the case is ₹ 510.78 crores. The matter is yet to be listed.

14. Our Company has filed an application dated September 3, 2020 under Section 95 of the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal, Cuttack ("**NCLT, Cuttack**") against S. Papayya being the Personal Guarantor for our Companies' Coastal Projects Limited. The amount involved in the case is ₹ 510.78 crores. The matter is yet to be listed.

15. Our Company has filed an application dated September 3, 2020 under Section 95 of the Insolvency and Bankruptcy Code, 2016 before National Company Law Tribunal, Cuttack ("**NCLT, Cuttack**") against S. Surendra being the Personal Guarantor for our Companies' Coastal Projects. The amount involved in the case is ₹ 510.78 crores. The matter is yet to be listed.

16. Our Company has filed an application numbered IB/54/2021 before National Company Law Tribunal, Hyderabad ("**NCLT, Hyderabad**") against the personal guarantors of the Icomm Tele Limited, Sumanth Paturu. The amount involved in the case is ₹ 46.91 crores. The personal guarantor has filed their response and subsequently the rejoinder has been filed by our Company, the pleadings in this regard are completed. The matter is currently pending for admission.

17. An application numbered (IB)731(PB)/2018 to initiate corporate insolvency resolution process ("CIRP") was filed by ICICI Bank against Punj Lloyd Limited ("Corporate Debtor") before National Company Law Tribunal, Delhi. The application was admitted and the CIRP is going on. Our Company has a claim of ₹ 100.45 crores. The process of liquidation is in progress as on date vide order dated 26 May, 2022. The matter is currently pending

18. Our Company had initiated arbitration proceeding against JSM Devcon Private Limited ("Borrower"), and Ashish Das. The amount involved in the case is ₹ 53.92 crores. Statement of claims and section 17 applications under The Arbitration And Conciliation Act, 1996 were filed before the arbitrator RP Sondurbaldota. Further, the Borrower has also filed an application ARBP 1450/2019, for change of arbitrator, which is pending as of now, the matter was listed on 28 February 2022, however, the same did not reach, however, the same did not reach and the moratorium was imposed on 17 March 2022.

Further, Our Company has also filed an application numbered C.P. (IB) - 16/2020 before National Company Law Tribunal, Ahmedabad (Indore Bench) ("**NCLT, Ahmedabad")** on 13 December 2019, against Ashoka Hi-Tech Buildcon Private Limited ("**Ashoka**"), under section 7 of the Insolvency and Bankruptcy Code, 2016. The amount involved in the case is ₹ 57.48 crores. The notice has been served to Ashoka and the affidavit of service has been filed. The matter is presently listed for final arguments.

Our Company has submitted proof of its claim by filing Form C as per the requirements of Regulation 8 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("Regulations") framed under the Bankruptcy Code in respect of the corporate insolvency resolution process ("CIRP") initiated by Motel Rahans Private Limited against JSM Devcon Private Limited ("Borrower") under section 7 of the Bankruptcy Code, before National Company Law Tribunal, Ahmedabad (Indore Bench). Our Company has filed its claim of ₹ 83.53 crores before the interim resolution professional, Sanjay Singh and the first committee of creditors was convened on 17 March 2022, the resolution for approval of Sanjay Singh for resolution professional was not passed. Further a stay has been imposed on the CIRP proceedings on 26 August 2022 light of disciplinary order of the IBBI, against the deemed resolution professional and the applications filed by the homebuyers and Motel Rahans Private Limited against the non-inclusion of the claim of Ashoka Hi-Tech Buildcon Private Limited in the committee of creditors. Our Company has also filed IA No. 161 of 2022 in CP(IB) No. 56 of 2021 in National Company Law Tribunal, Ahmedabad (Indore Bench) against the deemed RP and Ashoka for change of the RP and non-inclusion of the claim of Ashoka.

Our Company had filed sec 7 application against Supertech Limited ("**Borrower**") in December 2021. The amount involved in the case is ₹ 546.23 crores the matter was being regularly heard by NCLT however before admission of our Company's application, NCLT Delhi on March 25, 2022 admitted application filed by Union Bank of India (UBI) against Borrower and initiated Corporate Insolvency Resolution Process against Borrower w.e.f. March 25, 2022. Thereafter The Company filed claims (Form C) of Rs 1963 Crore with IRP of Borrower and the same are pending verification.

Borrower has challenged the admission of UBI application in NCLAT, NCLAT has stayed the formation of CoC on the grounds that parties need to be afforded an opportunity for settlement. On June 10, 2022 NCLAT allowed constitution of COC formation, limited to single project of EV-2 (funded by UBI) however continued to CIRP against the whole company therefore leading to a peculiar situation where Borrower is under CIRP but COC has not been formed and the promoter is allowed to undertake construction under supervision of CIRP. Against this the Company has filed an application with NCLAT to allow constitution of COC for out of Company's funded projects as well. The Application was listed on August 29, 2022, wherein the submissions by the Company were made seeking constitution of CoC for project financed by it. The matter is ongoing.

19. Our Company has filed section 9 applications bearing no OMP 406 of 2021 an OMP 407 of 2021 was filed against Borrower for default in the Loan of Rs 650 Crore and Rs 360 Crore in Delhi High Court seeking Interim injunctions against disposal of any assets charged to the Company by Borrower for the loans and all assets of the personal guarantor were granted in the matter. Delhi High Court was pleased to appoint Justice (Retd) AK Sikri as Arbitrator. The Sole Arbitrator was pleased continue order against the disposal of assets for 4 weeks. However, on March 25, 2022 Borrower was admitted under CIRP therefore there is moratorium against the Borrower and the matter is now pending.

20. Our Company filed section 9 applications bearing no OMP 10 of 2022 an OMP 11 of 2022 & 12 of 2022 was filed against Coast Realtors Private Limited, Mabsoot Buildhomes India Private Limited & Coast Town Plannners Private Limited in Delhi High Court seeking Interim injunctions against disposal of any assets charged to LTF by them for the Loans and all assets of the personal Guarantor were granted in the matter. Delhi High Court was pleased to appoint Justice (Retd) Deepak Vermai as Arbitrator. The Sole Arbitrator was pleased continue order against the disposal of assets for 4 weeks. The Rejoinder has been filed in the Arbitration and the same is being heard.

21. Our Company has filed an application numbered CP (IB) NO. 13/ALD/ 2022 before National Company Law Tribunal, Allahabad against Brownish Realty Private Limited ("Borrower"), in the corporate insolvency resolution proceeding under the Insolvency and Bankruptcy Code, 2016. The amount involved in the case is ₹ 49.49 crores. The matter was listed and heard on February 17, 2022, 1February 18, 2022 and March 17, 2022 respectively, the pleading were marked completed and posted for final arguments. The matter is currently pending for final arguments.

22. Our Company has filed an application numbered CP/IB776/2021 ND before National Company Law Tribunal, Delhi ("**NCLT,** Delhi") against Coast Realtors Private Limited ("**Borrower**"), in the corporate insolvency resolution proceeding under the Insolvency and Bankruptcy Code, 2016. The amount involved in the case is ₹ 91.29 crores.

NCLT upon hearing was pleased to admit CIRP of Borrower w.e.f. July 14, 2022. The Company has filed claims of Rs 104 Crore of which claims more than 102 crore were admitted by the IRP. CIRP is currently underway.

23. Our Company has filed an application numbered CP/IB 777/2021 before National Company Law Tribunal, Delhi ("**NCLT,** Delhi") against Coast Town Planners Private Limited ("Borrower"), in the corporate insolvency resolution proceeding under the Insolvency and Bankruptcy Code, 2016. The amount involved in the case is ₹ 221.03 crores. The matter was heard on 24 December 2021, wherein NCLT, Delhi ordered issuance of notice within 6 days and sought reply from Borrowers within 14 days and posted for hearing on March 31, 2022. The pleadings are complete and listed on 12, July 2022 for final arguments. The matter is currently pending for final arguments.

24. Our Company has filed an application numbered CP/IB/778/2021 before National Company Law Tribunal, Delhi ("**NCLT,** Delhi") against Mabsoot Buildhomes Private Limited ("Borrower"), in the corporate insolvency resolution proceeding under the Insolvency and Bankruptcy Code, 2016. The amount involved in the case is ₹ 243 crores. Our Company's claim was admitted on March 21, 2022 and the committee of creditors convened on 28 March, 2022. The Borrower however challenged the admission before NCLAT, Delhi on the grounds that it was not offered any opportunity to defend itself and/ or file a reply, Therefore the NCLAT dismissed the order of admission and instructed the NCLT to hear the matter afresh. The matter is pending for final arguments before NCLT Delhi.

25. Our Company has filed an application numbered CP /IB 15/2022 before National Company Law Tribunal, Delhi ("**NCLT,** Delhi") against Perpendicular Constructions Private Limited ("Borrower"), in the corporate insolvency resolution proceeding under the Insolvency and Bankruptcy Code, 2016. The amount involved in the case is ₹ 119.22 crores. The pleadings are complete and reserved for final arguments. The matter is currently pending for final arguments.

26. Our Company has filed an application numbered CP/IB 407/2022 before National Company Law Tribunal, Delhi ("**NCLT,** Delhi") against Avantha Holdings Limited ("**Borrower**"), in the corporate insolvency resolution proceeding under the Insolvency and Bankruptcy Code, 2016. The total amount involved in the case is ₹ 863.83 crores. The pleadings have been completed on August 23, 2022. The matter is currently pending for final argument**.**

27. Our Company has initiated arbitration proceedings against Kalamboli Structurals and Roofings Private Limited ("**Kalamboli**"), Mr. Shivshankar N. Menon and Mr. Javid Mohammed Kasam Valiulla for a claim amount of Rs. 48,40,68,809. The dispute emanates from the failure of Kalamboli to refund the security deposit to our Company upon termination of Lease Deed dated November 11, 2011 executed between our Company and Kalamboli. The arbitration proceedings are ongoing.

II. Litigation involving our Subsidiaries

Criminal Litigations involving our Subsidiaries

i. L&T Infra Investments Partners Advisory Private Limited

There are no civil or criminal litigation by or against L&T Infra Investment Partners Advisory Private Limited above the materiality threshold as on the date of the Draft Shelf Prospectus.

ii. L&T Infra Investments Partners Trustee Private Limited

There are no civil or criminal litigation by or against L&T Infra Investment Partners Trustee Private Limited above the materiality threshold as on the date of the Draft Shelf Prospectus.

iii. L&T Infra Investment Partners Fund

There are no civil or criminal litigation by or against L&T Infra Investment Partners Fund above the materiality threshold as on the date of the Draft Shelf Prospectus, other than as disclosed below.

1. L&T Infra Investments Partners Fund ("**LTIIP**") had granted a loan of Rs. 80 crores to ReGen Infrastructure and Services Private Limited ("**RISPL**"). As a security towards the loan, Regen Powertech Private Limited ("**RPPL**") has *inter alia* issued a Corporate Guarantee in favour of LTIIP. RPPL was admitted into CIRP process vide an order dated 13.12.2019 passed by the NCLT – Chennai Bench. LTTIP filed its claim as a financial creditor against RPPL towards corporate guarantee.

Thereafter on 19.02.2020, RISPL was also admitted into the CIRP process NCLT Chennai. LTIIP filed its claim as a financial creditor towards the borrower dues of RISPL. Both the CIRPs are continuing.

a. In lieu of a judgement of the NCLAT, in Dr. Vishnu Kumar Agarwal vs. M/s. Piramal Enterprises Limited (*where it was held that a Financial Creditor cannot claim against the Principal Borrower and the Corporate Guarantor simultaneously*), LTIIP withdrew its claim filed in the CIRP of RPPL with a liberty to re-file the same and continued its claim in RISPL CIRP.

b. However, in light of the order of NCLAT in the matter of State Bank of India vs. Athena Energy Ventures Private Limited, LTIIP requested the RP of RPPL to re-submit its claim in RPPL. RP of RPPL rejected the claim of LTIIP for re-submission.

c. Aggrieved against the same, LTIIP filed an Application, M.A. No. 33 of 2021, before NCLT Chennai, seeking direction against RP, RPPL to re-admit the claim of LTIIP.

d. In the mean time, the Resolution Plan of RPPL was approved. Since the Resolution Plan was approved by an illegally constituted Committee of Creditors and since the terms of the Resolution Plan were onerous and suffered from legal infirmities, and were prejudicial to the interest of the LTIIF, filed I.A. No. 736 of 2021 seeking permission to intervene in the I.A. No. 460/2021 (application filed by RP of RPPL for approval of resolution plan by NCLT). Both MA 33 and 736 were reserved for orders.

e. On 01.02.2022, NCLT, Chennai passed orders in all other Applications but M.A. No. 33 of 2021 and I.A. 736 of 2021 were not disposed off. Aggrieved by this, LTIIF preferred an appeal before NCLAT, Chennai vide Company Appeal (AT) (INS) 93 of 2022. In the said appeal, vide order dated 09.03.2022, the Hon'ble Appellate Tribunal has deferred the implementation of the Resolution Plan of RPPL until further orders. The said order has been extended from time to time and the same is still in force.

f. On 15.03.2022, NCLT Chennai passed orders in M.A. No. 33 of 2021 and I.A. 736 of 2021 declaring them infructuous. Aggrieved, LTIIF had preferred two appeals vide Company Appeal (AT) (INS) 131 of 2022 and 132 of 2022 and the same is pending on the file of this Hon'ble Appellate Tribunal. The matter is ongoing.

g. The RP of RPPL had filed an Application bearing IA(IBC)/400(CHE)/2021 in IBA/1099/2019**,** under Section 49 read with Section 45 (2) of the Code, seeking following reliefs:

   (i) *To declare the sale arrangement of plant and machinery of five sub-stations from RPPL to RISPL as void and the same be vested back with the Respondent No. 1.*
   (ii) *To declare and transfer the charge over the afore-said plant and machinery with the working capital lenders of RPPL.*
   (iii) *To declare the three lease deeds bearing Document Nos. 1447 of 2017, 354 of 2017, and 6626 of 2017 executed by the RPPL in favor of the RISPL as null and void and the same be vested back with RISPL.*

h. The NCLT had passed an order dated 30.05.2022 (Impugned Order) allowing the above prayers Aggrieved, ARCIL has appeal No. (AT)(Ins) No 325 of 2022 before NCLAT, Chennai, wherein LTIIF plans to implead themselves.

i. SBI has filed an IA 708 of 2020 in IBA/1424/(IB)/2019 raising objections against the charge creation of IDBI Trusteeship (for and on behalf of LTIIP and L&T Finance) on the fixed assets and O&M receivables of RISPL on the ground that the conditional NOC granted to RISPL has not been fulfilled. SBI claims that it still has first charge over fixed assets and O&M receivables of RISPL. The matter is ongoing.

2. L & T Infra Investment Partners Advisory Private Limited for and on behalf of L&T Infra Investments Partners Fund ("**LTIIP**") has filed insolvency proceedings (CP No. (IB)- 37/7/JPR OF 2021) against RKV Enterprises Pvt. Ltd. before NCLT, Jaipur. The matter is ongoing

3. Vistra ITCL (India) Limited on behalf of LTIIP has initiated proceedings under Section 138 of the NI Act (3774/SS/2021) against RKV Enterprises Pvt. Ltd., its signatories before the Metropolitan Magistrate, Sewree. The matter is pending for summons.

iv. L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)

There are no civil or criminal litigation by or against L&T Infra Credit Limited ("**L&T Infra**") above the materiality threshold as on the date of the Draft Shelf Prospectus, other than as discussed below.

1. L&T Infra had extended debt facilities to Hazaribagh Ranchi Expressway Limited (HREL). promoted by IL&FS Transportation Networks Limited ("ITNL") and the ultimate holding company being Infrastructure Leasing and Financial Services Limited ("IL&FS") group. Due to default by ITNL and IL&FS of their obligations, Union of India ("UOI") (through MCA) filed petition with NCLT under section 241(2) of the Companies Act, 2013 seeking suspension of Board of Directors (BOD) of IL&FS Ltd and appointment of fresh board. The Government of India superseded the IL&FS board and replaced it with its nominees pursuant to NCLT, Delhi order in October 2018 and thereafter on October 15, 2018, NCLAT, Delhi imposed a moratorium as per provisions of Insolvency and Bankruptcy Code, 2016.

   a. HREL was an operational road project and had sufficient funds in the escrow account, to be able to make regular payments to all its lenders. On March 12, 2020, NCLAT, Delhi passed judgement pronouncing that it has jurisdiction to pass all the orders already issues as the same has been passed in "public interest" in view of proceedings initiated by UOI against IL&FS.

   b. Appeals and rejoinders have been filed by the Company in the Supreme Court including Civil Appeal No. 3323-3324 of 2020 in the Supreme Court against the NCLAT, Delhi order of March 12, 2020.

2. The company was registered with RBI as an Infrastructure Debt Fund – Non-banking Financial Company ('IDF-NBFC) under Certificate of registration (CoR) – N-13.02055. It claimed the tax exemption under Section 10(47) as it fulfilled requisite conditions prescribed by Rule 2F of Income-tax Rules for Infra-Debt Fund. Such tax exemption claim was also granted by the Assessing officer in the assessment proceedings for respective years. Pursuant to its application filed by L&T Infra for Income-tax exemption under Section 10(47) of the Income-tax Act,1961, CBDT notified the company with effect from A.Y.2018-19 & onwards. L&T Infra has approached CBDT requesting for granting exemption from A.Y.2014-15 & onwards as the Company has been paramateria fulfilling all requisite conditions required for Infra-Debt Fund from date of its RBI license as IDF-NBFC.

   The Income-tax department have initiated proceedings (Re-assessment proceedings under Section 263 and Section 148) against the company for AY2014-15 to AY2017-18 disallowing tax exemption claimed by L&T Infra under Section 10(47) of the Income-tax Act,1961.

   L&T Infra has preferred appeals with appellate authorities against such proceedings for respective years. Without prejudice to the merits of the case, L&T Infra has also recognised a provision for tax amounting to Rs. 96 crores against such proceedings.

III. <u>Litigations involving the Directors of our Company</u>

Our Company, including the Directors have been impleaded as a party in various civil proceedings, including but not limited to consumer cases, writ petitions, arbitration proceedings and civil suits filed by the borrowers of our Company on account of various disputes between the borrowers and our Company, before various forums. These disputes have arisen in the ordinary course of business activities of our Company, mostly on account of re-possession of hypothecated vehicles pursuant to defaults committed by the borrowers in the repayment of the financial assistance availed by them from our Company. These matters are at various stages of adjudication and are currently pending.

In these matters, the Directors have not been specifically named, except as disclosed under the heading of '*Civil proceedings involving any director of our Company' and 'Criminal proceedings involving any director of our Company'*. Further, no allegation has been levelled against any of the Directors. Accordingly, the above disclosure has been made instead of including the same under the heading of '*Civil proceedings involving any director of our Company' and 'Criminal proceedings involving any director of our Company'*.

Civil proceedings involving any director of our Company

There are no civil litigations initiated by and/or against any of our Director basis the materiality policy adopted by our Company.

Criminal proceedings involving any director of our Company

There are no civil litigations initiated by and/or against any of our Director basis the materiality policy adopted by our Company.

L&T Finance Holdings Limited (our Promoter)

There are no civil litigations initiated by and/or against our Promoter basis the materiality policy adopted by our Promoter. Further, there are no criminal cases initiated by and/or against our Promoter. Further there are no material outstanding regulatory proceedings including legal action pending or taken by any Ministry or Department of the Government or a statutory authority proceedings involving our Promoter.

IV. Litigations involving Group Companies

A. Larsen & Toubro Limited

Larsen & Toubro Limited ("L&T") has taken the threshold of ₹ 100 crores for civil matters in accordance with the internal policy of L&T. Further, no threshold has been applied for other matters disclosed below.

a. Civil Proceedings

1. EMTA Coals Limited ("EMTA") had purchased a total of 128 Komatsu HD785 Dump Trucks and other mining equipment from L&T for which EMTA had entered into 18 Full Maintenance Contracts ("FMC") with L&T between January 2006 and August 2013. The FMCs were renewed from time to time. L&T approached EMTA for release of payments under FMC but the same was consistently delayed. A winding up notice bearing no. VBT/RDB/ADK 1049 dated March 4, 2015 was issued by L&T to EMTA under Sections 433 and 434 of the Companies Act, 1956 calling upon EMTA to pay a sum of ₹ 89.3 crores, together with interest at the rate of 20% per annum and other charges. Despite receipt of the notice, no payment was made accordingly after subsequent correspondence exchanged between the parties. A total sum of ₹ 130 crores is due from EMTA for which a winding up petition numbered AP 476 of 2016 is filed before the Kolkata High Court. EMTA has filed a petition under Sections 11, 14 and 15 of the Arbitration and Conciliation Act, 1996 for ₹ 142 crores. The aggregate amount involved in this matter is ₹ 129.5697 crores as on March 31, 2015 plus interest at the rate of 20% per annum till realization. In these proceedings an arbitrator was appointed vide order dated July 30, 2021 and since then the matter is pending in arbitration.

2. L&T in a joint venture with M/s. Alpine Mayreder Bau GmbH, were the contractors for the construction of a 12-kilometre-long underground tunnel and HRT for Tapovan Vishnugad Hydro Electric Power Project of National Thermal Power Corporation (NTPC) (Project Lot – 1). Disputes arose pertaining to the works under different heads with claims being made for various additional works. The arbitration hearings have been concluded and the parties have filed their written submissions, in compliance with the order of the Arbitral Tribunal. The amount involved is ₹ 251 crores. The Arbitrators (by majority) have published an arbitral award dated December 26, 2018 for ₹ 62.88 crores which would be payable by NTPC. Further, future interest at the rate of 18% per annum, shall be payable on the awarded sum from the date of the said award till the date of payment. Further, NTPC filed a petition before the Delhi High Court challenging the majority Arbitral Award dated December 26, 2018. An application seeking stay on the operation of the Award preferred by NTPC was allowed directing NTPC to deposit the entire sum. Arbitral Award amount deposited in Court. L&T has preferred an application for withdrawal of the amount deposited in Court. The matter is posted for hearing.

   L&T in joint venture with M/s. Alpine Mayreder Bau GmbH ("L&T-AM JV") were the contractors for the construction of 12 kilometre long underground tunnel and HRT for Tapovan Vishnugad Hydro Electric Power Project of National Thermal Power Corporation (NTPC) Project Lot-2. L&T AM-JV initiated arbitration against NTPC under different heads. NPTC have commenced their arguments in defence which will be continued on January 27, 2020 and January 28, 2020. Arguments under the matter concluded, award reserved.

   L&T in joint venture with M/s. Alpine Mayreder Bau GmbH, were the contractors for the construction of 12 kilometre long underground tunnel and HRT for Tapovan Vishnugad Hydro Electric Power Project of National

Thermal Power Corporation (“NTPC”) (Project Lot -3). There have been claims for declaration regarding the impossibility of performance due to adverse geological conditions at the project site. By way of an amendment to the Statement of Claim, L&T has included monetary claim of ₹ 867 crores towards reimbursement of costs, payment of balance amounts and claims. Pursuant to which, NTPC has raised counter claim of ₹ 3150.7 crores. The arbitration is in progress**.** The matter is suspended as NTPC has taken their rejection of counterclaims amendment to High Court of Delhi. Arbitration will continue after the High Court renders its judgement.

3. L&T has raised claims of ₹ 171.52 crores in an arbitration against Rail Vikas Nigam Limited (“RVNL”) pertaining to the Kolkata Metro Railway Line Project (ANV IV Package) due to various delays of RVNL, revision of the rate on account of change in quantity of pile, execution of works outside the original scope of work and seeking for the declaration of entitlement of taking over certificate. RVNL has raised a counter claim of Rs. 2 crores. The arbitration is ongoing.

4. L&T-SCOMI Engg. Bhd Consortium (“LTSE”) initiated two separate arbitration proceedings against Mumbai Metropolitan Region Development Authority (“MMRDA”), one with respect to claims of interest on delayed payment of the certified bills amounting to ₹ 108.55 crores and ₹ 52 crores, on escalation on uncovered price adjustment during extended period. With respect to first dispute, the arbitral tribunal on January 31, 2019 passed an award in favour of LTSE for an amount of ₹ 37.48 crores. MMRDA had moved a Notice of Motion along with Sec. 34 Application. The Bombay High Court *vide its* order dated September 19, 2019 directed MMRDA to deposit 50% of the award amount. LTSE can withdraw the same by tendering the bank guarantee of the equal amount. MMRDA deposited an Amount of ₹20,53,80,300 on October 07, 2019. With respect to 2nd dispute i.e. claims on escalation on uncovered price adjustment during extended period, due to non-payment of fees to the Arbitrators by MMRDA, the arbitration proceedings stood suspended. L&T paid the Arbitrators fee on behalf of MMRDA and the Arbitration proceedings resumed. The hearing took place on November 18, 2019. The Tribunal directed to commence the cross examination of witness on January16, 2020 and to complete the same on January 17, 2020. As the Co-Arbitrator passed away in May 2022, the Arbitral Tribunal is being reconstituted.

5. L&T had referred its disputes to arbitration against National Hydroelectric Power Corporation Limited (“NHPCL”) pertaining to Subansiri Lower Hydro Electric Project. L&T has raised contractual claims under various head to the tune of ₹ 1,908.83 crores. NHPCL has made a counter claim of ₹ 54.59 crores plus 14% interest. L&T filed its defence to the counter claim pursuant to which the parties were directed to file admission-denial of documents and issues were framed. The matter is currently pending. Arguments of claimant concluded. NHPC will submit their arguments. The Arbitration is in ongoing.

6. The Collector and District Registrar, Hyderabad, issued a show cause notice No. G3/Sec-73/2013 dated March 3, 2013 (“Notice”) to L&T Metro Rail (Hyderabad) Ltd. (“LTHMRL”) and L&T alleging that in respect of an EPC contract executed between LTHMRL and L&T, L&T had paid deficient stamp duty. L&T had challenged the Notice vide a writ petition before the High Court, Andhra Pradesh (“Court”), wherein the Notice was suspended by the interim order of the Court dated April 7, 2014. The amount involved in the matter is ₹ 619.75 crores. The matter is pending, and interim stay has been extended until further orders.

7. Sojitz-L&T(Consortium) India invoked two separate arbitrations against Dedicated Freight Corridor Corporation of India Ltd., (“DFCCIL”) with respect to two separate disputes under the International Chamber of Commerce (“ICC”) Arbitration Rules for CTP 1 and 2 packages for ₹ 135 crores and ₹ 254.91 crores. The first dispute is with regard to the interpretation on the provision about stage payments. On November 15, 2019, ICC Arbitral Tribunal held the conduct of DFCCIL in denying the payment to the contractor is wrong and had ordered to pay the interest on these delayed payments of ₹ 115.59 crores and also the entire cost of arbitration. The second dispute is regarding the cost associated with extended stay during achievement of milestone 1 for the project making a claim of ₹. 254.91 crores, currently the order is reserved. In first dispute, petition filed by DFCCIL before the High Court of Delhi challenging the ongoing award. In second dispute, award in L&T’s favor for Rs. 1,15,75,64,191/- along with interest of Rs. 43,24,65,981.76 from June 17 till January 2022 and costs of Rs. 2,57,82,500.00 totalling to Rs. 1,61,58,12,672.76 plus interest from today till the date of payment. DFCCIL filed petition under Section 34 of Arbitration & Conciliation Act, 1996 before the Delhi High Court, against the arbitration award on May 11, 2022. The matter is pending.

8. L&T initiated an arbitration proceeding against Ministry of Health and Family Welfare (MOH&FW) relating to the construction of the AIIMS Bhubaneshwar Project. Disputes pertaining to non-release of outstanding, delay claims, escalation etc. to the tune of ₹ 215.42 crores. Earlier, L&T also moved an interim application under Section 17 of the Act seeking interim protection against L&T’s bank guarantees. Respondent filed a counter

claim of Rs. 107,56,08,354/-. The application filed under section 17 of Arbitration & Conciliation Act, 1996 was allowed. Arguments concluded and award has been reserved.

9. As the Dispute resolution process initiated against HLL in respect of L&T claims in ESIC, Kollam Project failed, L&T invoked arbitration with regard to non-release of outstanding, delay claims, escalation, tax reimbursements etc. to the tune of ₹ 527.03 crores. Statement of Defense to be filed on or before November 30, 2019, by Respondent. The Arbitration proceedings are in progress, on which stay has been granted. Counter claim raised for 59,36,79,820 towards LD. vide order dated 14th July 2021, Court has stayed the arbitration proceedings till the next hearing in the petition. L&T has filed petition under section 14 of Arbitration & Conciliation Act, 1996. HLL filed their reply to the petition filed by L&T. vide order dated September 20, 2021, Ms. Justice Indu Malhotra, Retd. Judge of Supreme Court is nominated by the court to arbitrate the disputes between the Parties. HLL has filed SLP in Supreme Court challenging the above Order of the Hon'ble High Court. L&T has filed its reply to the SLP filed by HLL and matter is ongoing.

10. Ithaca has breached the terms of contract by appointing third party agency to carry out L&T's scope of work without settling the outstanding dues and other claims of Rs. 74.88 Crores in Skylark Ithaca ("**Ithaca**") project. L&T have moved section 9 application seeking interim stay order for restraining Ithaca from engaging third party contractor to execute L&T's scope of work and also to restrain them from meddling with our materials at site worth Rs. 23 crores. L&T moved an advancement application and also filed a memo for withdrawing the petition in view of the settlement discussions and assurance held out by M/s. Ithaca Estates Pvt. Ltd. to L&T Ltd and the same were allowed by the court.

11. L&T has filed a suit bearing reference number CS (Comm.) No.580 of 2021 at Delhi High Court against NBCC India and ESIC for a claim of Rs. 255.93 crores towards payment due and pending under three packages in Construction of Medical college and hospital in Coimbatore. Hearing held on August 31, 2022 wherein written statement and affidavit of admission/denial filed by Defendant 1 & Defendant 2 taken on record. Posted for further directions.

12. BBTERPL a special purpose vehicle company formed for undertaking the work of design, construct and operate the elevated road between Jinzira Bazar and Bata Nagar on DBFOT basis. BBTERPL appointed L&T as the EPC Contractor for the construction work. The project got delayed due to various reasons not attributable to L&T. BBTERPL has not paid the certified bills to the tune for Rs.35.87 crores. L&T has claims of Rs.83.38 crores arising out of the prolongation cost. L&T filed a Money Suit No.03 of 2021 before the commercial court claiming a total sum of Rs.149,64,72,008/- being the certified outstanding and claims along with interest @12% per annum (jointly payable by BBTERPL and KMDA). The matter is posted for framing of issues.

13. L&T-Daewoo JV filed a writ petition against Bihar State Road, bearing case no.10261 of 2022 at Patna High Court, *inter alia* praying for declaration that the award passed by the Dispute Board under Dispute No. 1 & 3, pertaining to project assessment certificate and GST together amounting to Rs 220 crores to be final & binding and directions to BSRDCL to comply with the award of the dispute board in greenfield six lane extradosed cable bridge over river Ganga. The matter is ongoing.

14. L&T invoked arbitration against Uttar Pradesh Expressway Industrial Development Authority ("UPEIDA") claiming for reimbursement of additional costs incurred due to acceleration of the works of opening of the project, carrying out maintenance for additional period than envisaged, due to idling / under utilization of resources, GST in Unnao-Lucknow Access Controlled Expressway (Greenfield) Project. L&T filed its statement of claim amounting to Rs. 288,11,82,761.00. Final arguments from both the sides concluded on August 27, 2022. Award is reserved.

15. L&T raised its claim against PWD, Govt. of Maharashtra for compensation for additional costs incurred/losses suffered on account of delays to the tune of Rs. 194.13 Cr., due to changes in rates of the minimum wages payable to the workmen in upgradation and construction of two lanes with paved shoulder at Manwath-Beed Section of the of NH 222. Counter claim by respondent is Rs.393.40 Cr. L&T concluded its arguments and the Arbitrators will now meet to finalise the award.

16. L&T invoked arbitration against Odisha Power Generation Corporation Limited raising claim towards extended stay claim and extension of time, etc., in MGR Railway line. Counter claim by the respondent is Rs.121.38 crore. Both the parties filed their respective witness affidavits on August 22, 2022. The matter has been posted for finalizing the dates for cross-examination of the witnesses as well as to chalk out further modalities.

17. Consortium of L&T and M/s. Outotec GmbH initiated arbitration against Steel Authority of India Limited ("SAIL") on account of withheld payment, PVC and taxes in 1x360 M2 Sinter Inter Plant Complex (Pkg.020) Rourkela, raising claim of Rs. 158.26 crores. The matter is posted for arguments on behalf of SAIL.

18. L&T claims for extended stay and change of scope and delayed payments amounting to Rs 212 Crore was rejected by PWD, Maharashtra leading to dispute between the parties. Accordingly, L&T invoked arbitration against the PWD, Maharashtra in accordance with SAROD Rules in Helwak – Karad Road Project. The proceedings are yet to commence.

19. HMEL had filed a petition under section 11 before Delhi High Court for appointment of arbitrator. Delhi High Court had appointed Justice Lahoti as a sole arbitrator by its ordered dated 14th July 2021. A preliminary arbitration meeting was held on September 1, 2021 whereby the Arbitrator gave procedural directions and fixed schedule for the parties to file pleadings. HMEL had filed its Statement of Claim (SOC) on 4th Nov 2021. L&T has filed application u/s 16 to challenge the jurisdiction of the Arbitrator on 15th December 2021. HMEL has filed its reply on section 16 Application on January 16, 2022. L&T too filed its rejoinder on February 10, 2022. Part arguments on section 16 application were heard on 26th Feb 2022. However, subsequent to death of Arbitrator Justice R.C. Lahoti (Retd.), Delhi High Court has appointed Justice Aftab Alam, a former Justice of Supreme Court. The arbitral proceedings have now commenced with the new arbitral tribunal. A procedural hearing occurred on July 18, 2022. The matter is ongoing.

20. UGCC filed a case against L&T in court of first instance, Kuwait is for damages of KWD 714,147,255 towards incomplete work and L&T counter claim is for illegal invocation of BG's despite completing the work. The matter is being heard and currently expert session are ongoing.

21. Contractual dispute arose between L&T and ONGC pertaining to MHN Contract with respect to the matters such as (i) LD, (ii) Change Orders, (iii) Stand By Time, (iv) Taxes etc., involving claim amount of Rs. 1033.46 crore. The matter was for reserved for Award. Subsequent to death of Presiding Arbitrator Justice R.C. Lahoti, Justice K.G. Balakrishnan has been appointed as presiding arbitrator The new tribunal has recommenced the oral hearing. L&T's counsel concluded his oral submissions before the newly formed tribunal. ONGC's counsel commenced his submissions. The matter is ongoing.

22. Contractual dispute arose between L&T and ONGC pertaining to MHN MHNRD-II Contract with respect to the matters such as (i) LD, (ii) Change Orders, (iii) Stand By Time, (iv) Taxes etc., involving claim amount of Rs. 490.39 crore. Oral arguments were concluded on February 27, 2021. The matter for reserved for award. Subsequent to death of the Presiding Arbitrator Justice R.C. Lahoti, Justice K.G. Balakrishnan has been appointed as presiding arbitrator The new tribunal has recommenced the oral hearing. L&T's counsel concluded his oral submissions before the newly formed tribunal. ONGC's counsel commenced his submissions. The matter is ongoing.

23. IOCL has filed petition challenging the award in favour of Toyo and L&T TOYO & L&T had filed SLP before the Supreme Court for full deposit of amount. Supreme Court on August 2, 2021 allowed the petition and ordered IOCL to deposit 100% of the awarded amount. accordingly, SLP was disposed. IOCL has deposited Rs. 125 crore and L&T and TOYO have withdrawn Rs. 5 crores and Rs. 120 crores respectively upon submission of BG.

24. Present dispute arises out of the LOA/contract dated March 27, 2009 executed between the petitioner and the respondent herein for the construction of diversion tunnel, dam, intake and desilting arrangement, including hydro-mechanical works of the Punatsangchhu-I hydroelectric project (1200 MW), located in Wangdue Phodrang district of Bhutan with contract price of Rs. 1245,51,73,905/-. L&T has initiated arbitration proceeding for EOT and for claiming various expenses, losses and extra work. Independent committee is formed which has to decide the matter, accordingly Arbitration proceeding are kept in abeyance for 3 months.

25. L&T initiated arbitration against RVNL relating to claim of Rs. 141.09 crore against Rail Vikas Nigam Limited (RVNL) under various heads including delay costs, revision in BOQ, price variation and cost claim for extended stay period in Execution of Gauge Conversion project between Lucknow and Sitapur (86.30 KMS) in Lucknow division of North eastern Railway, U.P. Package 1 (LSGC). RVNL has filed their counter claim of Rs.9.09 crore along with interest. Arbitration is ongoing.

b. Criminal Proceedings

1. Central Bureau of Investigation ("CBI") has registered a FIR with Case No. RC. 8A/2017-D on September 8,

2017 in Dhanbad, Jharkhand against certain officials of Bharat Coking Coal Limited, L&T Ltd and unknown others in relation to alleged criminal conspiracy, cheating and criminal misconduct with regard to award of contract to L&T Ltd against notice inviting tender dated March 25, 2013 for supply of 100 numbers of 35 Te Tippers with Maintenance & Annual Repair Contract (MARC) for 6 years for estimated cost of ₹ 383.92 crores. Investigation is pending.

2. Manoj Mendon was an employee of a clearing house agent appointed by L&T for clearing pay-orders and customs duties for goods and components imported by L&T. While performing his duties, Manoj Mendon fraudulently claimed ₹ 0.29 crores from L&T's bank account in 2004. To recover this amount, L&T filed a criminal complaint numbered CC NO. 2269 / PW / 2005 in 2005 against Manoj Mendon and others. The case is pending in the Additional Chief Metropolitan Magistrate, Ballard Pier Court, Mumbai at the stage of hearing. The matter is ongoing.

3. Kamaljeet Singh Shekhawat, a customer of L&T, filed a criminal case numbered CRLMP/2388/2014 against L&T and Komatsu India Private Limited before the Thana Mandan, District Alwar, Rajasthan alleging that Komatsu failed to return the equipment belonging to the Complainant. The matter is currently pending.

4. A Criminal Complaint being No. CS No. 4291 of 2019 u/s 138 of Negotiable Instruments Act, has been filed before the Learned 14th Metropolitan Magistrate, Kolkata by L&T through its E&A Division against Messrs Arun Electricals acting through its Proprietor Mr. Avinash Singh in relation to the cheque issued by Messrs Arun Electrical towards its partial discharge of legal debt. The balance outstanding amount of ₹ 0.21 crores - is still due and payable by Messrs Arun Electricals. The matter is currently pending. Similarly, criminal complaint being Case No. 17235/19 u/s 138 of the Negotiable Instruments Act has been filed by L&T before the Learned 14th Metropolitan Magistrate, against M/s. Arun Electricals for ₹ 0.20 crores which is also pending. The matter is ongoing.

5. L&T Ltd filed a case of cheating and criminal breach of trust under section 200 of Indian Penal Code, 1860 against M/s Ravindra Brothers. The matter is ongoing.

6. Ultratech Cement Ltd filed a criminal complaint against 4 employees of L&T regarding property dispute in Durgapur Court. The case appeared before the Calcutta High Court under C.R.R. 2747 of 2019 named Shukla Das & ors. Vs. State of WB & ors. The High Court vide order dated 11.09.2019 has issued notice to the respondents. Further, NBW issued by the lower Courts have been quashed by the Calcutta High Court. The matter is ongoing.

7. Complaint filed by State Factory Inspector, Delhi under Building and Other Construction Workers Act, 1996 (“BOCW Act”) against DLF, its employees, L&T and its Director and employee for alleged violation of the provisions relating to safety under BOCW Act at the DLF Capital Green Project site, Delhi. The matter is posted for further proceedings.

8. Labour Enforcement Officer, Ponda and Vasco, Goa filed a complaint against L&T represented by its Director and employees alleging violations relating to license under the Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971. The matter is posted for further proceedings.

9. Labour Enforcement Officer, Ponda and Vasco, Goa filed a complaint against L&T represented by its Employee, alleging violations relating to non-maintenance of register under Inter- State Migrant Workmen Act, 1979 and rules issued thereunder. The matter is posted for further proceedings.

10. Faridabad Police registered a FIR in a hit and run case and a complaint was lodged with National Highway Authority of India (‘NHAI’) by an individual who suffered the accident, alleging that poor road condition was the cause of accident. Due to inaction by NHAI, the aggrieved party moved before the High Court of Punjab and Haryana. The case was re-investigated, and challan was filed against six accused viz. L&T, Director and employee of L&T, DA Tollway Limited, Director and employee of DA Tollway Limited. Further pursuant to an order of the Judicial Magistrate a supplementary charge sheet has been filed impleading all the Board of Directors of L&T. L&T moved the High Court, Punjab and Haryana seeking quashing of the criminal complaint for the Directors and interim stay of proceedings against L&T directors was ordered. Interim stay of proceedings against the Directors of L&T granted by High Court in place. The matter is pending for further hearings.

11. Show Cause Notice was issued to L&T represented by its Director by Labour Enforcement Officer (Central),

Chandigarh, wherein it was alleged that during the site visit of the Labour Enforcement Officer (Central), Chandigarh, certain non-compliances were observed and a summon was issued to the Company to appear before the Court. The matter is pending for further hearings.

12. Complaint under Section 24 of Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation & Abolition) Central Rules 1971 was filed in Court of Metropolitan Magistrate, Patiala House, New Delhi L&T represented by its Director by the Labour Enforcement Officer (Delhi). Wherein it was alleged that L&T had contravened CLRA provisions in the Delhi MRTS Phase-III Project site, during the Labour Enforcement Officer's inspection on November 19, 2019. The matter is pending for further hearings.

13. Proceedings initiated before Sub-Divisional Judicial Magistrate, Sherghati by Labour Enforcement Officer (Central) against L&T and one of its employee for alleged non-compliance under BOCW Act read with the rules, The matter is pending for further hearings.

14. A criminal case has been filed in Court of Special Judge CBI Court No.2, South Bihar Patna by the Central Bureau of Investigation ("CBI") against certain employees of National Highways Authority of India, Koderma, Jharkhand, certain employee of M/s. RITES-HALCOW (JV) and L&T certain employee of L&T under Sections 420 and 120B of Indian Penal Code, 1860 and Sections 13(2) and 13(1)(d) of the Prevention of Corruption Act, 1988 in relation to execution of Golden Quadrilateral project in Delhi - Kolkata leg which was awarded by NHAI to L&T-HCC JV. The matter is pending for further hearings.

15. The Ld. Municipal Metropolitan Magistrate convicted L&T under sections 202(1)/204 of Calcutta Municipal Corporation Act, 1980 as well as u/sec 255(2) of Criminal Procedure Code, 1973 in relation to payment of Advertisement Tax and directed L&T to pay a fine of Rs. 42,400/. L&T has challenged the same before High Court at Calcutta. The matter is pending for further hearings.

16. Pursuant to an incident at Statue of Unity, the BOCW officer at Ahmedabad filed a complaint against L&T and n employee of L&T under Gujarat Unprotected manual workers (Regulation of employment and welfare) Act, 1979. On December 6, 2018, Chief Judicial Magistrate acquitted all the accused. An application filed by State Rajpipla Session Court seeking condonation of delay was dismissed for want of jurisdiction. The department has now filed a Criminal Miscellaneous Application No. 21734 of 2021 in R/Criminal Appeal No. 1900 of 2021 before the High Court of Gujarat at Ahmedabad. The matter is pending for further hearings.

17. A complaint was filed by Labour Enforcement Officer against L&T represented by one of it Employee for alleged violation of certain provisions of Contract Labour (Regulation and Abolition) Act, 1970 at the construction site for elevated viaduct and ramp at Punjabi Bagh, ESI Hospital and Mayapuri, New Delhi. The matter is pending for further hearings.

c. RERA Proceedings

L&T is a party to 13 number of RERA cases which are pending before various RERA courts across India.

B. Larsen & Toubro Infotech Limited

Larsen & Toubro Infotech Limited ("**LTIL**") is a related party of our Company with only criminal litigations, as disclosed below. LTIL has no civil litigations against or by it, which crosses the materiality threshold adopted by the board of LTIL.

1. Suhas Ambade filed a FIR on behalf of Maharashtra State Electricity Distribution Company Limited ("MSEDCL") before the Kalyan Police Station against Nitin Patwardhan (the "Accused"), an employee of LTIL in his capacity as a representative of LTIL for illegal use of electricity. In furtherance to this, MSEDCL has filed a complaint bearing no. 722 of 2008 before the Court of Special Judge, Thane under Section 135, Electricity Act, 2003. LTIL then filed an application with MSEDCL dated July 11, 2008 for compounding of the alleged offence. MSEDCL has approved the application and LTIL has paid an amount of ₹ 0.035 crores towards compounding charges. The matter is currently pending.

2. Krishnan Subramanian had filed an FIR before the Powai police station against Munnawar Bux, Ghanshyam Mhatre, Ganesh Apte and V. K. Magapu, and Chris Colaco employees of LTIL (the "Petitioners") under, inter-

alia, Sections 34, 120B, 201 and 406 of the Indian Penal Code 1860 read with Sections 20 and 25 of the Indian Telegraph Act, 1885 and Sections 65, 66 and 85 of Information Technology Act, 2000 alleging illegal transfer of the international calls and related losses to the Government and Tata Teleservices (Maharashtra) Limited amounting to ₹ 0.645 crores. Subsequently, the Petitioners filed discharge applications filed in criminal case no. 3700327/PW/2007, which were rejected by the Magistrate. The Petitioners have filed two criminal writ petitions numbered 1743 of 2006 and 217 of 2007 before the Bombay High Court in relation to criminal proceedings initiated against the Petitioners and seeking quashing of the FIR lodged. Our Company has withdrawn one of the writ petitions bearing no. 1743 of 2006 and the Bombay High Court has disposed the other writ petition filed by our Company bearing no. 217 of 2007 by directing the Magistrate to dispose of the discharge applications filed by the Petitioners. The matter is currently pending.

3. LTIL had paid fine aggregating to ₹ 12,39,000 'under protest' to each of National Stock Exchange Limited (NSE) and The BSE Limited (BSE) for delay in filling up vacancies of Independent Director on the Board incompliance under Regulation 17(1) of SEBI LODR. The Company has represented to the stock exchanges for waiver of the fine paid, however, the application for waiver is still pending with the stock exchanges.

C. L&T Capital Company Limited

There are no civil (material) or criminal litigation by or against L&T Capital Company Limited as on the date of this Draft Shelf Prospectus.

D. Larsen & Toubro Electromech LLC

Larsen & Toubro Electromech LLC ("L&T Electromech") is a related party of our Company. There are various litigations instituted by and against L&T Electromech from time to time, mostly arising in the ordinary course of its business. For the purpose of disclosures in this Draft Shelf Prospectus, L&T Electromech has applied the same materiality threshold which has been applied for our Company. There are no litigations instituted by and against L&T Electromech over and above the materiality threshold.

E. L&T Investment Management Limited

There are no civil (material) or criminal litigation by or against L&T Investment Management Limited ("**LTIM**") as on the date of this Draft Shelf Prospectus, other than as disclosed below. There are various litigations instituted by and against LTIM from time to time, mostly arising in the ordinary course of its business. For the purpose of disclosures in this Draft Shelf Prospectus, LTIM has applied the same materiality threshold which has been applied for our Company. There are no litigations instituted by and against LTIM over and above the materiality threshold

1. L&T Mutual Fund ("**LTMF**") had invested in the debentures issued by Reliance Broadcast Network Limited ("**RBNL**") from 2015 - 2016, where IDBI Trusteeship Services Limited ("**IDBI Trustee**") was the trustee for the issuance. The issuance was backed by a corporate guarantee from Reliance Capital Limited ("**Corporate Guarantor**"). The redemption date for the same was in tranches. RBNL and the Corporate Guarantor committed payment default, accordingly necessary notice was issued by the IDBI Trustee to RBNL and the Corporate Guarantor on many occasions.

On November 30, 2021, the Reserve Bank of India superseded the board of Reliance Capital and the NCLT thereafter admitted the Corporate Guarantor to insolvency proceedings in December 2021. The LTMF has filed its claim with the Resolution Professional appointed in the CIRP of the Corporate Guarantee.

On March 08, 2022, the IDBI Trustee on the instructions of the L&T Investment Management Limited, acting in its capacity as the asset management company of LTMF filed an Application under section 7 of Insolvency and Bankruptcy Code, 2016 on behalf of LTMF against the RBNL (C.P. (IB)/310(MB)2022) as RBNL had defaulted in making the payments of the debt/ redemption outstanding aggregating to Rs. 173,90,87,870 (Rupees One Hundred Seventy-Three Crores Ninety Lakhs Eighty-Seven Thousand Eight Hundred and Seventy Only) as on November 15, 2021 to the LTMF.

In the aforesaid matter, the LTIML has filed its rejoinder to the reply filed by the RBNL / Corporate Debtor and the matter is now posted for final arguments.

2. LTIM has received a show cause notice ("SCN") dated June 14, 2022 from SEBI in the matter of thematic inspection of L&T Mutual Fund to show cause, inter alia, as to why an inquiry should not be held in terms of Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 read with Section 15-I of the SEBI Act, 1992. LTIM is in the process of filing its reply to the SCN.

3. The Directorate of Enforcement, the adjudicating authority under the Prevention of Money Laundering Act, 2002 ("PMLA") issued a show cause notice and filed a complaint under Section 5(5) of the Prevention of Money Laundering Act, 2002 against individuals and companies and passed provisional attachment orders. Brief background as per the Complaint:

   After the exposure of discrepancies regarding the bribery and service of middlemen for procurement of contract of M/s Agusta Westland, SPA Italy, CBI had initiated a preliminary inquiry u/s 150-B r/w 420 of IPC & 7,8,9,12,13(2) r/w 13(1)(d) of Prevention of Corruption Act, 1988. (ii) The Ministry of Defence, India had signed a contract with M/s Agusta Westland for the supply of VVIP & Non-VIP helicopters. Upon investigation, there were certain irregularities regarding the said procurement. (iii) Subsequently, Provisional Attachment Orders were passed against individuals including one Mr. Sanjeev Tyagi and Mr. Sandeep Tyagi and Companies associated with the said individuals. The said individuals were allegedly involved in the corrupt practices to help M/s Agusta Westland procure the tender of VVIP helicopters. (iv) During the investigation it was found that the Tyagi brothers had opened various bank accounts including bank accounts in the name of the Companies associated with them and made investments into Mutual Funds, Shares and Debentures including through some of their companies.

   The above-mentioned individuals and the Companies associated with them have invested in various mutual funds including L&T Mutual Fund. L&T Investment Management Limited (LTIM) acts as an investment manager for L&T Mutual Fund has been made a party defendant in addition to the other mutual funds and Banks who have also been made party defendants. On March 25, 2019, LTIM through its authorized representative, filed reply to the show cause notice and complaint by the Enforcement Directorate in the PMLA Court. As per the final order from the Directorate of Enforcement dated June 8, 2019, the Directorate of Enforcement directed to release the investments of the above folios which was approx. ₹ 0.09 crores in the name of Joint Director, Directorate of Enforcement.

   Notwithstanding anything contained hereinabove, LTIM of the opinion that the notice and complaint are not material for LTIM as there are no specific allegations against LTIM in the sameThe current value of the investment in the above folios are approx. ₹ 0.09 crores.

4. LTIM has claimed depreciation on Asset management rights ("AMR") and Goodwill in the tax returns for AY2013-14 & onwards. Such AMR and Goodwill was recognised in its books of accounts pursuant to Bombay High Court approved scheme of amalgamation of L&T Fund Management Private Limited with the LTIM with effect from November 23, 2012. The assessment proceedings under Section 143(3) for both years was concluded with no disallowances. The Assessing officer has issued a re-assessment notice dated July 29, 2022 asking the company to file the income-tax returns within 30 days of the notice. LTIM has filed writ petitions under Article 226 of the Constitution in Bombay High Court challenging the validity of the notices mainly on the ground that re-assessment proceedings under the new law are time-barred for the respective 2 years.

   The above writ petitions are admitted by the Bombay High Court on September 5, 2022 are pending for further hearings.

F. L&T Financial Consultants Limited

There are various litigations instituted by and against L&T Financial Consultants Limited (LTFCL) from time to time, mostly arising in the ordinary course of its business. For the purpose of disclosures in this Draft Shelf Prospectus, LTFCL has applied the same materiality threshold which has been applied for our Company. There are no litigations instituted by and against LTFCL over and above the materiality threshold.

Tax Proceedings

Except as disclosed below, there are no claims related to direct and indirect taxes involving our Company, Subsidiary, Directors and Promoter.

Nature of case	Number of cases	Amount involved (in ₹ Crores)
Proceedings involving the Company		

Direct Tax	3	8.66
Indirect Tax	33	513.98
Proceedings involving the Subsidiary		
Direct Tax	1	4.69
Indirect Tax	--	--
Proceedings involving the Directors		
Direct Tax	--	--
Indirect Tax	--	--
Proceedings involving the Promoter		
Direct Tax	--	--
Indirect Tax	--	--
Group Companies		
Direct Tax	87	3168.95
Indirect Tax	985	7492.79

The summary of reservations or qualifications or adverse remarks of auditors in the last three financial years immediately preceding the year of issue of prospectus and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remarks

Nil

Details of acts of material frauds committed against our Company from financial year April 1, 2019 till period ended June 30, 2022, if any, and if so, the action taken by our Company in response:

There have been instances of fraud, which are inherent in the nature of the business of our Company. However, there is no material fraud committed against our Company from financial year from April 01, 2019 till period ended June 30, 2022.

The total amount involved in all acts of fraud committed against our Company is set forth below:

For the quarter ended June 30, 2022	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
No frauds are reported during Q1 of FY 22-23	149 instances of frauds aggregating to ₹ 2.73 crores were reported	286 instances of frauds aggregating to ₹ 193.29 crores were reported	163 instances of frauds aggregating to ₹ 4.25 crores were reported

The list of material frauds against the Company in the last three fiscals.

Sr. No.	Fiscal Year of fraud	Year of detection Fiscal	Gross Amount (₹ in Crores)	Modus Operandi	Recovery (₹ in crores)	Provision (₹ in crores)	Action Taken by the Company / subsidiaries
1	2022	2023	0.06	Loan re-payment proceeds collected from customers were not deposited **in the designated** bank account	0.03	0.03	Provision made
2	2017	2023	0.74	Forging Property documents and availing multiple loans against the same property	0.29	0.45	Written off
3	2015	2023	0.28	Forging Property documents and availing multiple loans against the same property	0.13	0.25	Written off

Sr. No.	Fiscal Year of fraud	Year of detection Fiscal	Gross Amount (₹ in Crores)	Modus Operandi	Recovery (₹ in crores)	Provision (₹ in crores)	Action Taken by the Company / subsidiaries
4	2018	2022	0.73	Co-Borrower and promoter of the company Ranjan Barai took a property on a rent in Kolkata. He then arranged photocopy of property documents of that property and forged them to create a fake chain of property document. He also created a fake seller (Rajdip Roy) to sell this property to his company M/s Basundhara Green Power Limited (borrower)	-	0.73	Amount written off
5	2021	2022	0.08	Loan re-payment proceeds collected from customers not deposited in **the designated** bank account	-	0.08	Provision made
6	2019	2022	0.62	Disbursement of loans with forged KYCs and bank accounts	0.10	0.52	Provision made
7	2016	2022	0.49	Forging Property documents and availing multiple loans against the same property	0.09	0.40	Written off
8	2021	2022	0.02	Collection was done without issuing receipts, followed by non-deposit in **the designated** bank account	0.02	-	Amount recovered
9	2020	2021	0.01	Loan re-payment proceeds collected from customers not deposited in **the designated** bank account – EMI and Foreclosure	-	0.01	Provision made
10	2019	2021	0.03	Loan repayment proceeds collected from customers not deposited in **the designated** bank account.	-	0.03	Provision made
11	2020	2021	0.02	FLC collected EMIs from customers of L&T Finance Ltd but	-	-	No action taken

Sr. No.	Fiscal Year of fraud	Year of detection Fiscal	Gross Amount (₹ in Crores)	Modus Operandi	Recovery (₹ in crores)	Provision (₹ in crores)	Action Taken by the Company / subsidiaries
				did not deposit the same in company's account.			
12	2020	2021	0.02	Loan re-payment proceeds collected from customers not deposited in company's bank account	-	0.02	Provision made
13	2020	2021	0.01	Loan re-payment proceeds collected from customers not deposited in company's bank account	0.01	0.00	Balance provision made
14	2020	2021	0.02	Loan re-payment proceeds collected from customers not deposited in company's bank account	-	0.02	Provision made
15	2019	2020-21	0.04	Mr. Vinay Kumar, Mr. Deepak Kumar and Mr. Sumit Kumar have conspired to violate sourcing norms by using manipulated bank passbooks and disbursed 13 loans in order to utilize the disbursement amount for personal gains. It was also identified that concerned staff was paying EMI to keep the accounts regular	0.00	0.04	Provision made
16	**2020**	2020-21	191.19	Not available	-	191.19	Provision made
17	2017	2019-20	0.06	Jai Ambe had shared details of same tractor with another financier for self gain	-	0.06	Written off
18	2019	2019-20	0.58	Territory manager and field level officer violated processes and disbursed amounts in the bank account of a third party to enjoy personal gain	0.13	0.46	Provision made
19	2019	2019-20	0.05	Front line sales has fabricated documents to process loans	-	0.05	Written off
20	2019	2019-20	0.13	Front line Officer used KYCs of Borrowers without their permission for	-	0.13	Written off

Sr. No.	Fiscal Year of fraud	Year of detection Fiscal	Gross Amount (₹ in Crores)	Modus Operandi	Recovery (₹ in crores)	Provision (₹ in crores)	Action Taken by the Company / subsidiaries
				disbursement of loans to the FLO			
21	2019	2019-20	0.02	FLO did not deposit the collected amount from borrowers **to the Company's bank account**	0.02	-	Recovered
22	2019	2019-20	1.92	Connivance between builder and borrower who borrowed on a property which did not exist	-	1.92	Written off
23	2019	2019-20	0.95	Connivance between builder and borrower who borrowed on a property which did not exist	-	0.95	Written off
24	2019	2019-20	0.05	FLO did not deposit the collected amount from borrowers **to the Company's bank account**	-	0.05	Written off
25	2019	2019-20	0.09	FLO did not deposit the collected amount from borrowers **to the Company's bank account**	-	-	No action taken

Further, kindly note that there was a material fraud committed against L&T Infrastructure Finance Limited reported in FY 2021 i.e., Coastal Projects (₹ 191.80 Crores).

Note: For Fiscal 2021 and Fiscal 2020 details of L&T Finance Limited, L&T Housing Finance Limited and L&T Infrastructure Finance Company Limited have been clubbed.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Issuer's Absolute Responsibility

"The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Shelf Prospectus contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the Draft Shelf Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

Authority for the Issue

At the meeting of the Board of Directors of our Company held on March 28, 2022 the Directors approved the issue of NCDs to the public up to an amount not exceeding ₹ 25,000 crore in one or more tranches. This Issue for an amount not exceeding ₹ 5,000 crores has been approved by the Committee of Directors in its meeting dated September 16, 2022.

Further, the present Issue is within the sub-borrowing limits of ₹ 70,000 crore for non-convertible debentures which is within the overall borrowing limit of ₹ 1,25,000 crore as approved under Sections 180(1)(c) of the Companies Act, 2013 duly approved by the members of our Company vide their resolution passed at the Extraordinary General Meeting held on April 12, 2021.

This Draft Shelf Prospectus has been approved by the Committee of Directors of our Company at its meeting held on September 16, 2022. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the Relevant Tranche Prospectus for any Tranche Issue, as may be decided by the Committee of Directors of.

Prohibition by SEBI/ Eligibility of our Company for the Issue

Our Company, persons in control of our Company and/or the Promoter and/or our Promoter Group and/or the Directors have not been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. None of our Directors and/or our Promoter, is a Director or promoter of another company which has been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

None of our Directors and/or our Promoter has been declared as fugitive economic offenders.

The Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Draft Shelf Prospectus.

Willful Defaulter

Our Company, and/or our Directors and/or our Promoter have not been categorised as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by RBI, ECGC or any government/regulatory authority. None of our Directors and/or our Promoter, is a whole-time director or promoter of another company which has been categorised as a willful defaulter.

Other confirmations

Neither our Company nor our Directors or our Promoter, or person(s) in control of our Company was a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of this Draft Shelf Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.

The Issuer has not defaulted in payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six months.
Our Company is eligible to file the Shelf Prospectus in terms of Regulation 41 of the SEBI NCS Regulations which are as follows:

(i) Our Company is in compliance with applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and any other guidelines so specified by SEBI;

(ii) Our Company has a net worth of at least rupees five hundred crore, as per the audited balance sheet of the preceding financial year;
(iii) Our Company has a consistent track record of operating profits for the last three financial years;
(iv) Securities to be issued have been assigned a rating of **not less than "AA-"** category or equivalent by a credit rating agency registered with SEBI;
(v) No regulatory action is pending against the issuer or its promoters or directors before the Board or the Reserve Bank of India.
(vi) Our Company, as on date of this Draft Shelf Prospectus,is not in default for:
    a. the repayment of deposits or interest payable thereon; or
    b. redemption of preference shares; or
    c. redemption of debt securities and interest payable thereon; or
    d. payment of dividend to any shareholder; or
    e. repayment of any term loan or interest payable thereon,

    in the last three financial years and the current financial year:

The Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Draft Shelf Prospectus.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGERS, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, A. K. CAPITAL SERVICES LIMITED, JM FINANCIAL LIMITED AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED , CONFIRM THAT COMMENTS RECEIVED ON THE DRAFT SHELF PROSPECTUS WILL BE SUITABLY ADDRESSED BEFORE FILING THE SHELF PROSPECTUS AND THE RELEVANT TRANCHE PROSPECTUS, AND TO THIS EFFECT, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [•] WHICH READS AS FOLLOWS:

[•]

DISCLAIMER CLAUSE OF BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS LETTER NO [•] DATED [•] PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

A. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR

B. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR

C. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;

AND IT SHOULD NOT FOR ANY REASON BE DEEMED OR CONSTRUED THAT THIS OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE EXCHANGE. EVERY PERSON WHO DESIRES TO APPLY FOR, OR OTHERWISE ACQUIRES ANY SECURITIES OF THIS COMPANY MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY ANY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR FOR ANY OTHER REASON WHATSOEVER.

DISCLAIMER CLAUSE OF NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS GIVEN VIDE ITS LETTER REF.: [●] DATED [●] PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE AFORESAID PERMISSION GIVEN BY NSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; NOR DOES IT WARRANT THAT THIS ISSUER'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS ISSUER, ITS PROMOTER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS ISSUER.

EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY SECURITIES OF THIS ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION /ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

DISCLAIMER CLAUSE OF RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED MAY 04, 2017 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45I-A OF THE RESERVE BANK OF INDIA ACT, 1934. A COPY OF THIS DRAFT SHELF PROSPECTUS HAS NOT BEEN FILED WITH OR SUBMITTED TO THE RESERVE BANK OF INDIA ("RBI"). IT IS DISTINCTLY UNDERSTOOD THAT THIS DRAFT SHELF PROSPECTUS SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO BE APPROVED OR VETTED BY RBI. RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE ISSUER OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE ISSUER AND FOR DISCHARGE OF LIABILITY BY THE ISSUER. RBI NEITHER ACCEPTS ANY RESPONSIBILITY NOR GUARANTEE FOR THE PAYMENT OF ANY AMOUNT DUE TO ANY INVESTOR IN RESPECT OF THE PROPOSED NCDS.

DISCLAIMER CLAUSE OF CRISIL RATINGS LIMITED

CRISIL RATINGS LIMITED (CRISIL RATINGS) HAS TAKEN DUE CARE AND CAUTION IN PREPARING THE MATERIAL BASED ON THE INFORMATION PROVIDED BY ITS CLIENT AND / OR OBTAINED BY CRISIL RATINGS FROM SOURCES WHICH IT CONSIDERS RELIABLE (INFORMATION). A RATING BY CRISIL RATINGS REFLECTS ITS CURRENT OPINION ON THE LIKELIHOOD OF TIMELY PAYMENT OF THE OBLIGATIONS UNDER THE RATED INSTRUMENT AND DOES NOT CONSTITUTE AN AUDIT OF THE RATED ENTITY BY CRISIL RATINGS. CRISIL RATINGS DOES NOT GUARANTEE

THE COMPLETENESS OR ACCURACY OF THE INFORMATION ON WHICH THE RATING IS BASED. A RATING BY CRISIL RATINGS IS NOT A RECOMMENDATION TO BUY, SELL, OR HOLD THE RATED INSTRUMENT; IT DOES NOT COMMENT ON THE MARKET PRICE OR SUITABILITY FOR A PARTICULAR INVESTOR. THE RATING IS NOT A RECOMMENDATION TO INVEST / DISINVEST IN ANY ENTITY COVERED IN THE MATERIAL AND NO PART OF THE MATERIAL SHOULD BE CONSTRUED AS AN EXPERT ADVICE OR INVESTMENT ADVICE OR ANY FORM OF INVESTMENT BANKING WITHIN THE MEANING OF ANY LAW OR REGULATION. CRISIL RATINGS ESPECIALLY STATES THAT IT HAS NO LIABILITY WHATSOEVER TO THE SUBSCRIBERS / USERS / TRANSMITTERS/ DISTRIBUTORS OF THE MATERIAL. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NOTHING IN THE MATERIAL IS TO BE CONSTRUED AS CRISIL RATINGS PROVIDING OR INTENDING TO PROVIDE ANY SERVICES IN JURISDICTIONS WHERE CRISIL RATINGS DOES NOT HAVE THE NECESSARY PERMISSION AND/OR REGISTRATION TO CARRY OUT ITS BUSINESS ACTIVITIES IN THIS REGARD. L&T FINANCE LIMITED WILL BE RESPONSIBLE FOR ENSURING COMPLIANCES AND CONSEQUENCES OF NON-COMPLIANCES FOR USE OF THE MATERIAL OR PART THEREOF OUTSIDE INDIA. CURRENT RATING STATUS AND CRISIL RATINGS' RATING CRITERIA ARE AVAILABLE WITHOUT CHARGE TO THE PUBLIC ON THE WEBSITE, WWW.CRISIL.COM. FOR THE LATEST RATING INFORMATION ON ANY INSTRUMENT OF ANY COMPANY RATED BY CRISIL RATINGS, PLEASE CONTACT CUSTOMER SERVICE HELPDESK AT 1800-267-1301.

DISCLAIMER CLAUSE OF ICRA

ICRA RATINGS SHOULD NOT BE TREATED AS RECOMMENDATIONS TO BUY, SELL OR HOLD THE RATED DEBT INSTRUMENTS. ICRA RATINGS ARE SUBJECT TO A PROCESS OF SURVEILLANCE, WHICH MAY LEAD TO REVISION IN RATINGS. AN ICRA RATING IS A SYMBOLIC INDICATOR OF ICRA'S CURRENT OPINION ON THE RELATIVE CAPABILITY OF THE ISSUER CONCERNED WITH TIMELY SERVICE DEBTS AND OBLIGATIONS, WITH REFERENCE TO THE INSTRUMENT RATED. PLEASE VISIT OUR WEBSITE WWW.ICRA.IN OR CONTACT ANY ICRA OFFICE FOR THE LATEST INFORMATION ON ICRA RATINGS OUTSTANDING. ALL INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED BY ICRA FROM SOURCES BELIEVED BY IT TO BE ACCURATE AND RELIABLE, INCLUDING THE RATED ISSUER. ICRA HOWEVER HAS NOT CONDUCTED ANY AUDIT OF THE RATED ISSUER OR OF THE INFORMATION PROVIDED BY IT. WHILE REASONABLE CARE HAS BEEN TAKEN TO ENSURE THAT THE INFORMATION HEREIN IS TRUE, SUCH INFORMATION IS PROVIDED 'AS IS' WITHOUT ANY WARRANTY OF ANY KIND, AND ICRA IN PARTICULAR, MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS OR COMPLETENESS OF ANY SUCH INFORMATION. ALSO, ICRA OR ANY OF ITS GROUP COMPANIES MAY HAVE PROVIDED SERVICES OTHER THAN RATING TO THE ISSUER RATED. ALL INFORMATION CONTAINED HEREIN MUST BE CONSTRUED SOLELY AS STATEMENTS OF OPINION, AND ICRA SHALL NOT BE LIABLE FOR ANY LOSSES INCURRED BY USERS FROM ANY USE OF THIS PUBLICATION OR ITS CONTENTS.

DISCLAIMER CLAUSE OF INDIA RATINGS AND RESEARCH PRIVATE LIMITED

ALL CREDIT RATINGS ASSIGNED BY INDIA RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: HTTPS://WWW.INDIARATINGS.CO.IN/RATING-DEFINITIONS. IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE WWW.INDIARATINGS.CO.IN. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. INDIA RATINGS' CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE.

Following is the disclaimer clause of CRISIL in relation to the Industry Report:

CRISIL RESEARCH, A DIVISION OF CRISIL LIMITED (CRISIL) HAS TAKEN DUE CARE AND CAUTION IN PREPARING THIS REPORT (REPORT) BASED ON THE INFORMATION OBTAINED BY CRISIL FROM SOURCES WHICH IT CONSIDERS RELIABLE (DATA). HOWEVER, CRISIL DOES NOT GUARANTEE THE ACCURACY, ADEQUACY OR COMPLETENESS OF THE DATA / REPORT AND IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS OR FOR THE RESULTS OBTAINED FROM THE

USE OF DATA / REPORT. THIS REPORT IS NOT A RECOMMENDATION TO INVEST / DISINVEST IN ANY ENTITY COVERED IN THE REPORT AND NO PART OF THIS REPORT SHOULD BE CONSTRUED AS AN EXPERT ADVICE OR INVESTMENT ADVICE OR ANY FORM OF INVESTMENT BANKING WITHIN THE MEANING OF ANY LAW OR REGULATION. CRISIL ESPECIALLY STATES THAT IT HAS NO LIABILITY WHATSOEVER TO THE SUBSCRIBERS / USERS / TRANSMITTERS/ DISTRIBUTORS OF THIS REPORT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NOTHING IN THE REPORT IS TO BE CONSTRUED AS CRISIL PROVIDING OR INTENDING TO PROVIDE ANY SERVICES IN JURISDICTIONS WHERE CRISIL DOES NOT HAVE THE NECESSARY PERMISSION AND/OR REGISTRATION TO CARRY OUT ITS BUSINESS ACTIVITIES IN THIS REGARD. L&T FINANCE LIMITED WILL BE RESPONSIBLE FOR ENSURING COMPLIANCES AND CONSEQUENCES OF NON-COMPLAINCES FOR USE OF THE REPORT OR PART THEREOF OUTSIDE INDIA. CRISIL RESEARCH OPERATES INDEPENDENTLY OF, AND DOES NOT HAVE ACCESS TO INFORMATION OBTAINED BY CRISIL RATINGS LIMITED / CRISIL RISK AND INFRASTRUCTURE SOLUTIONS LTD (CRIS), WHICH MAY, IN THEIR REGULAR OPERATIONS, OBTAIN INFORMATION OF A CONFIDENTIAL NATURE. THE VIEWS EXPRESSED IN THIS REPORT ARE THAT OF CRISIL RESEARCH AND NOT OF CRISIL RATINGS LIMITED / CRIS. NO PART OF THIS REPORT MAY BE PUBLISHED/REPRODUCED IN ANY FORM WITHOUT CRISIL’S PRIOR WRITTEN APPROVAL.

DISCLAIMER STATEMENT FROM THE LEAD MANAGERS

THE LEAD MANAGERS ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE DRAFT SHELF PROSPECTUS OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

DISCLAIMER IN RESPECT OF JURISDICTION

THE ISSUE IS BEING MADE IN INDIA, TO INVESTORS FROM CATEGORY I, CATEGORY II, CATEGORY III AND CATEGORY IV. THIS DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS AND THE RELEVANT TRANCHE PROSPECTUS WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE NCDS OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THIS DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS AND THE RELEVANT TRANCHE PROSPECTUS COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

DISCLAIMER STATEMENT FROM THE ISSUER

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHER THAN IN THIS DRAFT SHELF PROSPECTUS ISSUED BY OUR COMPANY IN CONNECTION WITH THE ISSUE OF THE NCDS AND ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT HIS / HER / THEIR OWN RISK.

UNDERTAKING BY THE ISSUER

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE “RISK FACTORS” CHAPTER ON PAGE 18 OF THIS DRAFT SHELF PROSPECTUS.

OUR COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS DRAFT SHELF PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS DRAFT SHELF PROSPECTUS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF

WHICH MAKE THIS DRAFT SHELF PROSPECTUS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

THE COMPANY HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THIS DRAFT SHELF PROSPECTUS. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGE'S WEBSITES.

OUR COMPANY DECLARES THAT NOTHING IN THIS DRAFT SHELF PROSPECTUS IS CONTRARY TO THE PROVISIONS OF COMPANIES ACT, 2013 (18 OF 2013), THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES AND REGULATIONS MADE THEREUNDER.

Track record of past public issues handled by the Lead Manager

The track record of past issues handled by the Lead Managers, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following websites:

Name of Lead Manager	Website
A.K. Capital Services Limited	www.akgroup.co.in
JM Financial Limited	www.jmfl.com
Trust Investment Advisors Private Limited	www.trustgroup.in

Listing

The NCDs proposed to be offered through this Issue are proposed to be listed on NSE and BSE. An application will be made to the Stock Exchanges for permission to deal in and for an official quotation of our NCDs. NSE has been appointed as the Designated Stock Exchanges.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange(s), our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Draft Shelf Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges mentioned above are taken within 6 Working Days from the date of closure of this Issue. For the avoidance of doubt, it is hereby clarified that in the event of under subscription, NCDs shall not be listed and in the event of zero subscription to any one or more of the series, such NCDs with series shall not be listed.

Our Company shall pay interest at 15% (fifteen) per annum if allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within five Working Days of the Issue Closing Date or date of refusal of the Stock Exchange(s), whichever is earlier. In case listing permission is not granted by the Stock Exchange(s) to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of such date, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Consents

Consents in writing of: (a) Our Directors, (b) Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Lead Managers, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue; (g) Bankers to Company; (h) Credit Rating Agencies; (i) the Debenture Trustee for the Issue; (j) Consortium Members*; (k) Public Issue Account Bank, Refund Bank and Sponsor Bank*; (l) CRISIL in relation to the Research Report on *"NBFC Report 2021" (June, 2022 update) prepared by CRISIL Research, report titled "Macro-Economic Overview"*, (m) Bankers/Lenders, to act in their respective capacities, have been obtained from them and the same will be filed along with a copy of the Shelf Prospectus and relevant Tranche Prospectus(es) with the ROC as required under Section 26 and Section 31 of the Companies Act, 2013. Further, such consents have not been withdrawn up to the time of delivery of this Draft Shelf Prospectus with the Stock Exchanges.

**The consents will be procured at the relevant Tranche Prospectus stage*

Our Company has received the written consent dated September 16, 2022 from M S K A & Associates and consent dated

September 16, 2022 from Kalyaniwalla & Mistry LLP (collectively to be referred as Joint Statutory Auditors / Statutory Auditors), to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Shelf Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination reports dated September 16, 2022, on the Reformatted Consolidated Financial Information and Reformatted Standalone Financial Information of the Company as at and for each of the years ended March 31, 2022, 2021 and 2020; (ii) the limited review report dated July 19, 2022 relating to the unaudited financial results of the Company for the quarter ended June 30, 2022 pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 as amended; and (iii) the report on statement of possible tax benefits dated September 16, 2022 included in this Draft Shelf Prospectus, and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1993.

Our Company has received a written consent dated September 16, 2022 from Deloitte Haskins & Sells LLP, to include their name as the auditors and an "expert" as defined under section 2(38) of the Companies Act, 2013, in respect of the audited consolidated and standalone financial statements as at and for the years ended March 31, 2020 and their auditors' report thereon, in this Draft Shelf Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1993.

Our Company has appointed Catalyst Trusteeship Limited as the Debenture Trustee under Regulation 8 of the SEBI NCS Regulations. The Debenture Trustee has given its consent dated September 1, 2022 to our Company for its appointment as Debenture Trustee to the Issue, pursuant to the SEBI NCS Regulations and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus and relevant Tranche Prospectus, and in all related advertisements, communications to the NCD holders or filings pursuant to the Issue, which is enclosed as *Annexure B*.

Expert Opinion

Except for the following, our Company has not obtained any expert opinions in connection with this Draft Shelf Prospectus:

Our Company has received the written consent dated September 16, 2022 from M S K A & Associates and consent dated September 16, 2022 from Kalyaniwalla & Mistry LLP, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Shelf Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination reports dated September 16, 2022 , on the reformatted financial information of the Company as at and for each of the years ended March 31, 2022, 2021 and 2020; and (ii) the report on statement of possible tax benefits dated September 16, 2022. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1993.

Further, our Company has also received a written consent dated September 16, 2022 from Deloitte Haskins & Sells LLP, to include their name as the auditors and an "expert" as defined under section 2(38) of the Companies Act, 2013, in respect of the audited consolidated and standalone financial statements as at and for the years ended March 31, 2020 and their auditors' report thereon, in this Draft Shelf Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1993.

The above experts are not, and has not been, engaged or interested in the formation or promotion or management, of the Company and have given their written consent to the Company as stated in the paragraph above and has not withdrawn such consent before the filing of this Draft Shelf Prospectus with the Stock Exchanges and SEBI.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 8 Working Days from the Issue Closing Date or such time as may be specified by SEBI provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 Working Days from the Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate of 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Operational Circular.

Filing of the Draft Shelf Prospectus

The Draft Shelf Prospectus has been filed with the Stock Exchanges in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on its website(s) prior to the opening of the Issue. The Draft Shelf Prospectus has also been displayed on the website of the Company and the Lead Managers.

Filing of the Shelf Prospectus and relevant Tranche Prospectus with the RoC

The Shelf Prospectus and relevant Tranche Prospectus shall be filed with the RoC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Debenture Redemption Reserve ("DRR")

In accordance with amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with the SEBI NCS Regulations, an NBFC registered with RBI under section 45-IA of the Reserve Bank of India Act, 1934 is not required to create a DRR for the purpose of redemption of debentures. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Draft Shelf Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue.

Our Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Recovery Expense Fund

Our Company has created a recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 (read along with SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022) as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and has informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s) of NCDs issued.

Reservation

No portion of the Issue has been reserved.

Underwriting

This Issue will not be underwritten.

Disclosures in accordance with the DT Circular

Appointment of Debenture Trustee

The Company has appointed Catalyst Trusteeship Limited, as the Debenture Trustee in accordance with the terms of the Debenture Trustee Agreement.

Terms and Conditions of Debenture Trustee Agreement

Fees charged by Debenture Trustee

Separately, the Company and the Debenture Trustee have agreed the payment of an acceptance fee of ₹ 15 lakhs plus applicable taxes and a service charge of ₹ 22.50 lakhs on an annual basis, plus applicable taxes in terms of the letter dated September 1, 2022.

Debenture Trustee Agreement provides for, *inter alia*, the following terms and conditions

1. The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the encumbrance and valuation of assets to be offered as security in respect of the proposed Issue and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Offer Document and applicable Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the relevant Laws, the Debenture Trustee, in respect of security to be offered in relation to the proposed Issue, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee;

2. Our Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of the Company or any third party security provider are registered / disclosed;

3. Further, in the event that existing charge holders have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any, if Company is required to do so under the respective financing documents executed with the said existing charge holders.

4. Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the relevant laws/ applicable law.

5. The Debenture Trustee shall have the power to independently appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out-of-pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

Terms of carrying out due diligence

As per the SEBI Circular "SEBI/HO/MIRSD/CRADT/CIR/P/2020/218" dated November 3, 2020 titled "*Creation of Security in issuance of listed debt securities and due diligence by debenture trustee(s)*", SEBI Circular "SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2021/618" dated March 29, 2022 titled "Operational guidelines for 'Security and Covenant Monitoring' using Distributed Ledger Technology (DLT)" and SEBI Circular "SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/106" dated August 4, 2022 titled "Enhanced guidelines for debenture trustees and listed issuer companies on security creation and initial due diligence", as amended and/ or supplemented from time to time, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer company are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times. Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our company has consented to.

(a) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the offer document and other applicable laws has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee.

(b) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of the Company or any third-party security provider are registered / disclosed.

(c) Further, in the event that existing charge holders have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any, if Company is required to do so under the respective financing documents executed with the said existing charge holders.

(d) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the relevant laws/ Applicable Law.

(e) The Debenture Trustee shall have the power to independently appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

In addition to the above terms of carrying out the due diligence, the Debenture Trustee Agreement provides for, inter alia, the following terms and conditions:

1. The Company undertakes to promptly furnish all and any information as may be required by the Debenture Trustee in terms of the Companies Act and the Debenture Trust Deed on a regular basis, including without limitation the following documents, as may be applicable

2. The Debenture Trustee does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the NCDs.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations and circulars issued by SEBI from time to time. This would broadly include the following:

- A Chartered Accountant ("**CA**") appointed by Debenture Trustee will conduct independent due diligence as per scope provided, regarding security offered by the Issuer.
- CA will ascertain, verify, and ensure that the assets offered as security by the Issuer is free from any encumbrances or necessary permission / consent / NOC has been obtained from all existing charge holders.
- CA will conduct independent due diligence on the basis of data / information provided by the Issuer.
- CA will, periodically undertake due diligence as envisaged in SEBI circulars depending on the nature of security.
- On basis of the CA's report / finding Due Diligence certificate will be issued by Debenture Trustee and will be filed with relevant Stock Exchange.
- Due Diligence conducted is premised on data / information made available to the Debenture Trustee appointed agency and there is no onus of responsibility on Debenture Trustee or its appointed agency for any acts of omission / commission on the part of the Issuer.

While the Debt Security is secured as per terms of the Offer Document and charge is held in favour of the Debenture Trustee, the extent of recovery would depend upon realization of asset value and the Debenture Trustee in no way guarantees / assures full recovery / partial of either principal or interest.

Other Confirmations

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI circulars titled (i) "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)" dated November 3, 2020; (ii) "Monitoring and Disclosures by Debenture Trustee(s)" dated November 12, 2020 as amended/modified by SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022; (iii) "Operational guidelines for 'Security and Covenant Monitoring' using Distributed Ledger Technology (DLT)" dated March 29, 2022; and (iv) "Enhanced guidelines for debenture trustees and listed issuer companies on security creation and initial due diligence" dated August 4, 2022.

The Debenture Trustee undertakes that the NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and Registrar of Companies or CERSAI or depository, etc., as applicable, or is independently verifiable by the Debenture Trustee.

CATALYST TRUSTEESHIP LIMITED HAVE FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 16, 2022, AS PER THE FORMAT SPECIFIED IN ANNEXURE A TO THE DT CIRCULAR AND SCHEDULE IV OF THE SEBI NCS REGULATIONS WHICH READS AS FOLLOWS:

(1) WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS.

(2) ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND OF INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS:

WE CONFIRM THAT:

a) THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND/OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED.

b) THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).

c) THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ALSO ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.

d) ALL DISCLOSURES MADE IN THE OFFER DOCUMENT WITH RESPECT TO THE DEBT SECURITIES ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE.

e) ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS/ PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM AND ALL DISCLOSURES MADE IN THE OFFER

DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.

f) ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM AND GIVEN AN UNDERTAKING THAT DEBENTURE TRUST DEED WOULD BE EXECUTED BEFORE FILING OF LISTING APPLICATION.

g) ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.

WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

Our Company undertakes that it shall submit the due diligence certificate from Debenture Trustee to the Stock Exchanges and SEBI as per format specified in Annexure A of the DT Circular and Schedule IV of the SEBI NCS Regulations.

Debenture Trust Deed

Our Company and the Debenture Trustee will execute a Debenture Trust Deed, inter alia, specifying the powers, authorities and obligations of the Debenture Trustee and us, as per the extant SEBI regulations applicable for the proposed NCD Issue.

Issue Related Expenses

The expenses of the Issue include, *inter alia*, lead management fees and selling commission to the Lead Managers, Consortium Members, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, fees payable to the sponsor bank, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company.

The estimated breakdown of the total expenses for the Issue shall be as specified in the Shelf Prospectus and relevant Tranche Prospectus.

Utilisation of Issue Proceeds

Our Board of Directors certifies that:

(i) all monies received out of the Issue of the NCDs to the public shall be transferred to a separate bank account maintained with a scheduled bank, other than the bank account referred to in section 40(3) of the Companies Act;

(ii) details of all monies utilised out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised;

(iii) details of all unutilised monies out of the Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form of financial assets in which such unutilised monies have been invested;

(iv) we shall utilize the Issue proceeds only upon creation of security as stated in this Draft Shelf Prospectus in the section titled *"Terms of the Issue"* on page 452 and after (a) receipt of the minimum subscription of 75% of the Base Issue Size pertaining to the Issue; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security and confirmation of the same in terms of NCDs and (d) receipt of listing and trading approval from Stock Exchanges;

(v) the Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any property;

(vi) the Issue proceeds shall not be utilized for providing loans to or acquisition of shares of any entity who is part of the Promoter Group or group companies;

(vii) the Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time. Further the Issue proceeds shall be utilised only for the purpose and objects stated in the Offer Documents; and

(viii) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 6 Working Days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

Previous Issues

Public / Rights Issues of Equity Shares in the last three years from this Draft Shelf Prospectus

Public issue of equity shares

Our Company has not undertaken any public issue of equity shares in last three years.

Rights Issue by our Company

Our Company has not undertaken any rights issue of equity shares in the last three years.

Public Issue of non-convertible debentures by our Company

Our Company has undertaken the following public issue if non-convertible debentures prior to the date of this Draft Shelf Prospectus:

Particulars	Public Issue- 2019 Tranche 1	Public Issue- 2019 Tranche 2	Public Issue- 2019 Tranche 1
Date of Opening	March 6, 2019	April 8, 2019	December 16, 2019
Date of Closing	March 7, 2019	April 9, 2019	December 17, 2019
Total Issue Size	₹ 1,500 crore	₹ 1,000 crore	₹ 1,500 crore
Date of Allotment	March 13, 2019	April 15, 2019	December 23, 2019
Date of Refunds / Unblocking of funds	March 13, 2019	April 15, 2019	December 24, 2019
Date of Listing	March 14, 2019	April 18, 2019	December 26, 2019
Utilisation of Proceeds	The funds raised through the above issues have been utilized for our Company's financing activities, repayment of existing loans and for its business operations including capital expenditure and working capital requirements.	The funds raised through the above issues have been utilized as per the objects mentioned in the Tranche II Prospectus other than temporary deployment pending application of proceeds and in certain investment.	The funds raised through the above issues have been utilized for our Company's financing activities, repayment of existing loans and for its business operations including capital expenditure and working capital requirements.

Private Placements by our Company:

Other than as disclosed in '*Financial Indebtedness'* on page 203, our Company has not undertaken any private placements prior to the date of this Draft Shelf Prospectus.

Utilisation of issue proceeds of previous issues

The proceeds from the previous issuance of non-convertible debentures by the Company have been and/or are being utilized in accordance with the use of proceeds set out in the respective offer documents and/or information memorandums under which such non-convertible debentures were issued which include, *inter alia*, to augment long-term resources of the Company, for on-lending and for general corporate purposes in accordance with the object clause of the Memorandum of Association of the Company.

Public Issue, Private Placement of debentures and equity shares by our Subsidiaries in the last three years from

this Draft Shelf Prospectus

Our Subsidiaries have not undertaken any public issues and private placement of debentures and equity shares in the last three years from the date of this Draft Shelf Prospectus.

Public / Rights Issues and Private Placement of debentures and equity shares by our Group Companies in the last three years from this Draft Shelf Prospectus*:*

Our Group Companies have not undertaken any public issues/rights issues and private placement of debentures and equity shares in the last three years from the date of this Draft Shelf Prospectus:

Benefit/ interest accruing to Promoter/ Directors out of the Object of the Issue

Neither the Promoter nor the Directors of our Company are interested in the Objects of the Issue.

Details regarding the Company and other listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, which made any capital issue during the last three years

There are no public or rights or composite issue of capital by listed companies under the same management within the meaning of Section 370(1) (B) of the Companies Act, 1956 during the last three years.

Utilisation of proceeds of the Issue by our Group Companies

No proceeds of the Issue will be paid to our Group Companies.

Delay in listing

There has been no delay in the listing of any non-convertible securities issued by our Company.

Refusal of listing of any security of the issuer during last three years by any of the stock exchanges in India or abroad.

There has been no refusal of listing of any security of our Company during the last three years prior to the date of this Draft Shelf Prospectus by any Stock Exchange in India.

Debentures or bonds and redeemable preference shares and other instruments issued by our Company and outstanding

As on June 30, 2022, our Company has outstanding non-convertible debentures. For further details see chapter titled "*Financial Indebtedness*" on page 203.

Our Company has not undertaken any issue of preference shares as of June 30, 2022.

Further, save and except as mentioned in this Draft Shelf Prospectus, our Company has not issued any other outstanding debentures or bonds.

Dividend

Our Company has a policy on distribution of dividend, adopted on October 20, 2021 ("**the Policy**") which lays down the process for distribution/declaration of dividend by the Company in accordance with the provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), guidelines issued by Reserve Bank of India dated June 24, 2021 ("RBI guidelines") for declaration of dividends by Non- Banking Financial Companies ("NBFC's") and other applicable provisions, as may be prescribed by various regulators from time to time. The purpose of the Policy is to endeavor to strike a balance between the quantum of dividend distributed/declared and amount of profits retained in the business for various purposes.

Except as below, our Company has not declared dividends for the past three Financial Years.

(₹ in crore)

Particulars	For the Year Ended March 31,		
	2022	2021	2020
Equity Share Capital (₹ in crore)	2,684.17	2,684.17	2,684.17
Face Value Per Equity Share (₹)	10.00	10.00	10.00
Total Dividend on Equity Shares (₹ in crore)*	-	-	221.11
Dividend tax (gross) on Dividend (₹ in crore)	-	-	45.45

**Out of the total dividend ₹ 183.90 crore was declared by L&T Finance Limited @ ₹ 1.15 per equity and ₹ 37.21 crore was declared by L&T Housing Finance Limited @ ₹ 2.25 per equity*

Revaluation of assets

Our Company has not revalued its assets in the last three years.

Mechanism for redressal of investor grievances

Link Intime India Private Limited has been appointed as the Registrar to the Issue to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints.

The Registrar Agreement dated September 15, 2022 between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least eight years from the last date of dispatch of the Allotment Advice, demat credit and refund through unblocking to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue and Compliance Officer, giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on application and the bank branch or details of Member of Syndicate or Trading Member of the Stock Exchanges where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, series applied for, number of NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchanges, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchanges or through their Trading Members. The Intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

The contact details of Registrar to the Issue are as follows:

Link Intime India Private Limited
C-101, 1st Floor, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai 400 083
Tel.: +91 22 4918 6200
Email: lntfin.ncd2022@linkintime.co.in
Investor Grievance Email: lntfin.ncd2022@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
Compliance Officer: B. N. Ramakrishnan
SEBI Registration Number: INR000004058
CIN: U67190MH1999PTC118368

The Registrar shall endeavor to redress complaints of the investors within seven (3) days of receipt of the complaint and continue to do so during the period it is required to maintain records under the RTA Regulations and our Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. However, the Registrar shall ensure that the time taken to redress investor complaints does not exceed seven (7) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a quarterly basis to our

Company. Similar status reports should also be provided to our Company as and when required by our Company.

The details of the person appointed to act as Company Secretary and Compliance Officer for the purposes of the Issue are set out below:

Apurva Neeraj Rathod
Brindavan, CST Road,
Kalina, Santacruz (East),
Mumbai – 400 098
Tel +91 22 6212 5000
Fax: +91 22 6212 5553
Email: apurvar@ltfs.com

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit or unblocking etc.

Details of Auditors to the Issuer

Names of the Joint Statutory Auditors	Address	Auditor since
M S K A & Associates	602, Floor 6, Raheja Titanium Western Express Highway, Geetanjali Railway Colony, Ram Nagar, Goregaon I Mumbai 400063.	August 3, 2021
Kalyaniwalla & Mistry LLP	Esplanade House, 29, Hazarimal Somani Marg, Fort, Mumbai -400001	August 3, 2021

Change in auditors of our Company during the last three years

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of Resignation, if applicable
Deloitte Haskins & Sells LLP	Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road (West), Babasaheb Ambedkar Nagar, Lower Parel, Mumbai – 400013	June 15, 2016	August 03, 2021	NA
Kalyaniwalla & Mistry LLP	Esplanade House, 29, Hazarimal Somani Marg, Fort, Mumbai -400001	August 3,2021 (Appointment)	NA	NA
M S K A & Associates	602, Floor 6, Raheja Titanium Western Express Highway, Geetanjali Railway Colony, Ram Nagar, Goregaon I Mumbai 400063.	August 3,2021 (Appointment)	NA	NA

Details of overall lending by our Company

Lending Policy

For lending policy in relation to each of the products of our Company, please see "*Our Business*" at page 127.

A. Loans given by the Company

The Company has not provided any loans/advances to associates, entities/persons relating to Board, senior management or Promoters out of the proceeds of private placements or public issues of debentures.

B. Type of loans

Classification of loans/advances given

The detailed breakup of the types of loans given by the Company as on March 31, 2022 is as follows:

No.	Type of Loans	Amount (₹ in crore)	Percentage
1.	Secured	64,774.94	79.19%
2.	Unsecured	17023.84	20.81%
	Total loans and advances	**81,798.78**	**100.00%**

C. ***Denomination of loans outstanding by LTV as on March 31, 2022****

No.	LTV (at the time of origination)	Percentage of Loans and Advances
		Retail
1.	Upto 40%	6.29%
2.	40-50%	4.67%
3.	50 – 60%	8.19%
4.	60 – 70%	17.51%
5.	70 – 80%	45.14%
6.	80 – 90%	15.25%
7.	Above 90%	2.94%
	Total	**100.00%**

**LTV at the time of origination LTV is provided only for retail product. Housing, Loan Against Property, Two wheeler and farm equipment.*

D. ***Sectoral Exposure as on March 31, 2022***

Sr. No	Segment wise break up of Loans and Advances	Percentage of Loans and Advances
1.	**Retail**	
A	Mortgages (home loans and loans against property)	13.09%
B	Gold loans	0.00%
C	Vehicle Finance	22.96%
D	MFI	0.00%
E	MSME	0.00%
F	Capital market funding (loans against shares, margin funding)	0.00%
G	Others	19.12%
2.	**Wholesale**	
A	Infrastructure	30.36%
B	Real estate (including builder loans)	13.36%
C	Promoter funding	0.00%
D	Any other sector (as applicable)	0.00%
E	Others	1.10%
	Total	**100%**

E. ***Denomination of the loans outstanding by ticket size as on March 31, 2022****

No.	Ticket size**	Percentage of Loans and Advances	
		Retail	**Wholesale**
1.	Upto 2 Lakhs	49.60%	0.00%
2.	2 Lakhs to 5 Lakhs	14.22%	0.00%
3.	5 Lakhs to 10 Lakhs	11.83%	0.00%
4.	10 Lakhs to 25 Lakhs	3.92%	0.00%
5.	25 Lakhs to 50 Lakhs	6.73%	0.00%
6.	50 Lakhs to 1 crore	7.02%	0.01%
7.	1 crore to 5 crore	6.02%	0.46%
8.	5 crore to 25 crore	0.65%	2.84%
9.	25 crore to 100 crore	0.00%	19.89%
10.	Above 100 crore	0.00%	76.80%
	Total	**100.00%**	**100.00%**

** Ticket size at the time of origination*

***The details provided are as per borrower and not as per loan account.*

F. *Geographical classification of the borrowers as on March 31, 2022*

Top 5 state wise borrowers

No.	Top 5 states	Percentage of Loans and Advances
Retail		
1.	Maharashtra	16.04%
2.	Karnataka	13.71%
3.	Bihar	12.51%
4.	Tamil Nadu	10.69%
5.	West Bengal	7.18%
	Total	**60.13%**
Wholesale		
1.	Maharashtra	68.93%
2.	Delhi	14.14%
3.	Telangana	12.99%
4.	Tamil Nadu	3.93%
	Total	**100.00%**

G. *Details of loans overdue and classified as non-performing in accordance with the RBI's guidelines as on March 31, 2022*

Movement of NPAs

(₹ in crore)

Movement of gross NPA#	Amount
Opening gross NPA	5,365.65
- Additions during the year	4,121.13
- Reductions during the year	5,944.19
Closing balance of gross NPA	3,542.59
Movement of net NPA*	
Opening net NPA	1,545.05
- Additions during the year	1,809.75
- Reductions during the year	1,677.08
Closing balance of net NPA	1,677.72
Movement of provisions for NPA	
Opening balance	3,820.60
- Provisions made during the year	2,311.38
- Write-off / write-back of excess provisions	4,267.11
Closing balance	1,864.87

#Company to indicate NPA recognition policy (Day's Past Due)

H. *Segment-wise proportion of gross stage 3 as on March 31, 2022*

Sr. No	Segment-wise gross NPA	Proportion of segment wise gross stage 3 assets As of March 31, 2022
A	Housing Finance	51.67%
B	Rural Finance	40.00%
C	Infrastructure finance	8.12%
D	Defocused	0.21%
Total		**100%**

I. *Residual Maturity Profile of Assets and Liabilities as on March 31, 2022*

(₹ in crore)

March 31, 2022												Total

	1-7 Days	8-14 Days	15 days to 30/31 days (One month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	
Deposits											
Advances (gross)	1,275.47	508.45	514.76	2,237.36	3,190.66	7,011.02	17,568.87	21,586.94	10,544.37	17,114.75	**81,552.64**
Investments (net)	-	665.94	1,296.87	-	-	-	906.09	-	-	6,408.64	**9,277.54**
Borrowings*	544.99	1,447.07	459.00	1,907.19	2,395.93	6,210.39	14,250.74	38,836.15	6,108.42	4,784.43	**76,944.31**
Foreign Currency assets											
Foreign Currency liabilities*					1,037.70	686.33	425.76	864.55			**3,014.34**

**Total borrowings*
***includes foreign currency denominated external commercial borrowing*

J. *(a) Details of top 20 borrowers with respect to concentration of advances as on March 31, 2022*

Particulars	Amount
Total advances to twenty largest borrowers* *(₹ in crore)*	17,583.66
Percentage of Advances to twenty largest borrowers to Total Advances to the Company (in %)	21.50%

***** *Includes loans and advances, interest accrued thereon*

(b) Details of top 20 borrowers with respect to concentration of exposure as on March 31, 2022

Particulars	Amount
Total exposure to twenty largest borrowers* *(₹ in crore)*	20,740.26
Percentage of exposure to twenty largest borrowers to Total exposure to the Company (in %)	23.32%

***** *Includes loans and advances, interest accrued thereon*

K. *Classification of loans/advances given to associates, entities/ person relating to board, senior management, promoters, others, etc.; as on March 31, 2022:*

	Name of Borrower	Amount of loans to such borrower (₹ in crore) (A)	Percentage of A (A/ exposure)	Percentage of A (A/Loan Book)
1.	NIL	NIL	NIL	NIL

Details of any other contingent liabilities of the Issuer based on the last audited financial statements including amount and nature of liability

S. No.	Particulars	Amount as on March 31, 2022
1	Contingent Liability a) Claim Against the company not acknowledged as debts Income Tax matters in Dispute Sales Tax/Service Tax/ VAT matters in Dispute Legal Matter in Dispute	 8.66 525.03 1.46
2	Bank Guarantees	125.29
3	Other money for which the Company is contingently liable Liability towards Letter of Credit (net of margin money)	403.88

In addition, the Company is involved in other legal proceedings and claims, which have arisen in the ordinary course of business. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and result of operations.

Promoter Shareholding

Please see "*Capital Structure*" on page 63 for details with respect to Promoter shareholding in our Company as on the date of this Draft Shelf Prospectus.

ALM Statement

March 31, 2022	1-7 Days	8-14 Days	15 days to 30/31 days (One month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits											
Advances (gross)	1,275.47	508.45	514.76	2,237.36	3,190.66	7,011.02	17,568.87	21,586.94	10,544.37	17,114.75	**81,552.64**
Investments (net)	-	665.94	1,296.87	-	-	-	906.09	-	-	6,408.64	**9,277.54**
Borrowings*	544.99	1,447.07	459.00	1,907.19	2,395.93	6,210.39	14,250.74	38,836.15	6,108.42	4,784.43	**76,944.31**
Foreign Currency assets											
Foreign Currency liabilities*					1,037.70	686.33	425.76	864.55			**3,014.34**

Pre-Issue Advertisement

Our Company will issue a statutory advertisement in compliance with Regulation 30(1) of the SEBI NCS Regulations on or before the Issue Opening Date of this Issue. The Advertisement will contain the information as prescribed under the SEBI NCS Regulations and Section 30 of the Companies Act. Material updates, if any, between the date of filing of this Draft Shelf Prospectus and/ or the Shelf Prospectus and relevant Tranche Prospectus with the ROC and the date of the release of the statutory advertisement will be included in the statutory advertisement.

Auditors' Remarks or Emphasis of Matter by Auditors

Other than as disclosed in the chapters titled "*Risk Factors*" and "*Outstanding Litigations*", on page 18 and page 397, there are no reservations or qualifications or adverse remarks or emphasis of matter from the Joint Statutory Auditor and previous auditors in the financial statements of our Company in the last three Fiscals and the three months ended June 30, 2022 limited review report relating to the Unaudited Financial Results for the quarter ended June 30, 2022 immediately preceding this Draft Shelf Prospectus.

Trading

The non-convertible debentures of our Company are currently listed on NSE and BSE.

Caution

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

(a) *makes or abets making of an application in a fictitious name to a company for acquiring or subscribing for, its securities; or*

(b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

(c) *otherwise induces directly or indirectly a company to allot, or register any transfer of securities to him, or any other person in a fictitious name shall be liable for action under section 447."*

Disclaimer in respect of Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

SECTION VII – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The following are the key terms of the NCDs. This section should be read in conjunction with, and is qualified in its entirety by more detailed information in "*Terms of the Issue*" beginning on page 452.

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the Listing Agreement, SEBI Listing Regulations, and the Companies Act, 2013, the RBI Act, the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, RBI, the Government of India, and other statutory/regulatory authorities relating to the offer, issue and listing of NCDs and any other documents that may be executed in connection with the NCDs.

The key common terms and conditions of the NCDs / term sheet are as follows:

Issuer	L&T Finance Limited
Type of instrument	Secured, Redeemable, Non-Convertible Debentures
Nature of the Instrument	Secured, Redeemable, Non-Convertible Debentures
Mode of the Issue	Public Issue
Mode of Allotment	In dematerialised form
Mode of Trading	NCDs will be traded in dematerialised form
Lead Manager	A. K. Capital, JM Financial, Trust Investment
Debenture Trustee	Catalyst Trusteeship Limited
Depositories	NSDL and CDSL
Registrar to the Issue	Link Intime India Private Limited
Issue	Public issue of Secured, Redeemable, Non-Convertible Debentures of our Company of Face Value of ₹1,000 each for an amount aggregating up to ₹5,000 crore ("**Shelf Limit**") ("**Issue**"), on the terms and in the manner set forth herein.
Minimum Subscription	As specified in the relevant Tranche Prospectus
Seniority	Senior
Issue Size	As specified in the relevant Tranche Prospectus
Base Issue Size	As specified in the relevant Tranche Prospectus
Option to Retain Oversubscription / Green shoe option (Amount)	As specified in the relevant Tranche Prospectus
Eligible Investors	Please see "*Issue Procedure –Who can apply?"* on page 470.
Objects of the Issue / Purpose for which there is requirement of funds	Please see "*Object of the Issue*" on page 72
Details of Utilization of the Proceeds	Please see "*Objects of the Issue*" on page 72.
Coupon rate	As specified in the relevant Tranche Prospectus for each Tranche Issue
Coupon Payment Date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Coupon Type	As specified in the relevant Tranche Prospectus for each Tranche Issue
Coupon reset process	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest Rate on each category of investor	As specified in the relevant Tranche Prospectus for each Tranche Issue
Step up/ Step Down Coupon rates	As specified in the relevant Tranche Prospectus for each Tranche Issue
Coupon payment frequency	As specified in the relevant Tranche Prospectus for each Tranche Issue
Day count basis	Actual / Actual
Interest on application money	NA
Default Coupon rate	Our Company shall pay interest, over and above the agreed coupon rate, in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements,

	at such rates as stipulated/ prescribed under applicable laws. Our Company shall pay at least two percent per annum to the debenture holder, over and above the agreed coupon rate, till the execution of the trust deed if our Company fails to execute the trust deed within such period as prescribed under applicable law.
Tenor	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Premium/ Discount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Face Value	₹ 1,000 per NCD
Issue Price	₹ 1,000 per NCD
Discount at which security is issued and the effective yield as a result of such discount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Transaction Documents	Transaction Documents shall mean this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus for each Tranche Issue, Abridged Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed, the Deed of Hypothecation and other documents, if applicable, the letters issued by the Rating Agency, the Debenture Trustee and/or the Registrar; and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of the Issue including but not limited to the Issue Agreement, the Debenture Trustee Agreement, the Tripartite Agreements, the Public Issue Account and Sponsor Bank Agreement, the Registrar Agreement and the Consortium Agreement, and any other document that may be designated as a Transaction Document by the Debenture Trustee. For further details see, "*Material Contracts and Document for Inspection*" on page 525.
Put option date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Put option price	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call option date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call option price	As specified in the relevant Tranche Prospectus for each Tranche Issue
Put notification time	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call notification time	As specified in the relevant Tranche Prospectus for each Tranche Issue
Minimum Application size and in multiples of NCD thereafter	₹ 10,000 (10 NCD) and in multiple of ₹ 1,000 (1 NCD) thereafter.
Market Lot / Trading Lot	One NCD
Pay-in date	Application Date. The entire Application Amount is payable on Application.
Credit Ratings / Rating of the instrument	[ICRA] AAA (stable) for an amount of ₹ 5,000 crore by ICRA Limited *vide* their rating letter dated September 9, 2022, CRISIL AAA/stable (pronounced as CRISIL triple A rating with Stable outlook) for an amount of ₹ 5,000 crore by CRISIL *vide* their rating letter dated September 13, 2022 and IND AAA/stable for an amount of ₹ 5,000 crore by India Ratings & Research *vide* their rating letter dated September 12, 2022
Stock Exchange/s proposed for listing of the NCDs	National Stock Exchange of India Limited and BSE Limited
Listing and timeline for listing	The NCDs are proposed to be listed on NSE and BSE. The NCDs shall be listed within six Working Days from the date of Issue Closure for each Relevant Tranche Issue. NSE has been appointed as the Designated Stock Exchange. For more information see "*Other Regulatory and Statutory Disclosures*" on page 426
Modes of payment	Please see *"Issue Structure – Terms of Payment"* on page 446.
Issue opening date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Issue closing date**	As specified in the relevant Tranche Prospectus for each Tranche Issue
Date of earliest closing of the issue, if any	As specified in the relevant Tranche Prospectus for each Tranche Issue
Record date	The Record Date for payment of Interest in connection with the NCDs or repayment of Principal in connection therewith shall be 15 (fifteen) trading days prior to the

	relevant interest payment date, relevant Redemption Date for NCDs issued under this Draft Shelf Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the record date and the date of redemption. In event the Record Date falls on day when the stock exchanges are having a trading or holiday, the immediately succeeding trading day or a date notified by the Company to the stock exchange shall be considered as Record Date.
Settlement mode of instrument	As specified in the relevant Tranche Prospectus for each Tranche Issue
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	As specified in the relevant Tranche Prospectus for each Tranche Issue and the Debenture Trust Deed.
Issue Schedule	As specified in the relevant Tranche Prospectus for each Tranche Issue
Description regarding security (where applicable) including type of security (movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed this Draft Shelf Prospectus	The principal amount of the NCDs to be issued in terms of this Draft Shelf Prospectus together with all interest due and payable on the NCDs thereof, shall be secured by an exclusive charge by way of hypothecation, created in favour of the Debenture Trustee, on specific present and/or future receivables and/or identified fixed deposits and/or investment in units of mutual funds (subject to receipt of approval from tax authority) as may be decided mutually by our Company and the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover to the extent of 100% of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date. In case the approval from tax authority is not received until the date of execution of charge documents, the principal amount of the NCDs to be issued in terms of this Draft Shelf Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by an exclusive charge by way of hypothecation, created in favour of the Debenture Trustee, on specific present and/or future receivables such that a security cover to the extent of 100% of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date. Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in the relevant Tranche Prospectus, till the execution of the Debenture Trust Deed. The security shall be created prior to making the listing application for the NCDs with the Stock Exchange(s). For further details on date of creation of security/likely date of creation of security minimum security cover etc., please see "*Terms of the Issue – Security*" on page 425.
Security Cover	Our Company shall maintain a minimum 100% security cover on the outstanding balance of the NCDs plus accrued interest thereon
Condition precedent to the Issue	Other than the conditions set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations, there are no conditions precedents to the Issue.
Condition subsequent to the Issue	Other than the conditions set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations, there are no conditions subsequent to the Issue.
Events of default (including manner of voting/conditions of joining Inter Creditor Agreement)	Please refer to the section titled "*Terms of the Issue – Events of Default*" on page 453.
Creation of recovery expense fund	Our Company has created a recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and informed the Debenture Trustee regarding the

	creation of such fund. The Recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in the relevant Tranche Prospectus for each Tranche Issue and the Debenture Trust Deed and, except where the Debenture Trustee certifies that such default is in its opinion incapable of remedy within the cure period, as set out in the Debenture Trust Deed (in which case no notice shall be required), it shall constitute an event of default. The Debenture Trustee may, at any time, waive, on such terms and conditions as to it shall seem expedient, any breach by the Company of any of the covenants and provisions in these presents contained without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof. Please see "*Terms of the Issue - Events of default*" on page 453.
Deemed date of Allotment	The date on which the Board of Directors/or the Committee of Directors approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Committee of Directors thereof and notified to the Designated Stock Exchanges. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Roles and responsibilities of the Debenture Trustee	As per SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, Companies Act, the Listing Agreement, and the Debenture Trust Deed, each as amended from time to time. Please see section titled "*Terms of the Issue-Trustees for the NCD Holders*" on page 453.
Risk factors pertaining to the Issue	Please see section titled "*Risk Factors*" on page 18.
Provisions related to Cross Default Clause	As per the Debenture Trust Deed to be executed in accordance with applicable law.
Governing law and Jurisdiction	The governing law and jurisdiction for the purpose of the Issue shall be Indian law, and the competent courts of jurisdiction in Mumbai, India, respectively.
Working day convention / Day count convention / Effect of holidays on payment	Working Day means all days on which commercial banks in Mumbai and Kolkata are open for business. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day (the "Effective Date"), however the dates of the future interest payments would continue to be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.
Covenants	As specified in the relevant Tranche Prospectus for each Tranche Issue

Notes:
**In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this public issue of the NCDs in dematerialised form. Trading in NCDs shall be compulsorily in dematerialized form.*

*** The subscription list shall remain open at the commencement of banking hours and close at the close of banking hours for the period as indicated, with an option for early closure or extension by such period, as may be decided by the Board of Directors of our Company or the Committee of Directors. In the event of such early closure of or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in an English national daily newspaper and a regional daily with wide circulation where the registered office of the Company is located on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by NSE and BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only from 10:00 a.m. till 3.00 p.m. (Indian Standard Time) and uploaded until*

5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE. For further details please see "General Information" on page 51.

**For the list of documents executed/ to be executed, please see "Material Contracts and Documents for Inspection" on page 518.*

While the NCDs are secured to the tune of 100% of the principal and interest thereon in favour of Debenture Trustee, it is it the duty of the Debenture Trustee to monitor the security cover is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

Specific terms for NCDs

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Terms of payment

The entire face value per NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms specified in "*Terms of the Issue – Manner of Payment of Interest/ Refund/ Redemption*" on page 462.

Participation by any of the above-mentioned Investor classes in the Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/or regulatory provisions.

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the "Securities Act") or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Draft Shelf Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form.

This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Day Count Convention

Interest shall be computed on an actual/actual basis i.e., on the principal outstanding on the NCDs as per the SEBI Operational Circular.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory Permissions / consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

For further details, see the section titled "*Issue Procedure*" on page 469.

TERMS OF THE ISSUE

Authority for the Issue

At the meeting of the Board of Directors of our Company held on March 28, 2022, the Board of Directors approved the issuance of NCDs in one or more tranches for an amount not exceeding in aggregate ₹ 25,000 crore. Further, the present borrowing is within the borrowing limits of ₹ 1,25,000 crore under Section 180(1)(c) of the Companies Act, 2013 duly approved by the members of our Company vide their resolution passed at the Annual General Meeting held on April 12, 2021.

The NCDs pursuant to this Issue will be issued on terms and conditions as set out in the relevant Tranche Prospectus for each Tranche Issue.

Principal Terms & Conditions of the Issue

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, the relevant provisions of the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, the Abridged Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI/the Government of India/BSE/NSE, RBI, and/or other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of NCDs

The NCDs would constitute secured and senior obligations of ours and shall rank *pari-passu* inter se and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, thereof shall be secured by an exclusive charge by way of hypothecation, created in favour of the Debenture Trustee, on specific present and/or future receivables and/or identified fixed deposits and/or investment in units of mutual funds (subject to receipt of approval from tax authority) as may be decided mutually by our Company and the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover to the extent of 100% of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date. In case the approval from tax authority is not received until the date of execution of charge documents, the principal amount of the NCDs to be issued in terms of this Draft Shelf Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by an exclusive charge by way of hypothecation, created in favour of the Debenture Trustee, on specific present and/or future receivables such that a security cover to the extent of 100% of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date.

Security

The principal amount of the NCDs to be issued in terms of this Draft Shelf Prospectus together with all interest due and payable on the NCDs thereof, shall be secured by an exclusive charge by way of hypothecation, created in favour of the Debenture Trustee, on specific present and/or future receivables and/or identified fixed deposits and/or investment in units of mutual funds (subject to receipt of approval from tax authority) as may be decided mutually by our Company and the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover to the extent of 100% of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date.

In case the approval from tax authority is not received until the date of execution of charge documents, the principal amount of the NCDs to be issued in terms of this Draft Shelf Prospectus together with all interest due and payable on the NCDs, thereof shall be secured by an exclusive charge by way of hypothecation, created in favour of the Debenture Trustee, on specific present and/or future receivables such that a security cover to the extent of 100% of the outstanding principal amounts of the NCDs and all interest due and payable thereon is maintained at all times until the Maturity Date.

Our Company intends to enter into an indenture/deed with the Debenture Trustee, (**"Debenture Trust Deed"**) terms of which will govern the powers, authorities and obligations of the Debenture Trustee. Our Company proposes to complete the execution and registration of the Debenture Trust Deed within the stipulated timeframe and shall utilize the funds only after the stipulated security has been created. Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on NCDs on the rate specified in the relevant Tranche Prospectus for each Tranche Issue and in the Debenture Trust Deed. The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or a higher value.

Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in the relevant Tranche Prospectus for each Tranche Issue, till the execution of the Debenture Trust Deed.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Rule 16 of the SEBI NCS Regulations, a listed company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Shelf Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. Our Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Face Value

The face value of each NCD shall be ₹1,000.

Trustees for the NCD Holders

Our Company has appointed Catalyst Trusteeship Services Limited to act as the Debenture Trustee for the NCD Holders in terms of Regulation 8 of the SEBI NCS Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder. Our Company and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, (subject to being indemnified and/or secured by the NCD Holders to its satisfaction), give notice to our Company specifying that the NCDs and/or any particular series of NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice *inter alia* if any of the events listed below occurs. The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed.

Indicative list of Events of Default:

i. default in redemption of the debentures together with redemption premium, if any, interest accrued thereon as and when the same shall have become due and payable or payment of any other amounts in terms of the Debenture Trust Deed;
ii. default is committed in payment of the principal amount of the NCDs on the due date(s);
iii. default is committed in payment of any interest on the NCDs on the due date(s);
iv. Default is committed in the performance of any other covenants, conditions or agreements on the part of the Company under the Debenture Trust Deed or the other Transaction Documents or deeds entered into between the Company and the Debenture Holder(s)/ Beneficial Owner(s)/ Debenture Trustee and such default shall have continued for a period of thirty (30) days after notice in writing thereof been given to the Company by the Debenture Holder(s)/ Beneficial Owner(s)/ Debenture Trustee for remedying such default;
v. Default is committed if any information given to the Company in the Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, the Transaction Documents and/or other information furnished and/or the representations and warranties given/deemed to have been given by the Company to the Debenture Holder(s)/ Beneficial Owner(s) for financial assistance by way of subscription to the Debenture is or proves to be misleading or incorrect in any material respect or is found to be incorrect;
vi. Default is committed if the Company is unable to or admits in writing its inability to pay its debts as they mature or proceedings for taking it into liquidation have been admitted by any competent court;
vii. The Company has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law or suffered any action to be taken for its reorganisation, liquidation or dissolution;
viii. Default is committed if any extraordinary circumstances have occurred which makes it impossible for the Company to fulfil its obligations under the Debenture Trust Deed and/or the Debentures; If the Company is unable to pay its debts
ix. The Company ceases to carry on its business or gives notice of its intention to do so;
x. If it is certified by an accountant or a firm of accountants appointed by the Debenture Trustee that the liabilities of the Company exceed its assets;
xi. Default is committed if any of the necessary clearances required or desirable in relation to the Company or the Debentures in accordance with any of the Transaction Documents is not received or is revoked or terminated, withdrawn, suspended, modified or withheld or shall cease to be in full force and effect which shall, in the reasonable opinion of Debenture Holder(s)/ Beneficial Owner(s), have material adverse effect on the Company or the Debentures;
xii. Default is committed if the company enters into any arrangement or composition with its creditors or commits any acts of insolvency or winding up of the Company;
xiii. If the Company files a petition for reorganisation, arrangement, adjustment, winding up or composition of debts of the Company or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding (other than a proceeding commenced voluntarily by the Company is not stayed, quashed or dismissed);
xiv. If the Company is adjudged insolvent or takes advantage of any law for the relief of insolvent debtors;
xv. If it becomes unlawful for the company to perform any of its obligations under any transaction document;
xvi. Default is committed if the occurrence of any event or condition which in the Debenture Trustee/ Beneficial Owner(s) reasonable opinion can constitute a material adverse effect;
xvii. Any security created at any time, any circumstance or event occurs which is prejudicial to or impairs or imperils or jeopardize or endangers any hypothecated properties or any part thereof or any event occurs which causes the Debenture Deed or any related agreement to become ineffective;
xviii. Any security created at any time, without prior written consent of the Debenture Trustee or unless otherwise provided for in the Debenture Trust Deed, the Company, attempts or purports to create any charge, mortgage, pledge, hypothecation, lien or other encumbrance over any of the hypothecated properties; and
xix. Any other event described as an Event of Default in this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus and the Transaction Documents.

Any event of default shall be called by the Debenture Trustee, upon request in writing of or by way of resolution passed by holders of 75% (seventy five percent) of the outstanding nominal value of all NCDs at any point of time, as set out in the Debenture Trust Deed.

In accordance with the circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI on

"Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities", post the occurrence of a "default", the consent of the NCD Holders for entering into an inter-creditor agreement (the "**ICA**")/enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

Regulation 51 read with the Explanation to Clause A (11) in Part B of Schedule III of the SEBI Listing Regulations, defines 'default' as non-payment of interest or principal amount in full on the pre-agreed date which shall be recognized at the first instance of delay in the servicing of any interest or principal on debt.

It is hereby confirmed, in case of an occurrence of a "default", the Debenture Trustee shall abide and comply with the procedures mentioned in the abovementioned circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI.

NCD Holder not a Shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent of the right to receive the annual reports of our Company and such other rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the SEBI Listing Regulations.

Rights of NCD Holders

Some of the significant rights available to the NCD Holders are as follows:

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the holders thereof any rights or privileges available to our Company's members/shareholders including, without limitation, the right to attend and/or vote at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members/shareholders of our Company, the said resolution will first be placed before the concerned registered NCD Holders for their consideration.

2. In terms of Section 136 (1) of the Companies Act, 2013, holders of NCDs shall be entitled to a copy of the balance sheet and copy of trust deed at the Registered Office of our Company during business hours.

3. Subject to the above and the applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.

4. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered NCD Holder or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned NCD Holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.

5. The NCDs are subject to the provisions of the SEBI NCS Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus for each Tranche Issue, the Application Forms, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the NCDs.

6. For the NCDs issued in dematerialized form, the Depositories shall also maintain the upto date record of holders of the NCDs in dematerialized Form. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of NCDs maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD Holders for this purpose. The same shall be maintained at the registered office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD holders.

7. Subject to compliance with RBI requirements, the NCDs can be rolled over only with the consent of the holders of at least 75% of the outstanding amount of the NCDs after providing 15 days prior notice for such roll over and in accordance with the SEBI NCS Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the NCD holders are merely indicative. The final rights of the NCD holders will be as per the terms of this Draft Shelf Prospectus and the Debenture Trust Deed.

Nomination facility to NCD Holder

In accordance with Section 72 of the Companies Act, 2013 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, the sole NCD holder, or first NCD holder, along with other joint NCD Holders' (being individual(s)), may nominate, in the **Form No. SH.13,** any one person with whom, in the event of the death of Applicant the NCDs were Allotted, if any, will vest. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in **Form No.SH.13** any person as nominee. A nominee entitled to the NCDs by reason of the death of the original holder(s), will, in accordance with Rule 19 and Section 56 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the NCDs. Where the nominee is a minor, the NCD holder(s) may make a nomination to appoint, in **Form No. SH.14**, any person to become entitled to NCDs in the event of the holder's death during minority. A nomination will stand rescinded on a sale/transfer/alienation of NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the Registrar to the Issue.

NCD Holder(s) are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCD(s) to the nominee in the event of demise of the NCD Holder(s). The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with Section 72 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014), any person who becomes a nominee by virtue of the Rule 19, will on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of NCDs; or
- to make such transfer of the NCDs, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the NCDs, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all interests or other monies payable in respect of the NCDs, until the requirements of the notice have been complied with.

A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the NCD Holder who has made the nomination, by giving a notice of such cancellation or variation in the prescribed manner as per applicable laws. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received.

Since the allotment of NCDs will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, Maharashtra.

Application in the Issue

Applicants shall apply in the Issue in dematerialised form only, through a valid Application Form filled in by the Applicant along with attachment, as applicable. Further, Applications in the Issue shall be made through the ASBA facility only (including Applications made by UPI Investors under the UPI Mechanism).

In terms of Regulation 7 of the SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

Form of Allotment and Denomination of NCDs

As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchanges shall be in dematerialized form only in multiples of 1 (one) NCD ("**Market Lot**"). Allotment in the Issue to all Allottees, will be in electronic form i.e. in dematerialised form and in multiples of one NCD.

For details of allotment refer to chapter titled "*Issue Procedure*" beginning on page *469*.

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depositories and the relevant DPs of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar.

The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Please see "*Terms of the Issue – Interest/Coupon on NCDs*" on page 459 for the implications on the interest applicable to NCDs held by Individual Investors on the Record Date and NCDs held by Non-Individual Investors on the Record Date.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 ("**SEBI LODR IV Amendment**"), NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to the Issue shall be compulsorily in dematerialized form only.

Title

In case of:

- NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depositories; and

- the NCDs held in physical form pursuant to rematerialization, the person for the time being appearing in the register of NCD Holders shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person, as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the consolidated NCD certificates issued in respect of the NCDs and no person will be liable for so treating the NCD holder.

No transfer of title of an NCD will be valid unless and until entered on the register of NCD holders or the register of beneficial owners maintained by the Depositories prior to the Record Date. In the absence of transfer being registered, interest and/or maturity amount, as the case may be, will be paid to the person, whose name appears first in the register of the NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the relevant provisions of the Companies Act, 2013, shall apply, mutatis mutandis (to the extent applicable) to the NCD(s) as well.

Procedure for rematerialisation of NCDs

NCD Holders who wish to hold the NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of the NCDs who propose to rematerialize their NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such NCDs and their Permanent Account Number to our Company and the Depository Participant. No proposal for rematerialisation of NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 ("**SEBI LODR IV Amendment**"), NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to the Issue shall be compulsorily in dematerialized form only.

Register of NCD Holders

No transfer of title of a NCD will be valid unless and until entered on the Register of NCD Holders (for re materialized NCDs) or the register and index of NCD Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Redemption Amount, as the case may be, will be paid to the person, whose name appears first in the Register of NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar.The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the Companies Act shall apply, mutatis mutandis (to the extent applicable) to the NCDs as well.

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to the Issue. NCDs held in physical form, pursuant to any re-materialisation, as above, cannot be transferred except by way of transmission or transposition. However, any trading of the NCDs issued pursuant to the Issue shall be compulsorily in dematerialized form only.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures. In the event of demise of the sole or first holder of the Debentures, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of our Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation. In case of death of NCD Holders who are holding NCDs in dematerialised form, third person is not required to approach our Company to register his name as successor of the deceased NCD Holder. The successor of the deceased NCD Holder shall approach the respective Depository Participant for this purpose and submit necessary documents as required by the Depository Participant.

Where a non-resident Indian becomes entitled to the NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.
2. Proof that the non-resident Indian is an Indian national or is of Indian origin.
3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles of Association.

Period of subscription

ISSUE PROGRAMME	
ISSUE OPENS ON	As specified in respective Tranche Prospectus
ISSUE CLOSES ON	As specified in respective Tranche Prospectus
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Board of Directors/or the Committee of Directors approves the Allotment of the NCDs for the Issue or such date as may be determined by the Board of Directors/ or the Committee of Directors thereof and notified to the Designated Stock Exchanges. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.

** The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date (subject to a maximum period of 30 days from the date of the relevant Tranche Prospectus) as may be decided by the Board of Directors and Committee of Directors of our Company, subject to relevant approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in an english national daily newspaper and a regional daily with wide circulation where the registered office of the Company is located (in all the newspapers in which pre-issue advertisement for opening of this Issue has been given on or before such earlier or initial date of Issue closure) on or before such earlier or initial date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges.*

*Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (Indian Standard Time) ("**Bidding Period**") or such extended time as may be permitted by the Stock Exchange, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday) (a) by the Designated Intermediaries at the Bidding Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange. It is clarified that the Applications not uploaded on the Stock Exchange Platforms would be rejected. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 PM on one Working Day after the Issue Closing Date*

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Neither our Company, nor the Lead Managers, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

Interest/Premium and Payment of Interest/ Premium

Interest/ Coupon on NCDs

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Basis of payment of Interest

The Tenor, Coupon Rate / Yield and Redemption Amount applicable for each Series of NCDs shall be determined at the time of Allotment of NCDs pursuant to the relevant Tranche Prospectus. NCDs once allotted under any particular Series of NCDs shall continue to bear the applicable Tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment irrespective of the category of NCD Holder on any Record Date, and such tenor, coupon/ yield and redemption amount as at the time of original allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Investors. In such cases, interest, on the interest payment date, would be directly credited to the account of those Investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to help NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. Please see "*Manner of Payment of Interest / Refund/Redemption*" at page 462.

Amount of interest payable shall be rounded off to the nearest Rupee. In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838.

Taxation

Any tax exemption certificate/document must be lodged at the office of the Registrar at least 7 (seven) days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

As per clause (ix) of Section 193 of the I.T. Act, no tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed NCDs held in the dematerialized form.

However in case of NCDs held in physical form, as per the current provisions of the IT Act, tax will not be deducted at source from interest payable on such NCDs held by the investor, if such interest does not exceed ₹ 5,000 in any Fiscal. If interest exceeds the prescribed limit of ₹ 5,000 on account of interest on the NCDs, then the tax will be deducted at applicable rate. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13. The aforesaid documents, as may be applicable, should be submitted at the office of the Registrar to the Issue quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, at least seven days prior to the Record Date to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The investors need to submit Form 15H/ 15G/certificate in original with the Assessing Officer for each Fiscal during the currency of the NCD to ensure non-deduction or lower deduction of tax at source from interest on the NCD.

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by our Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day, in accordance with the Working Day Convention. Payment of interest would be subject to the deduction as prescribed in the I.T. Act or any statutory modification or re-enactment thereof for the time being in force, as applicable.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date as stated in the section titled "Issue Procedure" on page 469, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this Draft Shelf Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Mode of payment of Interest to NCD Holders

Payment of interest will be made (i) in case of NCDs in dematerialised form, the persons who, for the time being appear in the register of beneficial owners of the NCDs as per the Depositories, as on the Record Date and (ii) in case of NCDs in physical form on account of re-materialization, to the persons whose names appear in the register of debenture holders maintained by us (or to first holder in case of joint-holders) as on the Record Date.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the NCD Holders. In such cases, interest, on the interest payment date, would be directly credited to the account of those investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. For further details, see the " *Terms of the Issue - Manner of Payment of Interest / Refund / Redemption*" beginning on page 462.

Day Count Convention

Interest shall be computed on an actual/actual basis on the principal outstanding on the NCDs as per the SEBI Operational Circular.

Effect of holidays on payments

If the Interest Payment Date falls on a day other than a Working Day (Sundays or holidays of commercial banks in Mumbai), the interest payment as due and payable on such day shall be made by our Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact as per the originally stipulated schedule and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force, as applicable.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by our Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Illustration for guidance in respect of the day count convention and effect of holidays on payments:

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Operational Circular will be disclosed in the relevant Tranche Prospectus.

Maturity and Redemption

As specified in the relevant Tranche Prospectus.

Put / Call Option

As specified in the relevant Tranche Prospectus.

Deemed Date of Allotment

The date on which our Board of Directors or the committee thereof approves the Allotment of the NCDs for the Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified in the relevant Tranche Prospectus) shall be available to the Debenture holders from the deemed date of allotment.

Application in the Issue

NCDs being issued through this Draft Shelf Prospectus can be applied for, through a valid Application Form filled in by the applicant along with attachments, as applicable. Further, Applications in this Issue shall be made through the ASBA facility only.

In terms of Regulation 7 of SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in the terms of Section 8(1) of the Depositories Act, our Company at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, trading of the NCDs shall be compulsorily in dematerialised form only.

Application Size

Each Application should be for a minimum of 10 NCDs across all series collectively and multiples of one NCD thereof (for all series of NCDs taken individually or collectively). The minimum application size for each application for NCDs would be ₹10,000 across all series collectively and in multiples of ₹1,000 thereafter. Applicants can apply for any or all types of NCDs offered hereunder (any/all series) provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price of ₹ 1,000 per NCD is payable on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on application in accordance with the terms of this Draft Shelf Prospectus(es).

Record Date

The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 trading days prior to the date of payment of interest, and/or the date of redemption under the relevant Tranche Prospectus. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date.

Manner of Payment of Interest / Refund / Redemption*

The manner of payment of interest / refund / redemption in connection with the NCDs is set out below:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants are advised to keep their bank account details as appearing on the records of the depository participant updated at all points of time. Please note that failure to do so could result in delays in credit of Interest/ Redemption Amounts at the Applicant's sole risk, and the Lead Managers, our Company or the Registrar shall have no responsibility and undertake no liability for the same.

In case of NCDs held in physical form, on account of rematerialisation, the bank details will be obtained from the documents submitted to the Company along with the rematerialisation request. For further details, please see "- *Procedure for Re-materialization of NCDs*" on page 464.

The Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to unblocked for the Applicants.

The mode of interest / refund / redemption payments shall be undertaken in the following order of preference:

1. Direct Credit

Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Bank.

2. NACH

National Automated Clearing House which is a consolidated system of ECS. Payment would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition ("MICR") code wherever applicable from the depository. Payments through NACH are mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get payments through NEFT or Direct Credit or RTGS.

3. RTGS

Applicants having a bank account with a participating bank and whose interest payment/ refund/ redemption amounts exceed ₹ 200,000, or such amount as may be fixed by RBI from time to time, have the option to receive payments through RTGS. Such eligible Applicants who indicate their preference to receive interest payment/ refund/ redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. NEFT

Payment of interest/ refunds/ redemption shall be undertaken through NEFT wherever the Applicants' banks have been assigned the Indian Financial System Code ("IFSC"), which can be linked to a MICR, if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/ refund/ redemption will be made to the applicants through this method.

5. Registered Post/Speed Post

For all other applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through speed post/registered post.

Please note that applicants are eligible to receive payments through the modes detailed in (1), (2) (3), and (4) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed / available.

Please note that our Company shall not be responsible to the holder of NCDs, for any delay in receiving credit of interest / refund / redemption so long as our Company has initiated the process of such request in time.

Printing of Bank Particulars on Interest/redemption Warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. In case of NCDs held in physical form on account of rematerialisation, the NCD Holders are advised to submit their bank account details with our Company/ Registrar to the Issue at least seven days prior to the Record Date failing which the orders/ warrants. Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Loan against NCDs

Pursuant to RBI Circular dated June 27, 2013, our Company, being an NBFC, is not permitted to extend any loans against the security of its NCDs.

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the NCD Holders to offer the NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements. Such NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Form and Denomination of NCDs

In case of NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the NCD Holder for the aggregate amount of the NCDs held ("**Consolidated Certificate**"). The Applicant can also request for the issue of NCD certificates in denomination of one NCD ("**Market Lot**"). In case of NCDs held under different Options, by an NCD Holder, separate Consolidated Certificates will be issued to the NCD Holder for the aggregate amount of the NCDs held under each Option.

It is, however, distinctly to be understood that the NCDs pursuant to this issue shall be traded only in dematerialized form.

In respect of Consolidated Certificates, only upon receipt of a request from the NCD Holder, the Consolidated Certificates would be split into smaller denominations, subject to the minimum of Market Lot. No fee would be charged for splitting of NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the NCD Holder. The request for splitting should be accompanied by the original NCD certificate, which would then be treated as cancelled.

Procedure for redemption by NCD Holders

The procedure for redemption is set out below:

NCDs held in physical form on account of re-materialization

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

We may at our discretion redeem the NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the NCD certificates would be deemed to have been cancelled.

NCDs held in electronic form

No action is required on the part of NCD Holder(s) at the time of redemption of NCDs.

Payment on redemption

The manner of payment of redemption is set out below:

NCDs held in physical form on account of re-materialization

The payment on redemption of the NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the NCD certificates). Dispatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgment of the transfer documents with us at least seven days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar to the Issue.

Our liability to NCD Holders towards their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the NCD Holders.

NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque /pay order / electronic mode to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to NCD Holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

Right to Reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, where we have fully redeemed or repurchased any NCD(s), we shall have and shall be deemed always to have had the right to keep such NCDs in effect without extinguishment thereof, for the purpose of resale or reissue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such NCDs either by reselling or reissuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original NCDs.

Transfer/ Transmission of NCDs

For NCDs held in physical form on account of rematerialisation

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus and all other applicable laws. The provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Articles and the relevant provisions of the Companies Act, 2013 applicable as on the date of this Draft Shelf Prospectus, and all applicable laws including FEMA and the rules and regulations thereunder, shall apply, mutatis mutandis (to the extent applicable to debentures) to the NCDs as well. In respect of the NCDs held in physical form on account of rematerialisation, a common form of transfer shall be used for the same. The NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depository Participants of the transferor and the transferee and any other applicable laws and rules notified in respect thereof. The transferees should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the register of debenture holders or the records as maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferors and not with the Issuer or Registrar.

For NCDs held in electronic form

The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of the NCDs held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to his depository participant.

In case the transferee does not have a Depository Participant account, the transferor can rematerialise the NCDs and thereby convert his dematerialised holding into physical holding. Thereafter these NCDs can be transferred in the manner as stated above for transfer of NCDs held in physical form.

Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

Sharing of Information

Our Company may, at its option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper at the place where the registered office of the Company is situated and/or will be sent by speed post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Future Borrowings

Our Company will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also to issue debentures/ NCDs/other securities in any manner by creating a charge on any assets, subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement as may be required under applicable law or existing financing agreements, including any intimation, if applicable under the Transaction Documents, provided stipulated security cover is maintained on the NCDs and after obtaining the consent of, or intimation to, the NCD Holders or the Debenture Trustee and compliance with other terms of the Transaction Documents.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447 of the Companies Act, 2013."

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 10 lakh or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 10 lakh or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakh or with both.

Pre-closure

Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in this Draft Shelf Prospectus. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement have been given.

Minimum subscription

In terms of the SEBI NCS Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 8 Working Days from the Issue Closing Date provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 Working Days from the Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in the SEBI Operational Circular.

Market Lot and Trading Lot

The NCDs shall be allotted in dematerialized form. As per the SEBI NCS Regulations, the trading of the NCDs is in dematerialised form and the tradable lot is one NCD.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable interest for such NCDs) prior to redemption of the NCDs.

Allotment in this Issue will be in electronic form multiples of one NCD. For further details of Allotment, see the "*Issue Procedure*" beginning on page 469.

Utilisation of Application Amount

The sum received in respect of the Issue will be kept in separate bank account(s) and we will have access to such funds only upon allotment of the NCDs, execution of Debenture Trust Deeds and on receipt of listing and trading approval from the Stock Exchanges as per applicable provisions of law(s), regulations and approvals.

Utilisation of Issue Proceeds

(a) All monies received pursuant to the issue of NCDs to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

(b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised; and

(c) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.

(d) Our Company shall utilize the Issue proceeds only up on (i) receipt of minimum subscription; (ii) completion of Allotment in compliance with Section 40 of the Companies Act, 2013; (ii) receipt of listing and trading approval from Stock Exchanges and (iii) only upon execution of the documents for creation of security.

(e) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property.

(f) The Issue Proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time

(g) Details of all utilized and unutilized monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized and the securities or other forms of financial assets in which such unutilized monies have been invested.

Filing of the Shelf Prospectus and the relevant Tranche Prospectus with the RoC

A copy of the Shelf Prospectus and the relevant Tranche Prospectus will be filed with the RoC, in accordance with Section 26 and Section 31 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will be issued in compliance with the Regulation 30(1) of SEBI NCS Regulations and shall contain the information as prescribed in the SEBI NCS Regulations and Section 30 of the Companies Act, 2013.

Material updates, if any, between the date of filing of the Shelf Prospectus and the relevant Tranche Prospectus with ROC and the date of release of the statutory advertisement will be included in the statutory advertisement information as prescribed under SEBI NCS Regulations.

Payment of Interest

If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount will be unblocked within the time prescribed under applicable law, failing which interest may be due to be paid to the Applicants, for the delayed period, as prescribed in applicable law. Our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. For further details, see "*Issue Procedure - Rejection of Applications*" beginning on page 494.

Listing

The NCDs offered through this Draft Shelf Prospectus are proposed to be listed on BSE and the NSE. Our Company has obtained an 'in-principle' approval for the Issue from the BSE *vide* their letter bearing reference number [•] dated [•] and from NSE *vide* their letter bearing reference number [•] dated [•]. For the purposes of the Issue, NSE shall be the Designated Stock Exchange. Final Application for listing of the NCDs will be made to the Stock Exchanges in terms of SEBI NCS Regulations and the SEBI Operations Circular for each relevant Tranche Issue.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Draft Shelf Prospectus.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of NCDs shall not be listed.

Guarantee/Letter of Comfort

The Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent

Monitoring and Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee shall monitor the utilization of the proceeds of the Issue. For the relevant quarters, our Company will disclose in our quarterly financial statements, the utilization of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue.

Lien

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holder, to the extent of all outstanding dues, if any by the NCD Holder to our Company.

Lien on Pledge of NCDs

Subject to applicable law, our Company, at its discretion, may record a lien on pledge of NCDs if such pledge of NCDs is accepted by any bank or institution for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding.

Recovery Expense Fund

Our Company has created a recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 as amended from time to time and Regulation 11 of SEBI NCS Regulations with the Designated Stock Exchange and informed the Debenture Trustee regarding the creation of such fund. The Recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

ISSUE PROCEDURE

*This section applies to all Applicants. Specific attention of all Applicants is invited to the SEBI Operational Circular, which provides, inter-alia, that for all public issues of debt securities all Applicants shall mandatorily use the ASBA facility for participating in the Issue. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. Further in terms of the SEBI Operational Circular retail individual investor may use the Unified Payment Interface ("**UPI**") to participate in the public issue for an amount up to ₹ 5,00,000 through the app/web interface of the Stock Exchanges or through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).*

Applicants should note that they may submit their Applications to the Designated Intermediaries at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Draft Shelf Prospectus.

Please note that this section has been prepared based on the SEBI Operational Circular and the notifications issued by BSE, in relation to the UPI Mechanism.

Specific attention is drawn to the SEBI Operational Circular which provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application.

Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Shelf Prospectus. Investors are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws.

Further, the Company and the Lead Managers are not liable for any adverse occurrences consequent to the UPI Mechanism for application in the Issue.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THE ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE WILL NEED TO APPROACH THE STOCK EXCHANGE AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE STOCK EXCHANGE. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THE RELEVANT TRANCHE PROSPECTUS, THE ISSUE OPENING DATE AND THE ISSUE CLOSING DATE.

THE LEAD MANAGERS, THE CONSORTIUM MEMBERS AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF TRADING MEMBERS/DESIGNATED INTERMEDIARIES IN CONNECTION WITH THE RESPONSIBILITY OF TRADING MEMBERS/DESIGNATED INTERMEDIARIES IN RELATION TO COLLECTION AND UPLOAD OF APPLICATION FORMS IN RESPECT OF THE ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY STOCK EXCHANGE. FURTHER, THE RELEVANT STOCK EXCHANGE WILL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS/DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGE.

Please note that for the purposes of this section, the term "Working Day" shall mean all days on which the commercial banks in Mumbai are open for business, except with reference to the Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holidays on which commercial banks in Mumbai are open for business. Furthermore, for the purpose the time period between the bid/ issue closing date and the listing of the NCDs, Working Days shall mean all trading days of the stock exchanges excluding Saturdays, Sundays and bank holidays as specified by SEBI.

The information below is given for the benefit of the investors. Our Company and the Members of Consortium are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Shelf Prospectus.

Availability of this Draft Shelf Prospectus, Shelf Prospectus, Tranche Prospectus(es), Abridged Prospectus and Application Forms

The copies of this Draft Shelf Prospectus, the Shelf Prospectus, Tranche Prospectus, Abridged Prospectus together with Application Forms may be obtained from our Registered Office, Lead Managers to the Issue, Consortium Members for marketing of the Issue, the Registrar to the Issue and the Designated Branches of the SCSBs. Additionally, the Shelf Prospectus, Tranche Prospectus and the Application Forms will be available for download on the website of BSE at www.bseindia.com and on the website of NSE at www.nseindia.com. A unique application number ("UAN") will be generated for every Application Form downloaded from the website of the Stock Exchange i.e., BSE at www.bseindia.com. Hyperlinks to the websites of the Stock Exchange for this facility will be provided on the websites of the Lead Managers and the SCSBs.

In addition, Application Forms would also be made available to all the recognised stock exchange. Further, Application Forms will also be provided to Trading Members at their request.

Our Company may provide Application Forms for being filled and downloaded at such websites as we may deem fit. The Issuer may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, online demat account portals may also provide the facility of submitting the Application Forms online to their account holders'.

PROCEDURE FOR APPLICATION

Who can apply?

The following categories of persons are eligible to apply in the Issue.

Category I (Institutional Investors)

- Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds each with a minimum corpus of ₹ 250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements;
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II (Non-Institutional Investors)

- Companies within the meaning of Section 2(20) of the Companies Act, 2013;
- Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners; and
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009).
- Association of Persons; and

- Any other incorporated and/ or unincorporated body of persons.

Category III (High Net-worth Individual Investors)

- Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10,00,000 across all options of NCDs in the Issue

Category IV (Retail Individual Investors)

- Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all Options/ Series of NCDs in the Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹5,00,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.

Please note that it is clarified that persons resident outside India shall not be entitled to participate in the Issue and any applications from such persons are liable to be rejected.

Note: Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and or regulatory provisions.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to the Issue.

The Members of Consortium and its respective associates and affiliates are permitted to subscribe in the Issue.

Applications cannot be made by:

The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

a. Minors without a guardian name* (A guardian may apply on behalf of a minor. However, the name of the guardian will also need to be mentioned on the Application Form);
b. Foreign nationals, NRI *inter-alia* including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
c. Persons resident outside India and other foreign entities;
d. Foreign Institutional Investors;
e. Foreign Portfolio Investors;
f. Non Resident Indians;
g. Qualified Foreign Investors;
h. Overseas Corporate Bodies**;
i. Foreign Venture Capital Funds; and
j. Persons ineligible to contract under applicable statutory/ regulatory requirements.

** Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*
The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange by the Designated Intermediaries.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchange.

***The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to*

Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.

The information below is given for the benefit of Applicants. Our Company and the Lead Managers is not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Shelf Prospectus.

How to apply?

Availability of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus, Abridged Prospectus and Application Forms.

Physical copies of the Abridged Prospectus containing the salient features of the Shelf Prospectus, the respective Tranche Prospectus(es) for each relevant Tranche Issue together with Application Forms may be obtained from:

Physical copies of the Abridged Prospectus containing the salient features of the Shelf Prospectus and relevant Tranche Prospectus for each relevant Tranche Issue together with Application Forms and copies of the Prospectus may be obtained from:

1. Our Registered Office,
2. Office of the Lead Managers,
3. Office of the Consortium Members,
4. Registrar to the Issue,
5. Designated RTA Locations for RTAs,
6. Designated CDP Locations for CDPs and
7. Designated Branches of the SCSBs.

Additionally, Electronic copies of this Draft Shelf Prospectus, the Shelf Prospectus, relevant Tranche Prospectus along with the downloadable version of the Application Forms will be available.

(i) for download on the website of BSE at www.bseindia.com, NSE at www.nseindia.com and the website of the Lead Managers at www.akgroup.co.in.
(ii) at the designated branches of the SCSBs and the Syndicate Members at the Specified Locations.

Electronic copies of the Shelf Prospectus and the relevant Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Managers, the Stock Exchanges, SEBI and SCSBs

Electronic Application Forms will also be available on the website of the Stock Exchange Exchanges and on the websites of the SCSBs that permit the submission of Applications electronically. A hyperlink to the website of the Stock Exchange for this facility will be provided on the website of the Lead Managers and the SCSBs. Further, Application Forms will also be provided to Designated Intermediaries at their request. A unique application number ("**UAN**") will be generated for every Application Form downloaded from the websites of the Stock Exchanges. Further, Application Forms will also be provided to Designated Intermediaries at their request.

Our Company may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchanges can download Application Forms from the websites of the Stock Exchanges. Further, Application Forms will be provided to Trading Members of the Stock Exchanges at their request

Please note that there is a single Application Form.

Please note that only ASBA Applicants shall be permitted to make an application for the NCDs.

Method of Application

In terms of the SEBI Operational Circular an eligible investor desirous of applying in this Issue can make Applications through the ASBA mechanism only.

Applicants are requested to note that in terms of the SEBI Operational Circular, SEBI has mandated issuers to provide, through a recognized Stock Exchanges which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("**Direct Online Application Mechanism**").

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries.

Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a Retail Individual Investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Applicants should submit the Application Form only at the Bidding Centres, i.e. to the respective Members of the Consortium at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at http://www.sebi.gov.in.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchanges and submit these Application Forms with the SCSB (except Application Form from RIBs using the UPI Mechanism) with whom the relevant ASBA Accounts are maintained.

For RIBs using UPI Mechanism, the Stock Exchange shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. An Applicant shall submit the Application Form, in physical form, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. Further, the Application may also be submitted through the app or web interface developed by Stock Exchanges wherein the Application is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI mechanism, as applicable.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to the Issue should be made by Applicants directly to the relevant Stock Exchanges.

In terms of the SEBI Operational Circular, an eligible investor desirous of applying in this Issue can make Applications through the following modes:

1. *Self-Certified Syndicate Bank (SCSB) or intermediaries (viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)*

    a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor's bank. For such applications, the existing process of uploading of bid on the Stock Exchanges bidding platform and blocking of funds in investors account by the SCSB would continue.

    b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchanges bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹5 Lakh or less. The intermediary shall upload the bid on the Stock Exchanges bidding platform. The application amount would be blocked through the UPI mechanism in this case.

2. *Through Stock Exchanges*

a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchanges (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI Mechanism.

b. The Stock Exchanges have extended their web-based platforms i.e. 'BSE Direct' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto ₹ 5 Lakh. To place bid through 'BSEDirect' platform and NSE goBID platform / mobile app the eligible investor is required to register himself/ herself with BSE Direct/ NSE goBID.

c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: https://www.bsedirect.com; and NSE: https://www.nseindiaipo.com.

d. The BSE Direct and NSE goBID mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' or 'NSE goBID' on Google Playstore for downloading mobile applications

e. To further clarify the submission of bids through the App or web interface, the BSE has issued operational guidelines and circulars dated December 28, 2020 available at https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60, and https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61. Similar circulars by NSE can be found here: x https://www1.nseindia.com/content/circulars/IPO46907.zip x https://www1.nseindia.com/content/circulars/IPO46867.zipFurther, NSE has allowed its 'GoBid' mobile application which is currently available for placing bids for non-competitive bidding shall also be available for applications of public issues of debt securities.

Application Size

Each Application should be for a minimum of 10 NCDs and multiples of one NCD thereof.

Applicants can apply for any or all types of NCDs offered hereunder (any/all series) provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

<u>Applications by Mutual Funds</u>

Pursuant to the SEBI circular SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 1, 2019 ("**SEBI Circular 2019**"), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 20% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 10% of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. However the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme. Further, the group level limits for debt schemes and the ceiling be fixed at 10% of net assets value extendable to 15% of net assets value after prior approval of the board of trustees. A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.

Application by Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks

Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (iv) a letter of authorisation.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non-Banking Financial Companies can apply in the Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) their memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (ii) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof.**

Application by Insurance Companies

Insurance companies registered with the IRDAI can apply in the Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) i) certificate registered with IRDAI, (ii) memorandum and articles of association/charter of constitution; (iii) power of attorney; (iv) resolution authorising investments/containing operating instructions; and (v) specimen signatures of authorised signatories.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by Indian Alternative Investments Funds

Applications made by 'alternative investment funds' eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) Power of Attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and/ or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefore.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Public Financial Institutions or statutory corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any Act/ Rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications made by companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of: (i) any act/ rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications made by Indian scientific and/ or industrial research organizations, which are authorized to invest in the NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications made by Partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants from Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

In case of Applications made pursuant to a power of attorney by Applicants from Category III and Category IV, a certified copy of the power of attorney must be lodged along with the Application Form.
In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form.

Failing this our Company, in consultation with the Lead Managers, reserves the right to reject such Applications. Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his or her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by Income Tax authorities.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by National Investment Funds

Application made by a National Investment Fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by Systematically Important Non-banking financial companies

Applications made by systematically important non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) memorandum and articles of association/charter of constitution; (ii) power of attorney;(iii) board Resolution authorising investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

The Syndicate Members and their respective associates and affiliates are permitted to subscribe in the Issue.

Payment instructions

Payment mechanism for Applicants

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form.

An Applicant may submit the completed Application Form to designated intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Designated Stock Exchanges bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

An Applicant (belonging to Category IV) may also submit the Application Form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹5 lakh or less. The intermediary shall upload the bid on the Stock Exchanges bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account and Sponsor Bank Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within 6 (six) Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application, as the case may be.

For ASBA Applications submitted to the Lead Managers or Consortium Members or Trading Members of the Stock Exchanges at the Specified Cities, the ASBA Application will be uploaded onto the electronic system of the Stock Exchanges and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such ASBA Applications from the Lead Managers or Trading Members of the Stock Exchanges, as the case may be (A list of such branches is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application.

For ASBA Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application, before entering the ASBA Application into the electronic system of the Stock Exchanges. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Lead Managers or Consortium Members or Trading Members of the Stock Exchanges, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, the Registrar to the Issue shall send an appropriate request to the controlling branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount pertaining to NCDs allotted to the successful Applicants to the Public Issue Account(s). The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 5 (five) Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the ASBA Application, as the case may be. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Payment mechanism for Direct Online Applicants

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges. In the event the Direct Online Application facility is implemented by the Stock Exchanges, relevant "know your customer" details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number ("**UAN**") and an SMS or an email confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant's bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Issue.

As per the SEBI Operational Circular, the availability of the Direct Online Applications facility is subject to the Stock Exchanges putting in place the necessary systems and infrastructure, and accordingly the aforementioned disclosures are subject to any further clarifications, notification, modification deletion, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI. The Stock Exchanges have confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for the Issue**.**

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.
2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.
3. Applications should be submitted on the Application Form only. In the event that physical Application Form do not bear the stamp of the Designated Intermediaries, or the relevant Designated Branch, as the case may be, they are liable to be rejected.
4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and the circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 before investing through the through the app/ web interface of Stock Exchange(s).

Kindly note, the Stock Exchange(s) shall be responsible for addressing investor grievances arising from Applications submitted online through the App based/ web interface platform of Stock Exchanges or through their Trading Members.

Further, the collecting bank shall be responsible for addressing any investor grievances arising from non confirmation of funds to the Registrar despite successful realization/blocking of funds, or any delay or operational lapse by the collecting bank in sending the Application forms to the Registrar to the Issue.
1.

Applicants are advised not to submit Application Forms to Public Issue Account Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of the Shelf Prospectus and relevant Tranche Prospectus with ROC

A copy of the Shelf Prospectus and relevant Tranche Prospectus shall be filed with the ROC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Pre-Issue Advertisement

Our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed under the SEBI NCS Regulations and Section 30 of the Companies Act, 2013. Material updates, if any, between the date of filing of the Shelf Prospectus and relevant Tranche Prospectus and the date of release of the statutory advertisement will be included in the statutory advertisement.

Instructions for completing the Application Form

1. Applications must be made in the prescribed Application Form.

2. Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Shelf Prospectus and relevant Tranche Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Designated Intermediaries will not be liable for errors in data entry due to incomplete or illegible Application Forms.

3. Applications are required to be for a minimum of such NCDs and in multiples of one NCD thereafter as specified in the Issue Documents.

4. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

5. Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Applicants are required to ensure that the PAN Details of the HUF are mentioned and not those of the Karta.

6. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.

7. Applicants applying for Allotment must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of the Stock Exchanges by the Designated Intermediaries, as the case may be, the Registrar to the Issue will obtain from the Depository the Demographic Details. Invalid accounts suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.

8. Applicants must ensure that their Application Forms are made in a single name.

9. The minimum number of Applications and minimum application size shall be specified in the relevant Tranche Prospectus. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.

10. If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.

11. Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.

12. All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.

13. Applications for all the series of the NCDs may be made in a single Application Form only.

Additional Instructions for Retail Individual Investors using the UPI mechanism:

2. Before submission of the application form with the Designated Intermediary, the Retail Individual Investor shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
3. The Retail Individual Investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface.
4. The Designated Intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the Stock Exchange(s) bidding platform using appropriate protocols.
5. Once the bid has been entered in the bidding platform, the Stock Exchange(s) shall undertake validation of the PAN and Demat account combination details of investor with the depository.
6. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send

response to Stock Exchange(s) which would be shared by the Stock Exchange(s) with the Designated Intermediaries through its platform, for corrections, if any.

7. Once the bid details are uploaded on the Stock Exchange(s) platform, the Stock Exchange(s) shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next Working Day.
8. Post undertaking validation with the Depository, the Stock Exchange(s) shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the Company.
9. The Sponsor Bank shall initiate a mandate request on the investor i.e. request the investor to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
10. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
11. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the bid details submitted by such investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by the Sponsor Bank would be a one-time mandate for each application in the Issue.
12. The investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the Issue period or any other modified closure date of the Issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next Working Day.
13. The investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
14. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 (T being the Issue Closing Date) modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Issue Closing Date) day till 1 pm
15. The facility of Re-initiation/ Resending the UPI mandate shall be available only till 5 pm on the day of bidding.
16. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
17. The information containing status of block request (e.g., accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange(s). The block request status would also be displayed on the Stock Exchange(s) platform for information of the intermediary.
18. The information received from Sponsor Bank, would be shared by Stock Exchange(s) with the Registrar to the Issue in the form of a file for the purpose of reconciliation.
19. Post closure of the Issue, the Stock Exchange(s) shall share the bid details with the Registrar to the Issue. Further, the Stock Exchange(s) shall also provide the Registrar to the Issue, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.
20. The allotment of debt securities shall be done as per SEBI Operational Circular.
21. The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.
22. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.
23. Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked, and application amount would be unblocked for the investor.
24. Thereafter, Stock Exchange will issue the listing and trading approval.
25. Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSEDirect issued by BSE on December 28, 2020 the investor shall also be responsible for the following:

    i. Investor shall check the Issue details before placing desired bids;
    ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;
    iii. The receipt of the SMS for mandate acceptance is dependent upon the system response/integration of UPI on

Debt Public Issue System;

iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;
v. nvestor shall note that the transaction will be treated as completed only after the acceptance of mandates by the investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;
vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and
vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.

26. Further, in accordance with circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 5, 2021 the investor shall also be responsible for the following:

i. After successful registration & log-in, the investors shall view and check the active Debt IPO's available from IPO dashboard.
ii. Investors shall check the issue/series details. Existing registered users of NSE goBID shall also be able to access once they accept the updated terms and condition.
iii. After successfully bidding on the platform, investors shall check the NSE goBID app/psp/sms for receipt of mandate & take necessary action.
iv. UPI mandate can be accepted latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.
v. For UPI bid the facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.
vi. Investors can use the re-initiation/ resending facility only once in case of any issue in receipt/acceptance of mandate.

The series, mode of allotment, PAN, demat account number, etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Members of the Consortium nor the other Designated Intermediaries, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot the NCDs, as specified in the relevant Tranche Prospectus for the Issue to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, CLIENT ID, PAN AND UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM) IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID PAN AND UPI ID GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, CLIENT ID, PAN AND UPI ID AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

On the basis of the DP ID, Client ID, PAN and UPI ID provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. These Demographic Details would be used for giving Allotment Advice and refunds, if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Members of the Consortium nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchanges by the Members of the Consortium or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and

PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Consortium and the other Designated Intermediaries shall not be liable for losses, if any.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and for refunds (if any) as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue.

By signing the Application Form, Applicants applying for the NCDs would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Allotment Advice would be mailed by post or e-mail at the address of the Applicants in accordance with the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Banker(s) to the Issue, Registrar to the Issue nor the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in the relevant Tranche Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on and mailing of the Allotment Advice through post, the Demographic Details obtained from the Depository of the Applicant shall be used.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the four parameters, namely, DP ID, Client ID, PAN and UPI ID then such Applications are liable to be rejected.

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for Retail Individual Investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

APPLICATIONS FOR ALLOTMENT OF NCDs IN THE DEMATERIALIZED FORM

Submission of Applications

Applicants can apply for NCDs only using the ASBA facility pursuant to SEBI Operational Circular. ASBA Applications can be submitted through either of the following modes:

(a) Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of ASBA Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the ASBA Application, prior to uploading such ASBA Application into the electronic system of the Stock Exchanges. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such ASBA Application and shall not upload such ASBA Application in the electronic system of the Stock Exchanges. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the ASBA Application in the electronic system of the Stock Exchanges. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application in the electronic mode, the Applicant shall submit the ASBA Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly register such ASBA Applications.

(b) Physically through the Consortium Members, Lead Managers, or Trading Members of the Stock Exchanges only at the Specified Cities i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Consortium Members, Lead Managers or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account is maintained, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Consortium Members, Lead Managers or Trading Members of the Stock Exchanges, as the case may be, to deposit ASBA Applications (A list of such branches is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

(c) A UPI Investor making an Application in the Issue under the UPI Mechanism, where the Application Amount is upto ₹5 lakhs, can submit his Application Form physically to a SCSB or a Designated Intermediary. The Designated Intermediary shall upload the application details along with the UPI ID on the Stock Exchanges' bidding platform using appropriate protocols. Kindly note that in this case, the Application Amount will be blocked through the UPI Mechanism.

A UPI Investor may also submit the Application Form for the Issue through BSE Direct, wherein the Application will be automatically uploaded onto the Stock Exchanges' bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism.

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchanges and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Specified City, named by such SCSB to accept such ASBA Applications from the Designated Intermediaries (A list of such branches is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries). Upon receipt of the ASBA Application, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Form. If sufficient funds are not available in the ASBA Account, the relevant ASBA Application is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.

In case of Application involving an Application by an RIB through UPI Mechanism, if an Applicant submits the Application Form with a Designated Intermediary and uses his/ her bank account linked UPI ID for the purpose of blocking of funds, where the application value is up to UPI Application Limit, the Application Amount will be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant and the Designated Intermediary shall upload the Application on the bidding platform developed by the Stock Exchange. If an Applicant submits the Application Form through the application or web interface developed by Stock Exchange, the bid will automatically be uploaded onto the Stock Exchange bidding platform and the amount will be blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Applicants must note that:

(a) Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Lead Managers and Trading Members of the Stock Exchanges at the Specified Cities; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Issue Opening Date. Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the Shelf Prospectus and relevant Tranche Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.

(b) The Designated Branches of the SCSBs shall accept ASBA Applications directly from Applicants only during the Issue Period. The SCSB shall not accept any ASBA Applications directly from Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of the SCSBs at Specified Cities can accept ASBA Applications from the Lead Managers or Trading Members of the Stock Exchanges, as the case may be, after the closing time of acceptance of Applications on the Issue Closing Date. For further information on the Issue programme, please see section titled "*Issue Related Information*" on page 446.

(c) In case of Applications through Syndicate ASBA, the physical Application Form shall bear the stamp of the Lead Managers or Consortium Members or Trading Members of the Stock Exchanges, as the case maybe, if not, the same shall be rejected. Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that Applicants can make an Application for Allotment of NCDs in the dematerialized form only.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only;
- Applicants should ensure that their Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Members of the Syndicate or Trading Members of the stock exchange(s) at the Specified Cities, and not directly to the escrow collecting banks (assuming that such bank is not a SCSB) or to the Company or the Registrar to the Issue.
- Applications through Syndicate ASBA, before submitting the physical Application Form to the Members of the Syndicate or Trading Members of the stock exchange(s), ensure that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at-least one branch in that Specified City for the Members of the Syndicate or Trading Members of the stock exchange(s), as the case may be, to deposit ASBA Forms (A list of such branches is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognised-Intermediaries)
- Application Forms must be completed in block letters in English, as per the instructions contained in this Draft Shelf Prospectus, the Shelf Prospectus and relevant Tranche Prospectus, the Abridged Prospectus and the Application Form.
- Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialised form) and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.
- Applicants must apply for Allotment in dematerialised form and must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.
- The minimum number of Applications and minimum application size shall be specified in the Shelf Prospectus and the relevant Tranche Prospectus. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.
- Applications must be for a minimum of 10 (Ten) NCDs and in multiples of 1 NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 (Ten) NCDs, an Applicant may choose to apply for 10 (Ten) NCDs or more in a single Application Form.
- If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.
- Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta;
- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;
- No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Lead Managers, Consortium Members, Trading Members of the Stock Exchanges or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant

Lead Managers, Consortium Members, Trading Member of the Stock Exchanges or the Designated Branch of the SCSBs, as the case may be.

- The Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Designated Intermediaries or the Designated Branch of the SCSBs, as the case may be.
- Every Applicant should hold valid Permanent Account Number (PAN) and mention the same in the Application Form and submit the same. Applicant without PAN is liable to be rejected, irrespective of the amount.
- All Applicants are required to tick the relevant column of "Category of Investor" in the Application Form.
- ASBA will be the default "Mode of Application" as per the SEBI Operational Circular.
- Applicants should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form to the Designated Branch and also ensure that the signature in the Application Form matches with the signature in Applicant's bank records, otherwise the Application is liable to be rejected.
- Applicants must provide details of valid and active DP ID, UPI ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, UPI ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Designated Intermediaries, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs. If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder, in accordance with the instructions provided in the Application Form. Not more than five Applications can be made from one single ASBA Account
- For Applicants, the Applications in physical mode should be submitted to the SCSBs or a member of the Syndicate or to the Trading Members of the Stock Exchanges on the prescribed Application Form. SCSBs may provide the electronic mode for making Application either through an internet enabled banking facility or such other secured, electronically enabled mechanism for Application and blocking funds in the ASBA Account;
- Application Forms should bear the stamp of the Member of the Syndicate, Trading Member of the Stock Exchanges, Designated Intermediaries and/or Designated Branch of the SCSB. Application Forms which do not bear the stamp will be rejected.
- Applicant should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Lead Managers, Consortium Members, Trading Member of the Stock Exchanges in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Designated Intermediaries nor SCSBs, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

Our Company would allot the [•] series of NCDs, as specified in the relevant Shelf Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

B. Applicant's Beneficiary Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, UPI ID (IN CASE APPLYING THROUGH UPI MECHANISM), CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, UPI ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, UPI ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

Applicants applying for Allotment in dematerialized form must mention their DP ID ,Client ID, PAN and UPI ID (in case applying through UPI Mechanism) in the Application Form and ensure that the name provided in the

Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialized form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchanges do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialized form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialized form, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID and Client ID provided by the Applicant in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchanges, the Registrar to the Issue will obtain from the Depositories the Demographic Details of the Applicant including PAN, address, bank account details for printing on refund orders/sending refunds through electronic mode, Magnetic Ink Character Recognition ("**MICR**") Code and occupation. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NACH, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in dispatch/credit of refunds to Applicants and delivery of Allotment Advice at the Applicants' sole risk, and neither our Company, the Lead Managers, Trading Members of the Stock Exchanges, Public Issue Account Bank(s), SCSBs, Registrar to the Issue nor the Stock Exchanges will bear any responsibility or liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchanges by the Members of the Consortium or the Designated Intermediaries, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form is liable to be rejected and our Company, the Members of the Consortium and the other Designated Intermediaries shall not be liable for losses, if any.

The Demographic Details would be used for correspondence with the Applicants including mailing of the Allotment Advice and printing of bank particulars on the refund orders, or for refunds through electronic transfer of funds, as applicable. Allotment Advice and physical refund orders (as applicable) would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at such Applicants sole risk and neither our Company, the Lead Managers, Trading Members of the Stock Exchanges, Public Issue Account Banks, SCSBs, Registrar to the Issue nor the Stock Exchanges shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in the relevant Tranche Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of Power of Attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of refund orders/ Allotment Advice, the demographic details obtained from the Depository of the Applicant shall be used. By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Issue.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to the Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Application are liable to be rejected.

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for retail individual investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

C. Permanent Account Number (PAN)

The Applicant should mention his or her Permanent Account Number (PAN) allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the Central or State Government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with Circular No. MRD/DOP/Cir-05/2007 dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e. either Sikkim category or exempt category.

D. Joint Applications

Applications can be made in joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to first named in the Application whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form

E. Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs, for the same or other Options of NCDs, subject to a minimum application size of ₹10,000 and in multiples of ₹1,000 thereafter as specified in the relevant Tranche Prospectus. Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected. However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹1,000,000 shall be deem such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a karta of a Hindu Undivided family and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under the Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN of the sole or the first Applicant is one and the same.

F. Unified Payments Interface (UPI)

Pursuant to the SEBI Operational Circular, the UPI Mechanism is an applicable payment mechanism for public debt issues (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. The Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchange and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

Electronic registration of Applications

(a) The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchanges. Direct Online Applications will be registered by Applicants using the online platform offered by the Stock Exchanges. The Lead Managers, our Company, and the

Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (v) Applications accepted and uploaded by Trading members of the Stock Exchanges or (vi) the Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Members, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms. In case of apparent data entry error by the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchanges. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for allotment/rejection of Application.

(b) The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of Designated Intermediaries and the SCSBs during the Issue Period. Designated Intermediaries can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Issue Closing Date. On the Issue Closing Date, Designated Intermediaries and Designated Branches of SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Syndicate Members and the other Designated Intermediaries on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please refer to "*Issue Structure*" on page 446.

(c) Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand for the NCDs, as available on the websites of the Stock Exchanges, would be made available at the Application centres as provided in the Application Form during the Issue Period.

(d) At the time of registering each Application, the Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Option(s) of NCDs applied, Application Amounts and any other details that may be prescribed by the online uploading platform of the Stock Exchanges.

(e) With respect to Applications submitted directly to the SCSBs at the time of registering each Application, other than Direct Online Applications, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:
• Application Form number
• PAN (of the first Applicant, in case of more than one Applicant)
• Investor category and sub-category
• DP ID
• Client ID
• UPI ID (if applicable)
• Number of NCDs applied for
• Price per NCD
• Bank code for the SCSB where the ASBA Account is maintained
• Bank account number
• Application amount

(f) With respect to Applications submitted to the Designated Intermediaries at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:
• Application Form number
• PAN (of the first Applicant, in case of more than one Applicant)
• Investor category and sub-category
• DP ID
• Client ID
• UPI ID (if applicable)
• Number of NCDs applied for
• Price per NCD

• Bank code for the SCSB where the ASBA Account is maintained
• Location
• Application amount

(g) A system generated Acknowledgement Slip will be given to the Applicant as a proof of the registration of his Application. It is the Applicant's responsibility to obtain the Acknowledgement Slip from the Syndicate Members or the other Designated Intermediaries, as the case may be. The registration of the Applications by the Designated Intermediaries does not guarantee that the NCDs shall be allocated/ Allotted by our Company. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind.

(h) The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Shelf Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.

(i) In case of apparent data entry error by the Designated Intermediaries, in entering the Application Form numbers in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid or such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchanges.

(j) Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for Allotment. The Designated Intermediaries shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchanges. In order that the data so captured is accurate, Designated Intermediaries will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

General Instructions

Do's and Don'ts Applicants are advised to take note of the following while filling and submitting the Application Form.

Do's

1. Check if you are eligible to apply as per the terms of the relevant Tranche Prospectus and applicable law;
2. Read all the instructions carefully and complete the Application Form in the prescribed form;
3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Issue;
4. Ensure that the DP ID and Client ID and PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID and Client ID are correct and beneficiary account is activated. The requirement for providing Depository Participant details shall be mandatory for all Applicants;
5. Ensure that you have mentioned the correct ASBA Account number (i.e., bank account number or UPI ID, as applicable) in the Application Form;
6. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder;
7. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Intermediaries, as the case may be;
8. Ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Bidding Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediaries/Designated branch of the SCSB as the case may be;
9. Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Bidding Centre;
10. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
11. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, fields

namely, quantity, series, application no., sub-category codes will not be allowed for modification during the Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes;

12. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
13. Ensure that you mention your PAN in the Application Form. In case of joint Applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;
14. Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchanges, match with the DP ID, Client ID and PAN available in the Depository database;
15. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN of the HUF should be mentioned in the Application Form and not that of the Karta;
16. Ensure that the Applications are submitted to the Lead Managers, Consortium Members, Trading Members of the Stock Exchanges or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Issue programme, please see the section titled "*Issue Related Information*" on page 446;
17. Ensure that the Demographic Details including PAN are updated, true and correct in all respects;
18. Ensure that you have correctly signed the authorisation /undertaking box in the Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form, as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
19. Permanent Account Number: Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
20. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;
21. All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form; and
22. Tick the series of NCDs in the Application Form that you wish to apply for.
23. Check if you are eligible to Apply under ASBA;
24. Retail individual investors using the UPI Mechanism to ensure that they submit bids upto the application value of ₹ 500,000;
25. Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;
26. Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchanges' App/ Web interface
27. Ensure that you give the correct details of your ASBA Account including bank account number/ bank name and branch;
28. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
29. Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40
30. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

In terms of SEBI Operational Circular, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

SEBI Operational Circular stipulates the time between closure of the Issue and listing at six Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Don'ts:

1. Do not apply for lower than the minimum application size;
2. Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest;
3. Do not send Application Forms by post; instead submit the same to the Consortium Members, sub-consortium member, Trading Members of the Stock Exchanges or Designated Branches of the SCSBs, as the case may be;
4. Do not submit the Application Form to any non-SCSB bank or our Company;
5. Do not submit an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be;
6. Do not fill up the Application Form such that the NCDs applied for exceeds the Issue size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
8. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
9. Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
10. Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
11. Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
12. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;
13. Do not submit Application Forms to a Designated Intermediary at a location other than Collection Centers;
14. Do not submit an Application that does not comply with the securities law of your respective jurisdiction;
15. Do not apply if you are a person ineligible to apply for NCDs under the Issue including Applications by Persons Resident Outside India, NRI (*inter*-alia including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA); and
16. Do not make an application of the NCD on multiple copies taken of a single form.
17. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted under the ASBA process;
18. Do not send your physical Application Form by post. Instead submit the same to a Designated Branch or the Lead Managers or Trading Members of the Stock Exchanges, as the case may be, at the Specified Cities; and
19. Do not submit more than five Application Forms per ASBA Account.
20. If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID;
21. Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;
22. Do not submit a bid using UPI ID, if you are not a Retail Individual Investor and if the Application is for an amount more than ₹ 5,00,000;

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit such Application Forms. (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

Please refer to "*Rejection of Applications*" on page 494 for information on rejection of Applications.

Submission of completed Application Forms

For details in relation to the manner of submission of Application Forms, see "*Issue Procedure*" beginning on page 469.

OTHER INSTRUCTIONS

Depository Arrangements

Our Company has made depository arrangements with NSDL and CDSL for issue and holding of the NCDs in dematerialised form. In this context:

1. Tripartite Agreements dated June 23, 2016 between us, the Registrar to the Issue and CDSL for offering depository option to the Applicants.
2. Tripartite Agreements dated May 31, 2012 between us, the Registrar to the Issue and NSDL for offering depository option to the Applicants.
3. An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.
4. The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.
5. NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
6. Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to the Issue.
7. It may be noted that NCDs in electronic form can be traded only on Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.
8. Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
9. The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialized form in multiples of One NCD only.

Allottees will have the option to rematerialise the NCDs Allotted under the Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGES SHALL BE IN DEMATERIALISED FORM ONLY IN MULTIPLE OF ONE NCD.

For further information relating to Applications for Allotment of the NCDs in dematerialised form, please see the section titled "*Issue Procedure*" on page 469.

Communications

All future communications in connection with Applications made in the Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue related problems and/or Post-Issue related problems such as non-receipt of Allotment Advice non-credit of NCDs in depository's beneficiary account/ etc. Please note that Applicants who have applied for the NCDs through Designated Intermediaries should contact the Stock Exchanges in case of any Post-Issue related problems, such as non-receipt of Allotment Advice / non-credit of NCDs in depository's beneficiary account/ etc.

Grievances relating to Direct Online Applications may be addressed to the Registrar to the Issue, with a copy to the relevant Stock Exchanges.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Undertaking by our Company

(a) All monies received pursuant to the Issue of NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.

(b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised; and

(c) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.

(d) the details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested;

(e) we shall utilize the Issue proceeds only upon creation of security as stated in the relevant Tranche Prospectus in the section titled "*a*" on page 455 and after (a) receipt of the minimum subscription of 75% of the Base Issue amount; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security and confirmation of the same in terms of NCDs and (d) receipt of listing and trading approval from the Stock Exchanges;

(f) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property.

(g) The allotment letter shall be issued, or application money shall be unblocked within 15 days from the closure of the Issue, or such lesser time as may be specified by SEBI, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period;

Other Undertakings by our Company

Our Company undertakes that:

(a) Complaints received in respect of the Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) will be attended to by our Company expeditiously and satisfactorily;

(b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the NCDs are outstanding;

(c) Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within six Working Days of the Issue Closing Date;

(d) Funds required for dispatch of Allotment Advice will be made available by our Company to the Registrar to the Issue;

(e) Our Company will forward details of utilisation of the proceeds of the Issue, duly certified by the Current Statutory Auditor, to the Debenture Trustee;

(f) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Issue as contained in the relevant Tranche Prospectus.

(g) We shall make necessary disclosures/reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

(h) We have created a recovery expense fund in the manner as may be specified by the Board from time to time and inform the Debenture Trustee about the same.

(i) We undertake that the assets on which charge is created, are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on the assets of the issuer has been obtained from the earlier creditor.

(j) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, the Board of Directors and/or any committee of our Company reserves it's full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Bidders' ASBA Account maintained with an SCSB;
- Applications not being signed by the sole/joint Applicant(s);

- Applications not made through the ASBA facility;
- Number of NCDs applied for or Applications for an amount being less than the minimum Application size;
- Applications submitted without blocking of the entire Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
- Investor Category in the Application Form not being ticked;
- Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum application size;
- ASBA Bank account details to block Application Amount not provided in the Application Form;
- Applications where a registered address in India is not provided for the Applicant;
- In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partners(s);
- Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian when PAN of the Applicant is not mentioned;
- DP ID and Client ID not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications by OCBs;
- Applications for an amount below the minimum application size;
- Submission of more than five ASBA Forms per ASBA Account;
- Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., submitted without relevant documents;
- Applications accompanied by Stock invest/ cheque/ money order/ postal order/ cash;
- Signature of sole Applicant missing or, in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);
- Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
- Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form.
- Application Forms not being signed by the ASBA Account holder if the account holder is different from the Applicant.
- If the signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB Bank's records where the ASBA Account mentioned in the Application Form is maintained;
- Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediaries, as the case may be;
- ASBA Applications not having details of the ASBA Account to be blocked;
- In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID and PAN or if PAN is not available in the Depository database;
- Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the ASBA Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- If an authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;
- The UPI Mandate Request is not approved by the Retail Individual Investor;
- SCSB making an ASBA application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;
- Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;
- Authorization to the SCSB for blocking funds in the ASBA Account not provided or acceptance of UPI Mandate Request raised has not been provided;
- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;

- Applications by any person outside India;
- Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements;
- Applications not uploaded on the online platform of the Stock Exchanges;
- Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchanges, as applicable;
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the relevant Tranche Prospectus;
- Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchanges, are not as per the records of the Depositories;
- Applications providing an inoperative demat account number;
- ASBA Applications submitted to the Designated Intermediaries, at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained, and Applications submitted directly to the Banker to the Issue (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- Category not ticked;
- Forms not uploaded on the electronic software of the Stock Exchanges;
- In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application.
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and this Draft Shelf Prospectus and as per the instructions in the Application Form;
- UPI Mandate Request is not approved by Retail Individual Investors.

Kindly note that ASBA Applications submitted to the Lead Managers, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Lead Managers, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries, as the case may be, to deposit ASBA Applications (A list of such branches is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

For information on certain procedures to be carried out by the Registrar to the Offer for finalization of the basis of allotment, please see below "*Issue Procedure-Information for Applicants*".

Information for Applicants

In case of ASBA Applications submitted to the SCSBs, in terms of the SEBI circular CIR/CFD/DIL/3/2010 dated April 22, 2010, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchanges and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchanges, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such ASBA Applications or treat such ASBA Applications as rejected.

In case of Applicants submitted to the Lead Managers, Consortium Members and Trading Members of the Stock Exchanges at the Specified Cities, the basis of allotment will be based on the Registrar's validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchanges, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such ASBA Application as rejected.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

Mode of making refunds

The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within six Working Days of the Issue Closing Date.

Our Company and the Registrar to the Issue shall credit the allotted NCDs to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret by registered post/speed post at the Applicant's sole risk, within six Working Days from the Issue Closing Date. We may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT/NACH.

Further,

(a) Allotment of NCDs in this Issue shall be made within the time period stipulated by SEBI;
(b) Credit to dematerialised accounts will be given within one Working Day from the Date of Allotment;
(c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund effected within five Working days from the Issue Closing Date, for the delay beyond five Working days; and
(d) Our Company will provide adequate funds to the Registrar to the Issue for this purpose.

Retention of oversubscription

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Basis of Allotment

As specified in the relevant Tranche Prospectus for each Tranche Issue

Allocation Ratio

Reservations shall be made for each of the Portions as specified relevant Tranche Prospectus for each Tranche Issue.

Payment of Refunds:

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within the applicable regulatory timelines.

Issuance of Allotment Advice

Our Company shall ensure dispatch of Allotment Advice as per the Demographic Details received from the Depositories. Instructions for credit of NCDs to the beneficiary account with Depository Participants shall be made within 5 Working Days of the Issue Closing Date

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities and approvals for the commencement of trading at the Stock Exchanges where the NCDs are proposed to be listed are taken within 5 Working Days from the Issue Closing Date.

Allotment Advices shall be issued, or Application Amount shall be unblocked within 15 (fifteen) days from the Issue Closing Date or such lesser time as may be specified by SEBI or else the application amount shall be unblocked in the ASBA Accounts of the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent. per annum for the delayed period.

Our Company will provide adequate funds required for dispatch of Allotment Advice, as applicable, to the Registrar to the Issue.

Investor Withdrawals and Pre-closure

<u>*Investor Withdrawal:*</u> *Applicants are allowed to withdraw their Applications at any time prior to the Issue Closing Date.*

Withdrawal of Applications after the Issue Period: In case an Applicant wishes to withdraw the Application after the

Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar prior to the finalization of the Basis of Allotment but not later than 2 (two) Working days from the Issue Closing Date or early closure date, as applicable.

<u>*Pre-closure/ Early Closure:*</u> *Our Company, in consultation with the Lead Managers reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue before the Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.*

In the event of such early closure of this Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the relevant Issue Closing Date of the Issue, as applicable, through advertisement(s) in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of this issue have been given.

Further, the Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue before the Issue Closing Date.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount has not been subscribed or received, as applicable, within the specified period, the application money received is to be unblocked/credited only to the bank account in/from which the subscription was blocked/remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard.

If our Company does not receive the minimum subscription of 75% of Base Issue Size prior to the Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 6 (six) working days from the Issue Closing Date, provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 (six) working days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Revision of Applications

As per the notice no: 20120831-22 dated August 31, 2012 issued by BSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchanges(s), by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day after the Issue Closing Date (till 1:00 PM) to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

SECTION VIII - SUMMARY OF KEY PROVISIONS OF ARTICLES OF ASSOCIATION

The following regulations comprised in these Articles of Association were adopted pursuant to special resolution passed by Members on April 7, 2016 in substitution for, and to the entire exclusion of, the earlier Articles comprised in the extant Articles of Association of the Company.

1	To the extent of specific provisions contained in these Articles, the regulations contained in Table F of Schedule I to the Companies Act, 2013, shall not apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal of, alteration of, or addition to, its regulations by resolution, as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles. To the extent of any specific provisions not contained in these Articles but contained in Table F of Schedule I to the Companies Act, 2013, such regulations contained in Table F in the Schedule I to the Companies Act, 2013, in so far as they are applicable to a Public Company shall apply to this Company as if such regulations are contained in these Articles.	Table F not to apply but Company to be governed by these Articles

	INTERPREPATION	
2	In the interpretation of these Articles, unless repugnant to the subject or context :-	Interpretation Clause
	“The Company” or “This Company” means L&T Finance Limited.**	“The Company” or “this Company”
	"The Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.	“The Act”
	“The Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.	“The Rules”
	“The Articles” means these Articles of Association of the Company or as altered from time to time.	“The Articles”
	"Alter" or "Alteration" includes the making of additions, omissions and substitutions.	“Alter” or “Alteration”
	"Authorized Capital" or "Nominal Capital" means such capital as is authorized by the Memorandum of the Company to be the maximum amount of share capital of the Company.	"Authorized Capital” or "Nominal Capital"
	“Beneficial Owner” means beneficial owner as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996.	“Beneficial Owner”
	“Board of directors” or “Board” means the collective body of the directors of the Company.	“The Board of Directors” or “The Board”

**The Company has amended Articles of Association vide special resolution passed by the Shareholders at the EGM held on January 24th 2017.*

	"Charge" means an interest or lien created on the property or assets of the Company or any of its undertakings or both as security and includes a mortgage.	“Charge”
	“Chief Executive Officer" means an officer of the Company, who has been designated as such by the Company.	“Chief Executive Officer”
	"Chief Financial Officer" means a person appointed as the Chief Financial Officer of the Company.	“Chief Financial Officer”
	"Company Secretary" or "Secretary" means a Company Secretary as defined in clause (*c*) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 (56 of 1980) who is appointed by the Company to perform the functions of a Company Secretary under this Act.	"Company Secretary" or "Secretary"
	"Debenture" means debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a charge on the assets of the Company or not.	“Debenture”
	"Depository" means a depository as defined in Clause (*e*) of Sub-section (1) of Section 2 of the Depositories Act, 1996 (22 of 1996).	“Depository”

	“Dividend” includes any interim dividend.	“Dividend”
	“Directors” mean directors appointed to the Board of the Company.	“Directors”
	"Employees' Stock Option" means the option given to the directors, officers or employees of the Company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price.	"Employees' Stock Option"
	"Global Depository Receipt" means any instrument in the form of a depository receipt, by whatever name called, created by a foreign depository outside India and authorized by the Company making an issue of such depository receipts.	"Global Depository Receipt"
	"Independent Director" means an Independent Director referred to in sub-section (5) of Section 149.	"Independent Director"
	Investors means BC Investments VI Limited and BC Asia Growth Investments Limited who has invested in L&T Finance Holdings Limited, parent company.	Investors
	“Investors’ Director” means one non retiring non-executive director jointly nominated by the Investors for appointment as a director on the Board.	Investor Director
	"Issued Capital" means such capital as the Company issues from time to time for subscription.	"Issued Capital"
	"Key Managerial Personnel", in relation to the Company, means:- (i) the Chief Executive Officer or the Managing Director or the Manager; (ii) the Company Secretary; (iii) the whole-time director; (iv) the Chief Financial Officer; and (v) such other officer as may be prescribed under the Rules.	"Key Managerial Personnel"
	“Listing Agreement” means an agreement entered with the stock exchanges where the Company is listed.	“Listing Agreement”
	"Managing Director" means a director who, by virtue of these Articles or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of directors, is entrusted with substantial powers of management of the affairs of the Company and includes a director occupying the position of managing director, by whatever name called.	"Managing Director"
	"Memorandum" means the Memorandum of Association of the Company as originally framed or as altered from time to time in pursuance of any previous Company law or of this Act.	"Memorandum"
	"Officer" includes any director, Manager or Key Managerial Personnel or any person in accordance with whose directions or instructions the Board or any one or more of the directors is or are accustomed to act.	“Officer"
	"Paid-up share capital" or "share capital paid-up" means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the Company, but does not include any other amount received in respect of such shares, by whatever name called.	“Paid-up share Capital” or “share capital paid-up”
	“Postal Ballot" means voting by post or through any electronic mode.	“Postal Ballot"
	"Promoter" means a person who has been named as such in a prospectus or is identified by the Company in the annual return or who has control over the affairs of the Company, directly or indirectly whether as a shareholder, director or otherwise or in accordance with whose advice, directions or instructions the Board of directors of the Company is accustomed to act expect a person who is acting merely in a professional capacity.	"Promoter"
	"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961 (43 of 1961) or any modification or re-enactment thereof.	"Remuneration"
	“The Seal” means the common seal of the Company.	“The Seal”
	"SEBI" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992 (15 of 1992).	“SEBI”
	"Securities" means the securities as defined in clause (*h*) of Section 2 of the	“Securities”

	Securities Contracts (Regulation) Act, 1956 (42 of 1956).	
	"Share" means a share in the share capital of the Company and includes stock.	“Share”
	"Subscribed capital" means such part of the capital which is for the time being subscribed by the Members of the Company	"Subscribed capital"
	"Whole-time director" includes a director in the whole-time employment of the Company.	"Whole-time director
	“Gender” – Words importing the masculine gender also include the feminine gender.	“Gender”
	The “marginal notes” and “catch lines” hereto shall not affect the construction hereof.	“Marginal Notes” and “Catch Lines”
	“In writing” and “written”-include printing, lithography and other modes of representing or reproducing words in visible form.	“In writing” and “Written”
	Words importing the singular number include where the context admits or requires, the plural number and vice versa.	“Singular Number”
	Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company. In case any word is not defined in the Act but defined in the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Securities and Exchange Board of India Act, 1992 (15 of 1992) or the Depositories Act, 1996 (22 of 1996) shall have the meanings respectively assigned to them in those Acts.	“Meaning of words not defined in the Articles”
*	“Investment Agreement” means the investment agreement executed on September 21, 2015 by and amongst the L&T Finance Holding Limited (Holding Company), Investor 1 and Investor 2.	Investment Agreement

**The Company has amended Articles of Association vide special resolution passed by the Shareholders at the EGM held on January 24, 2017.*

*	Investor 1” means BC Investments VI Limited, a company incorporated under the laws of Mauritius and having its registered office at Suite 110, 10th Floor, Ebene Heights Building, 34 Ebene Cybercity, Ebene, Republic of Mauritius.	“Investor 1”
*	“Investor 2” means BC Asia Growth Investments Limited, a company incorporated under the laws of Mauritius and having its registered office at Suite 110, 10th Floor, Ebene Heights Building, 34 Ebene Cybercity, Ebene, Republic of Mauritius	“Investor 2”
*	“Investors” means Investor 1 and Investor 2 collectively.	“Investors”
*	“Investors’ Director” means one non retiring non-executive director jointly nominated by the Investors for appointment as a director on the Board.	“Investors’ Director”

SHARE CAPITAL AND VARIATION OF RIGHTS

3	The Authorized Capital of the Company is or shall be such amount as stated in Clause V of the Memorandum of the Company, for the time being or as may be varied, from time to time, under the provisions of the Act, and divided into such numbers, classes and descriptions of shares and into such denominations as stated therein. The paid-up share capital of the Company shall be, at any point of time, minimum of Rs. 5,00,000/- (Rupees Five Lacs Only) or such other higher amount, as may be prescribed under the Act as applicable to a public company.	Share Capital
4	Subject to the provisions of the Act and these Articles, the shares in the Capital of the Company shall be under the control of the directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit. Board shall not issue any shares at discount except issue of such class of shares as may be permitted by the Act.	Shares under Control of Board

5	The Company may issue equity shares with voting right and/or with differential voting rights as to dividend, voting or otherwise and preference shares in accordance with these Articles, the Act, the Rules and other applicable laws.	Kinds of Share Capital
6	1) The Board or the Company as the case may be, may, in accordance with the Act and the Rules, issue further shares to: (a) Persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or (b) Employees under any scheme of Employees' Stock Option; or (c) any persons, whether or not those person include the persons referred to in clause (a) or (b) above. 2) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of right issue, bonus issue, preferential offer, private placement and any other issue in accordance with the provisions of the Act.	Further issue of share Mode of further issue of shares

**The Company has amended Articles of Association vide special resolution passed by the Shareholders at the EGM held on January 24, 2017.*

7	Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted into equity shares, on such terms and conditions and in such manner as may be determined by the Board in accordance with the Act and the Rules. Such preference shares shall be redeemable in accordance with the Act and the Rules made there under.	Power to issue redeemable preference shares
8	Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the Capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up shares, as the case may be.	Allotment of shares by directors for consideration other than cash
9	Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the register of members shall, for the purposes of these Articles, be a Member.	Acceptance of shares
10	The money which the Board of directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the inscription of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.	Deposit and calls etc. to be a debt payable immediately
11	Every Member, or his heirs, executors or administrators, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner, as the Board of directors shall, from time to time, in accordance with these Articles, the Act, the Rules and other applicable laws require or fix for the payment thereof.	Liability of Members

12	1) Every person whose name is entered as a Member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt of application for the registration of transfer or transmission or within such other period as may be prescribed by SEBI from time to time or by the conditions of issue: *(a)* one certificate for all his shares without payment of any charges; or *(b)* several certificates, each for one or more of his shares, without payment of any fees for each certificate after the first unless otherwise decided by the Board. 2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon. 3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for such shares to one of several joint holders shall be sufficient delivery to all such holders. 4) Certificate shall be issued in the form and manner prescribed in the Act, the Rules and other applicable laws.	Issue of certificate Seal on certificate(s) certificate for shares held by joint holders Form and manner of issue of Certificate
13	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing shares, debentures and other securities, rematerialize its existing shares, debenture and other securities held in a depository and/or offer further shares, debentures and other securities in dematerialized form pursuant to Depositories Act, 1996 and rules framed there under.	Company entitled to Dematerialize its Securities
14	A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in dematerialized form with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share(s) to enable the depository to enter in its records the name of such person as the beneficial owner.	Option to Investor to hold/receive shares in dematerialized form
15	Every share in the Company shall be distinguished by its distinctive number provided that nothing shall apply to a share held by a person whose name is entered as holder of beneficial interest in such share in the records of a depository.	Numbering of Shares
16	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then, upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued without payment of any fees unless otherwise decided by the Board.	Issue of new share certificate in place of defaced, lost or destroyed certificate
17	Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder(except only as by these regulations or by law otherwise provided).	Company not bound to recognise any interest in share other than that of Registered holder.
18	Except so far as otherwise provided by the conditions of issue by these presents, any Capital raised by the creation of new class of shares, shall be considered as part of the existing Capital, and shall rank *pari-passu* in all respects with the existing shares of the Company and shall be entitled to dividend and corporate benefits, if any, declared by the Company after the allotment. However, the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares	New Capital same as existing capital

	of that class, be deemed to be varied by the creation or issue of further shares ranking *pari-passu* therewith.	
19	1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class or in such other manner as may be prescribed by the Act and the Rules. 2) To every such separate meeting, the provisions of these regulations relating to General Meetings shall *mutatis mutandis* apply.	Variation of Members' rights Provisions as to General Meetings to apply mutatis mutandis to each meeting of the holder of the shares
20	The provisions of Articles shall *mutatis mutandis* apply to issue and allotment of any other securities including debentures (except where the Act otherwise requires).	Provisions of shares to apply mutatis mutandis to any other securities and debentures.
21	1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be in accordance with the provisions of the Act and the Rules and shall be disclosed in the manner required therein. 2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules and/or the Act, as the case may be. 3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other. 4) The Company may pay brokerage to the extent and in the manner prescribed under the Act in connection with subscription to its securities.	Power to pay commission in connection with securities issued. Rate of Commission in accordance with the Rules Mode of payment of commission Power to pay Brokerage

LIEN

22	1) The Company shall have a first and paramount lien :- *(a)* on every share (not being a fully paid share), for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and *(b)* on all shares (not being fully paid shares) standing registered in the name of a Member, for all moneys presently payable by him or his estate to the Company: Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. 2) The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares for any money	Company's lien on shares

	owing to the Company. 3) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.	Lien to extend to dividends, bonus etc. Waiver of lien
23	The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien: Provided that no sale shall be made:- (*a*) unless a sum in respect of which the lien exists is presently payable; or (*b*) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.	As to enforcing lien by sale
24	1) To give effect to any such sale, the Board may authorize one of their Members or any other Officer of the Company to transfer the shares sold to the purchaser thereof. 2) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall(subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share comprised in any such transfer. 3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.	Validity of sale Purchaser to be registered holder Purchaser not affected
25	1) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. 2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares, at the date of the sale.	Application of proceeds of sale Payment of residual money
26	In exercising the lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not(except as ordered by any statute) be bound to recognize any equitable or other claim to, or interest in such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.	Outsider's lien not to affect Company's lien
27	The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures issued by the Company from time to time.	Provisions as to lien to apply mutatis mutandis to debentures, etc.

CALLS ON SHARES

28	1) The Board may, from time to time, make calls upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times	Board may make calls

	2) Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares. 3) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstance. 4) A call may be revoked or postponed at the discretion of the Board.	Notice of Call Board may extend time for payment of any call Revocation or postponement of call
29	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.	Call to take effect from date of resolution
30	All calls shall be made on a uniform basis on all shares falling under the same class. Explanation: Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.	Call on shares of same class to be on uniform basis.
31	If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the Company by the person, who for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Installment on shares to be duly paid
32	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liabilities of joint holders of shares
33	1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. 2) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	Sums deemed to be calls Effect of non-payment of sums
34	1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate as stipulated under the provisions of the Act or Rules thereof or at such lower rate as may be fixed by the Board. 2) The Board shall be at liberty to waive payment of any such interest wholly or in part.	Call to carry interest Board may waive interest
35	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any share either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.	Partial payment not to preclude forfeiture
36	The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to calls to apply mutatis mutandis to debentures, etc.
37	The Board:- 1) may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any shares held by him; and	Payment in anticipation of calls may carry interest

	2) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.	

FORFEITURE OF SHARES

38	If any Member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued and all the expenses that may have been incurred by the Company by reason of non-payment.	If money payable on share not paid, notice to be given to Member
39	The notice aforesaid shall:- 1) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and 2) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	Term of Notice
40	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	In default of payment, shares to be forfeited
41	Neither the receipt by the Company for a portion of any money which may from time to time be due from any Member in respect of his shares, nor any indulgence that may be granted by the Company, in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.	Receipt of part amount or grant of indulgence not to affect forfeiture
42	When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting Member and on entry of the forfeiture with the date thereof, shall forthwith be made in the register of member but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.	Entry of forfeiture in register of member
43	1) A duly verified declaration in writing that the declarant is a director, the manager or secretary of the Company, and that share(s) in the Company have been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share(s). 2) The Company may receive the consideration, if any, given for the share(s) on any sale, re-allotment or disposal thereof and may execute a transfer of share in favour of the person to whom the share is/are sold or disposed of. 3) The transferee shall thereupon be registered as the holder of the share; and 4) The transferee shall not be bound to see the application of the purchase money, if any, nor shall his title to the share(s) be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of share(s).	Certificate of forfeiture Consideration for forfeiture and transfer of forfeited share Transferee to be registered as holder Transferee not affected

44	1) A forfeiture of share shall be deemed to be the property of the Company and may be sold or re-alloted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit. 2) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	Forfeited shares to be property of the Company and may be sold etc. Cancel of Forfeiture
45	1) A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay and shall pay to the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. 2) All such moneys payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the moneys due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. 3) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.	Member still liable to pay money owing at the time of forfeiture and interest Cessation of liability
46	The forfeiture of share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	Effect of forfeiture
47	Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered the register of members in respect of such shares, the validity of the sale shall not be impeached by any person.	Validity of sale
48	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the respective shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	Cancellation of share certificates in respect of forfeited shares
49	The Board, may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering the same on such terms as it may think fit.	Surrender of share
50	The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Sums deemed to be calls
51	The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to forfeiture of shares to apply mutatis mutandis to debentures etc.

TRANSFER OF SHARES

52	1) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. 2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.	Instrument of transfer to be executed by transferor and transferee

53	The Board may, subject to the right of appeal conferred by the Act and subject to the provisions of the Act, the Rules, Listing Agreement and any other applicable law decline to register:- 1) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; 2) any transfer of shares on which the Company has a lien; 3) any transfer of shares where any statutory prohibition or any attachment or prohibitory order of a competent authority restrains the Company from transferring the shares out of the name of the transferor; or 4) any transfer of shares where the transferor objects to the transfer provided he serves on the Company within a reasonable time a prohibitory order of a court of competent jurisdiction.	Board may refuse to register transfer
54	1) The Board may decline to recognize any instrument of transfer unless:- (*a*) the instrument of transfer is in the form as prescribed in rules made under the Act; (*b*) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (*c*) the instrument of transfer is in respect of only one class of shares. 2) The Company shall send notice containing the reasons thereof within the time stipulated under the Act.	Board may decline to recognize instrument of transfer
55	On giving not less than seven days' previous notice in accordance with the Act, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.	Transfer of shares when suspended
56	The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.	Provisions as to transfer of shares to apply mutatis mutandis to debentures etc.

TRANSMISSION OF SHARES

57	1) On the death of a Member, the survivor or survivors where the Member was a joint holder, and his nominee or nominees and in absence of nominees the legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares. 2) Nothing in clause (*1*) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	Title of shares of deceased Member
58	1) Any person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:- (a)to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent Member could have made.	Registration of person entitled to shares or otherwise than by transfer

	2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the share before his death or insolvency. 3) The Company shall be fully indemnified by such person from all liability, if any, by action taken by the Board to give effect to such registration or transfer.	
59	1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. 2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. 3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.	Right to election of holder Manner of testifying election Limitations applicable to notice
60	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by Membership in relation to meetings of the Company. Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.	Claimant to be entitled to same advantage
61	The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company	Provisions as to transmission to apply mutatis mutandis to debentures etc.

ALTERATION OF CAPITAL

62	Subject to the provisions of the Act, the Company may, by resolution prescribed under the Act, increase its share capital by such sum, to be divided into shares of such amount or such class, as may be specified in the resolution.	Increase in the share capital
63	Subject to the provisions of the Act, the Company may, by resolution prescribed under the Act :- 1) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; 2) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid up shares of any denomination; 3) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; 4) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.	Alteration of share capital
64	Where shares are converted into stock :- 1) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as	Shares may be converted into stock

	near thereto as circumstances admit. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose. 2) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. 3) such of these Articles as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively unless the context otherwise requires.	Right of stockholders
65	The Company may, by resolution prescribed under the Act reduce in any manner and with, and subject to, any incident authorized and such consent as may be required by law :- 1) its share capital; 2) any capital redemption reserve account; 3) any share premium account; or 4) any other reserve in the nature of capital.	Reduction of Capital

JOINT HOLDERS

66	Where two or more persons are registered as joint holders(not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles :-	Joint holders
	1) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share.	Liability of joint holders
	2) On the death of any one or more of such joint holders, the survivor(s) shall be the person(s) recognized by the Company as having any title to the shares but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.	Death of one or more joint holders
	3) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.	Receipt of one sufficient
	4) Only the person whose name stands first in the register of members as one of the joint holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint holders.	Delivery of certificate and giving of notice to first named holder
	5) (a) Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then the one of such persons so present whose name stands first or higher(as the case may be) on the register	Vote of joint holders

	in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by attorney or proxy stands first or higher(as the case may be) in the register in respect of such shares. (b) Several executors or administrators of a deceased Member in whose (deceased Member) sole name any share stands, shall for the purpose of this clause be deemed joint holders.	Executors or administrators as joint holders
67	The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.	Provisions as to joint holders as to shares to apply mutatis mutandis to debentures
68	In respect of shares or other securities held in dematerialized form, the provisions relating to joint holders contained in these Articles shall apply mutatis mutandis to the joint beneficial owner.	Provisions relating to joint holder shall apply mutatis mutandis to the joint beneficial owner

CAPITALIZATION OF PROFITS

69	1) The Company in general meeting may, upon recommendation of the Board, resolve :- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend. 2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (*3*), either in or towards :- (a) paying up any amounts for the time being unpaid on any shares held by such Members respectively; (b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid; (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b); (d)a securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of these Articles, be applied in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares; and (f) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	Capitalization Sum how applied
70	1) Whenever such a resolution as aforesaid shall have been passed, the Board shall :- (a)make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and	Power of the Board for capitalization

	(b) generally do all acts and things required to give effect thereto. 2) The Board shall have power :- (a)to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and (b)to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares. 3) Any agreement made under such authority shall be effective and binding on such Members.	Board's power to issue fractional certificate/coupon etc. Agreement binding on Members

***BUY-BACK OF SHARES, SECURITIES AND COMMERCIAL PAPER**

71	Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other Securities or commercial paper.	Buy-Back of shares, Securities and Commercial Paper

GENERAL MEETINGS

72	Subject to the provisions of the Act, an Annual General Meeting of the Members of the Company shall be held every year within six months after the expiry of each financial year, provided that not more than 15 months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours, that is, between such time as prescribed in the Act, on any day that is not a National Holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situate.	Annual General Meeting
73	All General Meetings other than Annual General Meeting shall be called Extra-ordinary General Meeting.	Extra-ordinary General Meeting
74	The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting.	Power of Board to call Extra-ordinary General Meeting

PROCEEDINGS AT GENERAL MEETINGS

75	1) No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business. 2) No business shall be discussed or transacted at any General Meeting except election of Chairperson whilst the chair is vacant. 3) Save as otherwise provided herein, the quorum for the General Meetings shall be as prescribed in the Act.	Presence of quorum Business confined to election of Chairperson whilst chair vacant Quorum of General Meeting
76	The Chairperson, if any, of the Board shall preside as Chairperson at every	Chairperson of the

	General Meeting of the Company.	meetings
77	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the directors present shall elect one of their Members to be Chairperson of the meeting.	Directors to elect a Chairperson

**The Company has amended Articles of Association vide special resolution passed by the Shareholders at the EGM held on November 4th, 2019.*

78	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of their Members to be Chairperson of the meeting.	Members to elect a Chairperson
79	On any business at any General Meeting, in case of equality of votes, whether on show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson
80	The Company shall cause minutes of the proceedings of every General Meeting or any class of Members or creditors and every resolution passed by a postal ballot to be prepared and signed in such manner as may be prescribed by the Act and the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered. There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting :- (a) is, or could reasonable by regarded as defamatory of any person; or (b) is irrelevant or immaterial to the proceedings; or (c) is detrimental to the interests of the Company. The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause. The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	Minutes of proceedings of meetings and resolutions passed by postal ballot Certain matters not to be included in minutes Discretion of Chairperson in relation to minutes Minutes to be evidence
81	1) The books containing the minutes of the proceedings of any General Meeting of the Company or a resolution passed by postal ballot shall:- (a) be kept at the registered office of the Company or such other place as may be permitted by the Act or Rules thereof ; (b) be open to inspection of any Member without any charge on all working days except Saturdays during such time as may be fixed by the Board. 2) Any Member shall be entitled to be furnished, within time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of the minutes referred to in clause(1) above. Provided that a Member who has made request for provision of soft copy of the minutes of any previous General Meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.	Inspection of minutes book of General Meeting Members may obtain copy of minutes
82	The Board, and also any person(s) authorized by it, may take any action before the commencement of any General Meeting or any meeting of a class of Members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final and right to attend and participate in the meeting shall be subject to such decision.	Powers to arrange security at meeting

ADJOURNMENT OF MEETING

83	1) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place 2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. 3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. 4) Save as aforesaid, and as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. 5) In case quorum is not present the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.	Chairperson may adjourn the meeting Business at adjourned meeting Notice of adjourned meeting Notice of adjourned meeting not required Adjournment of meeting when quorum not present

VOTING RIGHTS

84	Subject to any rights or restrictions for the time being attached to any class or classes of shares :- 1) on a show of hands, every Member present in person shall have one vote; and 2) on a poll, the voting rights of Members shall be in proportion to his share in the paid-up equity share capital of the Company.	Entitlement to vote on show of hands and on poll
85	A Member may exercise his vote at a meeting by electronic means in accordance with the provisions of the Act and the Rules and shall vote only once.	Voting through electronic means
86	1) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. 2) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Vote of joint holders Seniority of names
87	A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his Committee or other legal guardian, and any such Committee or guardian may, on a poll, vote by proxy.	How Members non *compos mentis* and minor may vote
88	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission clause to any share may vote at any General Meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such share unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent Members
89	Any business other than that upon which a poll has been demanded may be proceeded with, pending taking of the poll.	Business pending taking of poll
90	No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.	Restriction on voting rights
91	A Member shall not be prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set forth in the preceding Article.	Restriction on voting right in other cases to be void

92	Any Member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other Members of the same class.	Equal rights of Members

PROXY

93	1) Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf for that meeting. 2)The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Members may vote in person or otherwise Proxy when to be deposited
94	An instrument appointing a proxy shall be in the form as prescribed in the Act and the Rules.	Form of Proxy
95	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given. Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	Proxy to be valid notwithstanding death of the principal

BOARD OF DIRECTORS

96	Unless otherwise determined by the Company in General Meeting, the number of directors shall not be less than 3(Three) and shall not be more 15 (Fifteen).	Number of Directors
97	The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.	Same individual may be appointed as Chairperson and Managing Director /Chief Executive Officer
*98	All the Directors (Other than Independent Directors and the Investor Director) including the Managing Director(s) and Whole Time Director(s) shall be liable to retire by rotation. However, such retirement shall not be deemed as break in service, if such Managing Director(s) or Whole Time Director(s) are re-appointed immediately. The Board shall have the power to determine the directors whose period of office is or is not liable to retire by rotation subject to the provisions of the Act.	Directors liable to retire by rotation
99	The Board shall consist of at least such number of Independent Directors as are statutorily required and such directors shall possess such qualification as may be prescribed under Act and shall be appointed for such tenure as prescribed by the Act and the Rules and they shall not be liable to retire by rotation and shall be paid, apart from sitting fees as referred in this Article such remuneration as may be decided by Board of directors in accordance with the approval granted by the Members in General Meeting, if required.	Independent Directors
100	1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. 2) The remuneration payable to the directors, including any managing or whole time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act or Rules thereof. 3) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid sitting fees as may be decided by the Board of directors	Remuneration of directors Sitting Fees, Travelling

	within the limit prescribed under the Act and all travelling, hotel and other expenses properly incurred by them:- (a) in attending and returning from meetings of the Board of Directors or any Committee thereof or General Meetings of the Company; (b) in connection with the business of the Company.	and other expenses
101	All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	Execution of negotiable instruments
102	1) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as additional director, provided that the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles. 2) Such person shall hold office only up to the date of the next annual General Meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.	Appointment of Additional Director Duration of office of additional director

**The Company has amended Articles of Association vide special resolution passed by the Shareholders at the EGM held on January 24, 2017.*

103	1) The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act. 2) An alternate director shall not hold office for a period longer than the permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.	Appointment of alternate director Duration of office of alternate director
104	Subject to the provisions of the Act, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.	Appointment of Nominee director
105	1) If the office of the director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. 2) The director so appointed shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated.	Appointment of director to fill casual vacancy. Duration of office of director appointed to fill casual vacancy
106	Subject to and in accordance with the provisions of the Act and the Rules, directors and their related parties as defined under the Act and the Rules may enter into any contract permissible under the Act.	Director may contract with Company
107	No director shall be eligible for appointment as director of the Company, if he possesses any of the disqualifications stipulated under the Act or is disqualified to be appointed, pursuant to any order/notice issued by any Regulatory Authority(ies).	Disqualifications for appointment of director
108	A director shall not be required to acquire qualification Shares.	Qualification Shares

BORROWING POWERS

109	Subject to the provisions of the Act and the Rules, the Board of directors may, from time to time at its discretion by a resolution passed at a Meeting of the Board, accept deposits from Members, either in advance orcalls or otherwise, and generally raise or borrow or secure the payment of any sum or sum of moneys for the purpose of the Company not exceeding the aggregate of the Paid-up capital of the Company and its reserves. Provided, however, where the moneys to be borrowed together with moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of paid-up capital and free reserves as defined under the Act, the Directors shall not borrow such monies without the consent of the Company in general meeting by way of resolution prescribed under the Act.	Power of the Board to borrow
110	The payment or re-payment of moneys borrowed aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of directors may think fit, and in particular by a resolution passed at a meeting of the Board(and not by circular resolution).	Security for the Money borrowed
111	The Board may, subject to and in accordance with the provisions of the Act and the Rules, issue debentures or debenture stocks or any other securities for borrowing moneys by the Company (secured or unsecured) and such debentures, debenture stocks and securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.	Issue of debentures, debenture stock etc.
112	Subject to the provisions of the Act, any debenture, debenture stock or other securities (excluding shares) may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as the Board may think fit. However, debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting or through Postal Ballot.	Terms of issue of debentures, debentures stock etc.

GENERAL POWERS OF BOARD

113	Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized to exercise and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or Rules or statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in general meeting.	General Powers of the Company vested in Board.

PROCEEDINGS OF THE BOARD

114	1) Subject to the provisions of the Act, the Board of directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. 2) The Chairperson or any other director with the previous consent of the Board may, and the Company Secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board. 3) The quorum for a Board Meeting shall be as provided in the Act. 4) The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under Law.	When meeting to be convened Who may summon Board meeting Quorum for Board meeting Participation at Board meeting

115	1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. 2) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	Questions at Board meeting how decided Casting vote of Chairperson at Board Meeting
116	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.	Directors not act when number falls below minimum
117	1) The Chairperson of the Company shall be the Chairperson at the meetings of the Board. In his absence, the Board may elect a Chairperson of its meeting and determine the period for which he holds the office. 2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their Member to be Chairperson of the meeting.	Who to preside at meetings of the Board Directors to elect a Chairperson
118	1) The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such Member or Members of its body as it thinks fit. 2) Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. 3) The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing as may be prescribed by the Rules or permitted under law.	Delegation of powers Committee to conform to Board's regulations Participation at Committee meetings
119	1) A Committee may elect a Chairperson of its meetings. 2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Members present may choose one of their Members to be Chairperson of the meeting.	Chairperson of the Committee Members of Committee to appoint Chairperson
120	1) Subject to the provisions of the Act and directions of the Board of directors, a Committee may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. 2) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the Members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	Committee Meeting Questions at Committee meeting how decided
121	All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	Acts of Board or Committee valid notwithstanding defect of appointment
122	Save as otherwise expressly provided in the Act, a resolution in writing, signed whether manually or by secure electronic mode, by a majority of the Members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened	Passing of resolution by circulation

	and held.	
123	The minutes of the meeting of the Board and the Committees thereof shall be prepared and kept in accordance with the provisions of the Act and the Rules.	Minutes of Board and Committee Meeting

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

124	In accordance with the provisions of the Act and the Rules, the Company shall have Key Managerial Personnel as mentioned in the Act. The appointment of Key Managerial Personnel shall be in accordance with the provisions of the Act and Rules, if any.	Key Managerial Personnel
125	Subject to the provisions of the Act :- 1) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; 2) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. 3) A Key Managerial Personnel can be appointed as a director of any company, subject to compliance with the provisions of the Act.	Chief Executive Officer etc.
126	A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	Signing by Director and Chief Executive Officer etc.

REGISTERS

127	The Company shall keep and maintain at its registered office all Statutory Registers (in physically or electronic mode) including Register of Charges, if applicable for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The Register of member, Index of Members and copies of Annual Returns with annexures thereto may be kept at such other place as may be approved by the Members by special resolution subject to the provisions of the Act and Rules. The Registers including Register of Charges, if need and copies of Annual Returns shall be available for inspection during working hours on all working days except Saturdays during such time as may be fixed by the Board, at the place where such Registers are kept and maintained, by the persons entitled thereto on payment, where required, without any fees in absence of any fees fixed by the Board in this behalf not exceeding the limits prescribed by the Rules.	Statutory Registers
128	1) The Company may exercise the powers conferred on it by the Act with regard to keeping of a Foreign Register and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of such Registers. 2) The Foreign Register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, *mutatis mutandis*, as is applicable to the Register of member.	Foreign Register

THE SEAL

129	1) The Board shall provide for the safe custody of the seal.	The Seal, its custody and

	2) The Seal shall be under the safe custody of Company Secretary or such other officer(s) as may be authorised by the Board.	use
130	The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of at least one director or chief executive or the manager, if any, or of the secretary or such other person as the Board may appoint for the purpose; and such director or chief executive or manager or the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.	Affixation of seal

DIVIDEND AND RESERVES

131	The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in General Meeting may declare a lesser dividend.	Company in General Meeting may declare dividend
132	Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.	Interim dividend
133	1) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit. 2) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Dividend only to be paid out of profits Carry forward of profits
134	1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. 2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. 3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	Division of profits Capital paid-up in advance at interest not to earn dividend Dividends proportion to amount paid-up
135	The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	Company’s right to re-imbursement there from
136	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained entitled to become a Member, until such person shall become a Member in respect of such shares.	Retention of dividends
137	1) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or	Dividend how remitted

	joint holders may in writing direct. 2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	 Instrument of payment
138	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other moneys payable in respect of such share.	Receipt of one holder sufficient
139	No dividend shall bear interest against the Company.	No interest on dividends
140	The waiver in whole or in part of any dividend on any share by any document(whether or not under seal) shall be effective only if such document is signed by the Member(or the person entitled the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	Waiver of dividends
141	Unclaimed dividend shall be dealt in the manner as prescribed under the provisions of the Act and the Rules and other applicable laws.	Unclaimed dividend

ACCOUNTS AND AUDIT

142	The Company shall maintain such book of accounts and book and papers (in physically or electronic mode) as prescribed under the provisions of the Act and the Rules. Such book of account and book and paper shall be kept at such place as prescribed under the Act or as the Board of directors think fit subject to compliance with the applicable provisions of the Act.	Maintenance of book of account
143	1) The books of accounts and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules. 2) No Member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board.	Inspection by Directors Restriction on inspection by Members
144	1) The financial statements, book of accounts and other relevant books and papers of the Company shall be examined and audited in accordance with the provisions of the Act and the Rules. 2) Appointment, re-appointment, rotation, removal, resignation, eligibility, qualification, disqualification, remuneration, powers and duties etc. of the Statutory Auditors shall be in accordance with the provisions of the Act and the Rules.	Accounts to be Audited Provisions relating to Statutory Auditors
145	1) In case the Company is required to maintain cost records and/or to get the same audited, the same shall be maintained and got audited, in the manner prescribed under the provisions of the Act and the Rules. 2) Appointment, re-appointment, rotation, removal, resignation, eligibility, qualification, disqualification, remuneration, powers and duties etc. of the Cost Auditors shall be in accordance with the provisions of the Act and the Rules.	Cost records and Audit Provisions relating to Cost Auditors
146	1) In case the Company is required to get its secretarial records audited by a Secretarial Auditor, the same shall be got audited, in the manner prescribed under the provisions of the Act and the Rules. 2) Appointment, re-appointment, rotation, removal, resignation, eligibility, qualification, disqualification, remuneration, powers and duties etc. of the Secretarial Auditors shall be in accordance with the provisions of the Act and the Rules.	Secretarial Audit Secretarial Auditors

WINDING UP

147	Subject to the provisions of the Act and the Rules:- 1) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. 2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. 3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any shares or other securities whereon there is any liability.	Winding up of Company

INDEMNITY AND INSURANCE

148	1) Subject to the provisions of the Act, every director, managing director, whole time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses(including travelling expenses) which such director, manager, Company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses. 2) Subject as aforesaid, every director, managing director, whole time director, manager, company secretary and other officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal. 3) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and Key Managerial Personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.	Directors and officers right to indemnity Insurance

GENERAL

149	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its Articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided. Further, where the Act or Rules empowers the Board to exercise any powers for and on behalf of the Company, the Board shall be entitled to exercise the same, irrespective of whether the same is contained in this Articles or not.	General Powers
150	Any provisions contained in these Articles shall, to extent to which it is repugnant to the provisions of the Act or the Rules, become or be void, as the case may be without affecting other regulations contained in these Articles.	Act to over-ride Articles in certain cases

SECRECY CLAUSE

151	Every Director, Manager, Auditor, Member of a Committee, officer, servant, agent, accountant, consultant or other person employed or engaged in the business of the Company, shall observe strict secrecy respecting all transactions and affairs of the Company and shall not reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board of directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
152	No Members shall be entitled to visit or inspect the Company’s Works without the permission of the Board of directors or to require discovery of or any information respecting any detail of the Company’s trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which, in the opinion of the Board of director, it will be inexpedient in the interest of the Members of the Company to communicate to the public.	Restriction on visiting or inspecting the Company’s work by the Members
153	Subject to the provisions of the Act, no Director or other officer of the Company shall be liable for the acts, deeds, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Board of directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever, which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own dishonesty.	Directors/officer not responsible for acts of others

SECTION IX - MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on Working Days at the Registered Office of our Company situated at 15th Floor, PS SRIJAN Tech Park, Plot No 52 Block DN, Sector-V, Salt Lake City, Kolkata -700091, Parganas North, West Bengal, India between 10 am to 5 pm on any Working Days from the date of the filing of this Draft Shelf Prospectus with Stock Exchanges.

MATERIAL CONTRACTS

1. Issue Agreement dated September 16, 2022 executed between our Company and the Lead Managers.

2. Registrar Agreement dated September 15, 2022 executed between our Company and the Registrar to the Issue.

3. Debenture Trustee Agreement dated September 15, 2022 executed between our Company and the Debenture Trustee.

4. Agreed form of Debenture Trust Deed to be executed between our Company and the Debenture Trustee.

5. Tripartite agreement dated June 23, 2016 among our Company, the Registrar to the Issuer and CDSL.

6. Tripartite agreement dated May 31, 2012 among our Company, the Registrar to the Issuer and NSDL.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date.

2. Certificate of Incorporation of our Company dated November 24, 1993, February 14, 1994, July 12, 2007 and March 17, 2017, issued by Registrar of Companies, Kolkata (previously Registrar of Companies, West Bengal).

3. Certificate of Registration as an NBFC dated September 03, 2007 and May 04, 2017 issued by RBI u/s 45 IA of the Reserve Bank of India, 1934

4. Copy of shareholders' resolution on April 12, 2021 under Section 180(1)(c) of the Companies Act, 2013 on overall borrowing and security creation limits of the Board of Directors of our Company.

5. Copy of the resolution passed by the Board of Directors dated March 28, 2022 approving the issue of NCDs.

6. Copy of the resolution passed by the Committee of Directors at its meeting held on September 16, 2022 approving this Draft Shelf Prospectus.

7. Credit rating letter dated September 9, 2022, by ICRA assigning a rating of "[ICRA] AAA (Stable)" for the Issue with rating rationale and press release dated September 12, 2022.

8. Credit rating letter dated September 12, 2022, by CRISIL assigning a rating of "CRISIL AAA/ Stable" for the Issue with rating rationale and press release dated September 13, 2022.

9. Credit rating letter dated September 12, 2022, by India Rating assigning a rating of "IND AAA/ Stable" for the Issue with rating rationale and press release dated September 12, 2022.

10. Consents of the Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Lead Managers to the Issue, Legal Advisor to the Issue, Credit Rating Agencies for this Issue, Bankers to our Company, Registrar to the Issue and the Debenture Trustee for the NCDs to include their names in this Draft Shelf Prospectus in their respective capacity.

11. Consent of CRISIL Limited dated September 14, 2022 as the agency issuing the industry report titled "NBFC Report 2021" (June, 2022 update) prepared by CRISIL Research, report titled "Macro-Economic Overview" released by CRISIL Research as published in September 2022 forming part of the Industry Overview chapter.

12. Our Company has received the written consent dated September 16, 2022 from M S K A & Associates and

Kalyaniwalla & Mistry LLP, to include their names as required under section 26 (1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Draft Shelf Prospectus, and as "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination reports dated September 16, 2022, on the reformatted financial information (standalone and consolidated) of the Company as at and for each of the years ended March 31, 2022, 2021 and 2020; and (ii) the reports on statement of possible tax benefits dated September 16, 2022, included in this Draft Shelf Prospectus, and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1993.

13. Our Company has received a written consent dated September 16, 2022 from Deloitte Haskins & Sells LLP, to include their name as the auditors and an "expert" as defined under section 2(38) of the Companies Act, 2013, in respect of the audited consolidated and standalone financial statements as at and for the years ended March 31, 2021 and their auditors' report thereon, in this Draft Shelf Prospectus, and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1993.

14. The examination report dated September 16, 2022 in relation to the Reformatted Financial Information.

15. The reports on statement of possible tax benefits dated September 16, 2022 issued by M S K A & Associates and Kalyaniwalla & Mistry LLP.

16. Annual Report of our Company for the last three financial years ended March 31, 2022, 2021 and 2020.

17. In-principle listing approval from BSE by its letter no. [•] dated [•].

18. In-principle listing approval from NSE by its letter no. [•] dated [•].

19. Due Diligence Certificate dated [•] filed by the Lead Managers with SEBI.

20. Due Diligence certificate dated September 16, 2022 filed by the Debenture Trustee to the Issue.

21. Group Function Outsourcing Agreement dated October 5, 2018 between L&T Finance Holdings Limited, L&T Infrastructure Finance Company Limited, L&T Infra Debt Fund Limited, L&T Housing Finance Limited and L&T Finance Limited made effective from April 1, 2018 read with Amendment Agreement dated June 10, 2019 made effective from May 08, 2019 and April 1, 2018.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable , as the case may be have been complied with and no statement made in this Draft Shelf Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

We further certify that all the disclosures and statements made in this Draft Shelf Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Draft Shelf Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Draft Shelf Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Draft Shelf Prospectus is as per the original records maintained by the Promoter subscribing to the Memorandum of Association and Articles of Association.

Signed by the Directors of our Company

Mr. Dinanath Mohandas Dubhashi *Non-Executive Director and Chairperson* *DIN: 03545900*	Mr. Pradeep Vasudev Bhide *Independent Director* *DIN: 03304262*
Mr. Thomas Mathew Thumpeparambil *Independent Director* *DIN: 00130282*	Dr. Rajani Rajiv Gupte *Independent Director* *DIN: 03172965*
Ms. Nishi Vasudeva *Independent Director* *DIN: 03016991*	Mr. Rishi Mandawat *Non-Executive Director* *DIN: 07639602*
Mr. Sachinn Roopnarayan Joshi *Whole-time Director* *DIN: 00040876*	

Date: September 16, 2022
Place: Mumbai

ANNEXURE A – RATING, RATIONALE AND PRESS RELEASE

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ICRA Limited

Ref: ICRA/L&T Finance Limited/09092022/9
September 9, 2022

Mr. Sachinn Joshi
Group CFO
L&T Finance Limited
2nd Floor, Brindavan Bldg,
Plot no.177, Kalina,
Santacruz (East). Mumbai - 400098

Dear Sir,

Re: ICRA assigns credit rating for Rs. 5,000 crore secured redeemable non-convertible debenture programme (public issuance) of L&T Finance Limited

Please refer to the Rating Agreement/Statement of Work dated August 24, 2022 for carrying out the rating of the aforesaid debt programme. The Rating Committee of ICRA, after due consideration, has assigned a "**[ICRA]AAA**" (pronounced as ICRA tripe A) rating with **Stable Outlook** to the debt programme. Instruments with [ICRA]AAA rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. In any of your publicity material or other document wherever you are using our above rating, it should be stated as **"[ICRA]AAA(stable)"**.

We would appreciate if you can sign the acknowledgement and send it to us latest by **September 14, 2022** as acceptance on the assigned rating. In case you do not communicate your acceptance of the assigned credit rating, or do not appeal against the assigned credit rating by the aforesaid date, the credit rating will be treated by us as non-accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed in the circular dated June 30, 2017 on ***'Monitoring and Review of Ratings by Credit Rating Agencies (CRAs)'*** issued by the Securities and Exchange Board of India.
Any intimation by you about the above rating to any Banker/Lending Agency/Government Authorities/Stock Exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.
The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds, debentures and/ or other instruments of like nature to be issued by you.

As mentioned above and in accordance with the aforesaid circular issued by SEBI, you are requested to furnish a monthly *'No Default Statement (NDS)'* (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme. You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

Enclosed herewith is a copy of the rationale of the assigned rating for your reference. We request you to provide your comments on the rationale, if any, by **September 14, 2022.**

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us. We look forward to your communication and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited

ANIL GUPTA
Digitally signed by ANIL GUPTA
Date: 2022.09.09 15:51:24 +05'30'

ANIL GUPTA
Vice President
anilg@icraindia.com

September 12, 2022

L&T Finance Limited: ratings reaffirmed; [ICRA]AAA (Stable) assigned

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debenture programme (Public Issuance)^	0.00	5,000.00	[ICRA]AAA (Stable); assigned
Non-convertible debenture programme	15,863.15	15,863.15	[ICRA]AAA (Stable); reaffirmed
Non-convertible debenture programme (infra bonds)	327.31	327.31	[ICRA]AAA (Stable); reaffirmed
Non-convertible debenture programme (Public Issuance)#	3,730.43	3,730.43	[ICRA]AAA (Stable); reaffirmed
Subordinated debt	5,425.00	5,425.00	[ICRA]AAA (Stable); reaffirmed
Long-term market linked debenture programme	2,000.00	2,000.00	PP-MLD[ICRA]AAA (Stable); reaffirmed
Perpetual debt	900.00	900.00	[ICRA]AA+ (Stable); reaffirmed
Long term – Fund based/non-fund based	37,300.00	37,300.00	[ICRA]AAA (Stable); reaffirmed
Commercial paper	26,000.00	26,000.00	[ICRA]A1+; reaffirmed
Total	**91,545.89**	**96,545.89**	

**Instrument details are provided in Annexure I*

 # The rated limit is interchangeable with unsecured subordinated redeemable non-convertible debenture [public issue]

^Public issue of secured redeemable non-convertible debenture

Rationale

L&T Finance Holdings Limited (LTFHL) is a holding company with a diversified business profile in the financial services space. LTFHL's wholly-owned subsidiaries (including L&T Finance Limited; LTF) operate in the rural, housing and wholesale finance and asset management businesses. While arriving at the ratings for LTF, ICRA has considered the consolidated performance of LTFHL and its finance subsidiaries (collectively referred to as the LTFHL Group), given the strong operational and financial synergies between the companies.

The ratings for the LTFHL Group continue to draw significant strength from LTFHL's parentage, with Larsen & Toubro Ltd. (L&T, rated [ICRA]AAA(Stable)/[ICRA]A1+) holding an equity stake of 66.2% in the company as on June 30, 2022, and the expectation that L&T will keep providing capital, liquidity support and management oversight, going forward. L&T has previously demonstrated support to the Group in the form of capital infusion, with the latest being a capital infusion of ~Rs. 1,900 crore (out of the total rights issue of Rs. 3,000 crore) in FY2021.

The ratings also factor in the Group's adequate capitalisation profile, comfortable liquidity profile supported by the diversified borrowing mix and good financial flexibility owing to the parentage. The ratings also favourably factor in the improved granularity of the Group's loan book with the increased share of retail loans in the portfolio mix (54% as on June 30, 2022 compared with 43% as on March 31, 2021), driven by its long-term strategy of increasing the overall retail share to more than 80% by FY2026.

ICRA also notes the improvement in the Group's asset quality indicators, with reported gross stage 3 (GS3; consolidated) of 4.08% as on June 30, 2022 compared with 6.67% as on June 30, 2021, owing to improved collections across assets classes and some reduction on account of the sale of delinquent accounts to asset reconstruction companies (ARCs). Further, the Group had an overall standard restructured book of Rs. 2,019 crore as on June 30, 2022. As it maintains management overlay provisions of ~Rs. 1,450 crore, the incremental impact on the profitability may be limited even if there are significant slippages from the restructured loan book.

The strengths are partially offset by the Group's moderate profitability, its presence in relatively riskier lending segments and the portfolio vulnerability arising out of the wholesale book especially real estate lending. ICRA, however, notes that the group plans to rundown the real estate book gradually over the medium term and infrastructure financing would also be done on a selective basis using an asset-light model. While ICRA does not expect significant asset quality challenges from the infrastructure portfolio given that the focus is on sectors such as renewable, roads and transmission, ~80% of the portfolio is operational and there have been limited slippages in the book originated since 2012. There could be some credit costs from the real estate portfolio.

Nevertheless, the Group has good pre-provision profitability (~4% in FY2022) on a consolidated basis and can thus make additional provisions, if required. Incrementally, the company's ability to manage the asset quality in the retail segments, especially the relatively higher yielding unsecured product segments, would be a key monitorable. Also, continued support from L&T, sustained financial performance and the ability to reduce portfolio vulnerability remain key rating monitorable.

Key rating drivers and their description

Credit strengths

Strong parentage and strategic importance to L&T Group - L&T (rated [ICRA]AAA (Stable), which holds a majority stake in LTFHL, considers LTFHL as a critical and integral part of the L&T Group's long-term strategy. LTFHL and its subsidiaries, while operating independently, benefit from the brand name of L&T. The parent's demonstrated support in the form of capital (latest equity capital infusion of ~Rs. 1,900 crore in FY2021; Rs. 2,000 crore infused in FY2018), management and technical support, and the presence of liquidity lines, strengthen the LTFHL Group's credit profile.

While the change in the LTFHL group's long-term strategy towards retail segments could lead to a reduction in the operational synergies between LTFHL and L&T, ICRA believes that L&T will continue to maintain linkages, management oversight and control, and majority shareholding on an ongoing basis. Also, the LTFHL Group's access to other L&T Group companies could provide support in stress resolution, especially in the real estate portfolio. Thus, LTFHL's ratings continue to draw strength from L&T and any change in the ratings of the parent and/or support from the parent company would be a key rating sensitivity.

Diversified portfolio mix with increasing share of retail loans – At the consolidated level, LTFHL's lending book moderated to Rs. 88,078 crore as on June 30, 2022 from Rs. 88,341 crore as on March 31, 2022 (Rs. 94,013 crore as on March 31, 2021) with the decline largely being on account of the rundown of the wholesale book while retail loans continued to grow. As on June 30, 2022, 54% of LTFHL's portfolio comprised loans to the retail segments {rural business loans (16%), farm equipment (13%), two-wheeler (9%), home loans/loan against property (LAP; 13%) and consumer loans (3%)} while the balance (46%) comprised loans to the wholesale segments {real estate finance (11%), infrastructure finance (34%) and defocused book (1%)}. Going forward, the retail book is expected to grow at a higher pace while wholesale loans would continue to degrow.

L&T Finance Limited (LTF) added some new allied products to the existing product suite of the retail segment and it launched the new small and medium-sized enterprise (SME) finance business in FY022. With the 'Lakshya 2026' strategic plan, LTF targets to increase the proportion of retail assets to 80% in the medium to long term, which is currently at 54% (June 30, 2022). Also, the retail portfolio reported the highest-ever quarterly disbursement and increased by 19% year-on-year (YoY) to Rs. 47,794 crore as on June 30, 2022. Within the retail segment, the consumer loan product, which was started in Q3 FY2020, stood at Rs. 3,027 crore as on June 30, 2022 (Rs. 780 crore as on June 30, 2021), mainly driven by the extensive use of digitalisation.

Comfortable capitalisation levels with demonstrated financial support from parent – At the consolidated level, LTFHL's capitalisation remains adequately supported by its track record of raising funds and good internal capital generation. The muted business growth in FY2022 and the equity capital raise of Rs. 3,000 crore through the rights issue in Q4 FY2021 resulted in an improvement in the gearing to 4.3 times as on March 31, 2022 and further to 4.1 times as June 30, 2022 (4.7 times as on March 31, 2021). The consolidated capital-to-risk weighted assets ratio (CRAR) remained stable at 23.12% (Tier 1: 19.98%) on June 30, 2022.

ICRA believes that prudent capitalisation is one the key mitigants for absorbing any asset quality related shocks and expects that the company would maintain a prudent capitalisation profile, going forward. Nonetheless, given the strong parentage and its demonstrated ability to raise capital from market, LTFHL's capitalisation profile is expected to remain adequate. ICRA expects support from L&T to be forthcoming as and when required.

Good financial flexibility and diversified borrowing mix – The Group enjoys good financial flexibility in raising funds at competitive rates, with the strong brand name of L&T and its track record of raising funds from banks and capital markets. The Group's funding profile is fairly diversified with a mix of non-convertible debentures, bank borrowings, and commercial paper. As on June 30, 2022, the overall market borrowings stood at ~53% of the total borrowings with bank borrowings accounting for the balance. At the same time, the proportion of commercial papers in the overall funding mix remained low at 8% as on June 30, 2022. ICRA takes comfort from the company's liquidity buffers, cash flow from its short-term assets and its policy of maintaining adequate unutilised bank facilities as liquidity backup. The liquidity profile is also supported by the good financial flexibility of the Group and the Rs. 1,800-crore revolving line of credit from L&T as a standby liquidity arrangement.

Credit challenges

Moderate, albeit improving, asset quality indicators – The Group's asset quality indicators improved further in FY2022 with the consolidated gross and net stage 3 at 4.1% and 1.9%, respectively, as on June 30, 2022 compared with 6.7% and 2.3%, respectively, as on June 30, 2021. This was on account of controlled slippages, recoveries and write-offs in the retail segments and the improvement in the asset quality indicators in the infrastructure financing business. Furthermore, LTF had a one-time restructured (OTR) book of Rs. 2,019 crore outstanding as on June 30, 2022. From a credit cost perspective, the investment in security receipts (Rs. 4,886 crore as on March 31, 2022) could have some bearing on the earnings profile owing to incremental provisioning requirements, as and when required.

ICRA notes that the Group has maintained additional/macro-prudential provisions (over and above expected credit loss (ECL) on GS3 and standard assets provisions) of Rs. 1,450 crore as on June 30, 2022 for unanticipated future event risks. Given that some of the business segments are currently under moratorium, these provisions are expected to mitigate the impact on the profitability, going forward, to some extent. Overall, the profitability remained moderate in FY2021 and FY2022 on account of the high credit costs incurred over the past two years. Under it's 'Lakshya 2026' strategy, LTF plans to make extensive use of digitisation in all the functional areas of sourcing, underwriting, disbursement, and collections. As per LTF' management, the focus on digitisation will help in the better servicing of customers and maintaining good credit quality. Overall, the Group's ability to grow the business volumes profitably while improving the asset quality would have a bearing on its overall financial profile and would be a key monitorable.

Presence in relatively riskier lending segments, though share of wholesale exposures is declining gradually – The overall portfolio vulnerability remains high for the Group in some of the key business segments. The microloans and two-wheeler segments are likely to remain vulnerable, given the rising inflation and interest rates, as the livelihood and cash flows of the underlying borrowers (customers are primarily from relatively weaker socio-economic backgrounds) have been somewhat impacted. Nonetheless, the collection performance, post the onset of the Covid-19 pandemic, has improved for both these business segments. Also, the real estate sector continues to witness some stress; therefore, the asset quality in this segment is a key monitorable. While the company has large ticket size exposures in Infrastructure finance, the focus is on sectors such as renewable, roads and transmission, which face relatively lower cash flow risk. Nevertheless, the Group's sell-down strategy provides room for disbursements in the infrastructure financing segment without any increase in capital allocation to the segment.

The LTFHL Group has been focusing on increasing the granularity in the loan book with a higher share of the retail business in the portfolio mix (54% as on June 30, 2022 compared with 43% as on March 31, 2021). LTFHL's ability to manage recoveries or mitigate losses through the enforcement of security, while arresting fresh slippages and thus keeping a check on the credit costs, will have a bearing on its earnings profile.

Liquidity position: Strong

LTFHL's liquidity profile is comfortable at the standalone as well as consolidated level. On a consolidated basis, the Asset and Liability Management (ALM) profile, as on June 30, 2022, reflected positive cumulative mismatches across all buckets up to 1 year. As of June 30, 2022, the company had available liquidity in the form of cash and liquid investments of ~Rs. 7,770 crore and unutilised bank lines of ~Rs. 4,168 crore (including Rs. 1,800-crore credit line from L&T as on June 30, 2022), providing comfortable liquidity cover over the principal debt repayments of Rs. 29,342 crore, which are due over the next one year. Further, the liquidity is supported by the expected principal cash inflow of ~Rs. 31,737 crore from advances during the above-mentioned period. LTFHL enjoys strong financial flexibility to mobilise long-term funding on the back of its established track record and parentage.

Rating sensitivities

Positive factors – Not applicable

Negative factors – Any significant change in the likelihood of support from the parent or a deterioration in the parent's credit profile could warrant a rating revision. Pressure on the ratings could emerge in case of an increase in the consolidated leverage on a sustained basis to over 7.5 times and/or the weakening of the asset quality, leading to a deterioration in the solvency profile (Net stage 3/Net worth >20%) on a sustained basis.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	ICRA's Credit Rating Methodology for Non-banking Finance Companies Impact of Parent or Group Support on an Issuer's Credit Rating
Parent/Group support	Ultimate parent/Investor: Larsen & Toubro Ltd. The ratings continue to draw significant strength from LTFHL's parentage, with L&T holding 66.23% in the company as on June 30, 2022, and the expectation that support from L&T would continue as and when required. The ratings also draw comfort from the LTFHL Group's increased strategic importance to the parent with financial services being a focus area for the L&T Group and LTFHL being the holding company for the L&T Group's financial services business.
Consolidation/Standalone	While arriving at the ratings, ICRA has considered the consolidated performance of LTFHL and its subsidiaries carrying on business as finance companies, given the strong operational and financial synergies between the companies. Please refer to Annexure II.

About the company

L&T Finance Limited (LTF) was originally incorporated as Apeejay Finance Group Ltd in 1993. In December 2012, L&T Finance Holdings Limited (LTFHL) acquired 100% equity in the company, following which its name was changed to Family Credit Limited. In FY2017, as a part of LTFHL's business restructuring, L&T Finance Limited and L&T FinCorp Limited (both entities now dissolved) were merged with Family Credit Limited and the combined entity was rechristened L&T Finance Limited. Further, L&T Housing Finance Limited, and L&T Infrastructure Finance Company Limited merged with LTF in April 2021.

As on June 30, 2022, the company had a total portfolio of Rs. 80,711 crore. While 59% of the loans were to the retail book {rural (32%), urban finance (13%), home loans (11%) and LAP (3%)}, the balance (41%) comprised the wholesale segment {infrastructure finance (28%), real estate (12%) and defocused (1%)}. LTF's net worth stood at Rs. 16,064 crore as on June 30,2022.

LTF reported a profit after tax (PAT) of Rs. 214 crore on total income of Rs. 2,963 crore for Q1 FY2023 compared with a PAT of Rs. 100 crore on total income of Rs. 2,870 crore for Q1 FY2022.

L&T Finance Holdings Limited

L&T Finance Holdings Limited (LTFHL) was originally incorporated as L&T Capital Holdings Ltd in May 2008 and its name was subsequently changed in September 2010. The company is registered as an NBFC-CIC with the RBI. It is promoted by Larsen & Toubro Limited (L&T) as the holding company of L&T Group's financial services companies.

LTFHL, through its subsidiaries, offers a diverse range of financial products and services across rural, housing and wholesale finance businesses. It also offers fund management and other non-fund based services, such as insurance and mutual fund distribution and financial advisory services (project finance and pre-bid advisory), through its subsidiaries. L&T holds a majority stake of 66.2% stake in LTFHL as on June 30, 2022.

On a consolidated basis, LTFHL reported a profit after tax (PAT) of Rs. 1,049 crore on an asset base of Rs. 1,06,902 crore for the year FY2022 as compared with a PAT of Rs. 949 crore on an asset base of Rs. 1,08,972 crore for FY2021. For Q1FY2023, the group reported a PAT of Rs. 262 crore. The consolidated entity's net worth was Rs. 20,193 crore as on June 30, 2022.

Key financial indicators

L&T Finance Limited (Rs. crore)	FY2020	FY2021	FY2022
	[prior to amalgamation]	[post amalgamation]	[post amalgamation]
Total income	8,680	12,693	11,445
Profit after tax (PAT)	366	1	808
Net worth	8,894	15,621	16,491
Total portfolio	46,453	83,995	81,799
Total assets	52,577	96,209	96,172
Return on total assets (PAT/ATA)	0.7%	0.0%	0.8%
Return on average net worth (PAT/Avg. net worth)	4.1%	0.0%	5.0%
Gearing (times)	4.9	5.1	4.8
Gross stage 3	5.5%	5.5%	4.0%
Net stage 3	2.4%	1.7%	2.1%
Net stage 3/Net worth	11.7%	8.8%	10.2%

Source: Company, ICRA Research; All ratios as per ICRA's calculations
FY2021 not comparable with previous years due to merger of L&T Housing Finance Ltd (LTHFL) and L&T Infrastructure Finance Company Ltd (LTIF) with LTF.

L&T Finance Holdings Limited (consolidated)	FY2020	FY2021	FY2022
Total Income	14,477	14,080	12,324
Profit after tax (PAT)	2,174*	949	1,049
Net Worth	14,692	18,773	19,948
Lending business Book	98,384	94,013	88,341
Total assets	109,545	108,972	106,902
Return on average total assets (PAT/ATA)	2.0%*	0.9%	1.0%
Return on average net worth (PAT/Avg. net worth) #	15.5%*	5.8%	5.5%
Consolidated gearing (times)	6.4	4.7	4.3
Gross Stage 3	5.4%	5.0%	3.8%
Net Stage 3	2.3%	1.6%	2.0%
Net Stage 3/Net worth	14.1%	7.3%	8.4%

** Prior to deduction of one-time DTA of Rs. 473.38 crore during FY2020 post transition to new tax regime. Net of one-time DTA impact, PAT during FY2020 stood at Rs. 1,700 crore translating into RoA and RoE of 1.58% and 12.08%.*

#Excluding minority interest
Source: Company, ICRA Research Amount in Rs. Crore; ICRA calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2023)					Chronology of Rating History for the Past 3 Years			
		Type	Amount Rated (Rs. crore)	Amount O/s as of Jul-31-22 (Rs. crore)	Date & Rating in FY2023		Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020	
					Sep-12-22	Aug-19-22 Aug-8-22	Aug-24-21 Aug-09-21	Apr-26-21	Sep-30-20	Mar-31-20 Aug-30-19
1	Non-convertible Debenture Programme (public issuance)^	Long Term	5,000.00	0.00	[ICRA]AAA (Stable)					
2	NCD (infra bonds)	Long Term	327.31	0.00	[ICRA]AAA(Stable)	[ICRA]AAA(Stable)	[ICRA]AAA(Stable)	[ICRA]AAA(Negative)		
3	Commercial Paper Programme	Short Term	26,000.00	5,475.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
4	Long-term Fund Based/Non-fund Based Bank Lines Programme	Long Term	37,300	13,301.50	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)			
5	Long term - Unallocated Bank Lines Programme	Long Term	0.00	0.00	-	-	[ICRA]AAA (Stable)			
6	Long term – Fund-based Term Loan	Long Term	0.00	0.00	-	-	-	[ICRA]AAA (Negative)	[ICRA]AAA (Negative)	[ICRA]AAA (Negative)
7	Non-convertible Debenture Programme	Long Term	15,863.15	5,914.00	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Negative)	[ICRA]AAA (Negative)	[ICRA]AAA (Negative)
8	Long-term Market Linked Debenture Programme	Long Term	2,000	284.00	PP-MLD[ICRA]AAA (Stable)	PP-MLD[ICRA]AAA (Stable)	PP-MLD[ICRA]AAA (Stable)	PP-MLD[ICRA]AAA (Negative)	PP-MLD[ICRA]AAA (Negative)	PP-MLD[ICRA]AAA (Negative)
9	Non-convertible Debenture Programme (public issuance)#	Long Term	3,730.43	1,230.43	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Negative)	[ICRA]AAA (Negative)	[ICRA]AAA (Negative)
10	Subordinated Debt Programme	Long Term	5,425.00	2,296.50	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Stable)	[ICRA]AAA (Negative)	[ICRA]AAA (Negative)	[ICRA]AAA (Negative)
11	Perpetual Debt Programme	Long Term	900.00	395.00	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Stable)	[ICRA]AA+ (Negative)	[ICRA]AA+ (Negative)	[ICRA]AA+ (Negative)

Source: Company, ICRA Research

- *# The rated limit is interchangeable with unsecured subordinated redeemable non-convertible debenture [public issue]*

^Public issue of secured redeemable non-convertible debenture

Complexity level of the rated instrument

Instrument	Complexity Indicator
Non-convertible debenture programme	Simple
Non-convertible debenture programme (infra bonds)	Simple
Long-term market linked debenture programme	Moderately Complex
Subordinated debt	Simple
Perpetual debt	Simple
Bank lines programme	Very Simple
Commercial paper programme	Very Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments, are available on ICRA's website: www.icra.in

Annexure I: Instrument details (As on July 31, 2022)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate (In %)	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
INE691I07240	Non-convertible Debenture	Oct 18, 2011	9.70%	Oct 18, 2028	500	[ICRA]AAA (Stable)
INE691I07356	Non-convertible Debenture	Jan 11, 2013	9.00%	Jan 11, 2023	450	[ICRA]AAA (Stable)
INE691I07398	Non-convertible Debenture	May 29, 2013	8.35%	May 29, 2023	110	[ICRA]AAA (Stable)
INE691I07AL5	Non-convertible Debenture	May 19, 2015	8.84%	May 19, 2025	44.5	[ICRA]AAA (Stable)
INE476M07578	Non-convertible Debenture	May 26, 2015	8.90%	May 26, 2025	30	[ICRA]AAA (Stable)
INE691I07AR2	Non-convertible Debenture	May 26, 2015	8.85%	May 26, 2025	20	[ICRA]AAA (Stable)
INE476M07636	Non-convertible Debenture	Jun 05, 2015	8.90%	Jun 05, 2025	25	[ICRA]AAA (Stable)
INE691I07AX0	Non-convertible Debenture	Jun 05, 2015	8.84%	Jun 05, 2025	50	[ICRA]AAA (Stable)
INE476M07719	Non-convertible Debenture	Jul 17, 2015	8.95%	Jul 17, 2025	10	[ICRA]AAA (Stable)
INE691I07BS8	Non-convertible Debenture *	Aug 07, 2015	8.82%	Aug 05, 2022	10	[ICRA]AAA (Stable)
INE476M07800	Non-convertible Debenture	Oct 20, 2015	8.65%	Oct 20, 2022	32.5	[ICRA]AAA (Stable)
INE691I07CH9	Non-convertible Debenture	Nov 13, 2015	8.60%	Nov 11, 2022	18	[ICRA]AAA (Stable)
INE691I07CM9	Non-convertible Debenture	Feb 08, 2016	8.75%	Feb 06, 2026	52	[ICRA]AAA (Stable)
INE691I07CN7	Non-convertible Debenture	Mar 16, 2016	8.80%	Mar 16, 2023	10	[ICRA]AAA (Stable)
INE476M07925	Non-convertible Debenture	Apr 20, 2016	8.65%	Apr 20, 2026	5	[ICRA]AAA (Stable)
INE476M07AA6	Non-convertible Debenture	Jul 01, 2016	8.75%	Jun 30, 2023	10	[ICRA]AAA (Stable)
INE476M07AD0	Non-convertible Debenture	Jul 22, 2016	8.70%	Jul 21, 2023	16	[ICRA]AAA (Stable)
INE476M07AS8	Non-convertible Debenture	Oct 25, 2016	7.90%	Oct 23, 2026	10	[ICRA]AAA (Stable)
INE691I07DW6	Non-convertible Debenture	Nov 16, 2016	7.95%	Nov 16, 2026	47	[ICRA]AAA (Stable)
INE691I07DZ9	Non-convertible Debenture	Jun 29, 2017	7.59%	Nov 18, 2024	667	[ICRA]AAA (Stable)
INE691I07EC6	Non-convertible Debenture *	Jul 25, 2017	7.80%	Aug 16, 2022	205	[ICRA]AAA (Stable)
INE027E07543	Non-convertible Debenture *	Aug 08, 2017	7.71%	Aug 08, 2022	465	[ICRA]AAA (Stable)
INE691I07ED4	Non-convertible Debenture	Aug 30, 2017	7.65%	Aug 30, 2022	50	[ICRA]AAA (Stable)
INE476M07BI7	Non-convertible Debenture	Sep 29, 2017	7.65%	Sep 29, 2022	200	[ICRA]AAA (Stable)
INE027E07550	Non-convertible Debenture	Oct 06, 2017	7.70%	Oct 06, 2022	310	[ICRA]AAA (Stable)
INE027E07618	Non-convertible Debenture	Dec 12, 2017	7.95%	Dec 12, 2022	85	[ICRA]AAA (Stable)
INE027E07774	Non-convertible Debenture	Jan 04, 2019	9.00%	Jan 04, 2024	800	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate (In %)	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
INE476M07BS6	Non-convertible Debenture	Jan 11, 2019	8.90%	Jan 11, 2024	27	[ICRA]AAA (Stable)
INE027E07AP2	Non-convertible Debenture	May 28, 2019	8.80%	May 28, 2026	850	[ICRA]AAA (Stable)
INE027E07AQ0	Non-convertible Debenture	Jul 31, 2019	8.55%	Jul 31, 2026	15	[ICRA]AAA (Stable)
INE027E07790	Non-convertible Debenture	Dec 03, 2021	9.00%	Feb 09, 2024	50	[ICRA]AAA (Stable)
INE027E07BV8	Non-convertible Debenture	Feb 01, 2022	6.45%	Sep 26, 2025	565	[ICRA]AAA (Stable)
INE027E07BW6	Non-convertible Debenture	Jul 01, 2022	7.55%	Jul 01, 2024	175	[ICRA]AAA (Stable)
INE027E07923	Non-convertible Debenture (public issuance)	Mar 13, 2019	9.10%	Mar 13, 2024	30.32	[ICRA]AAA (Stable)
INE027E07931	Non-convertible Debenture (public issuance)	Mar 13, 2019	9.25%	Mar 13, 2024	235.62	[ICRA]AAA (Stable)
INE027E07949	Non-convertible Debenture (public issuance)	Mar 13, 2019	8.75%	Mar 13, 2024	1.76	[ICRA]AAA (Stable)
INE027E07956	Non-convertible Debenture (public issuance)	Mar 13, 2019	8.89%	Mar 13, 2024	60.07	[ICRA]AAA (Stable)
INE027E07964	Non-convertible Debenture (public issuance)	Mar 13, 2019	9.20%	Mar 13, 2029	8.01	[ICRA]AAA (Stable)
INE027E07972	Non-convertible Debenture (public issuance)	Mar 13, 2019	9.35%	Mar 13, 2029	110.92	[ICRA]AAA (Stable)
INE027E07980	Non-convertible Debenture (public issuance)	Mar 13, 2019	8.84%	Mar 13, 2029	0.7	[ICRA]AAA (Stable)
INE027E07998	Non-convertible Debenture (public issuance)	Mar 13, 2019	8.98%	Mar 13, 2029	101.75	[ICRA]AAA (Stable)
INE027E07AE6	Non-convertible Debenture (public issuance)	Apr 15, 2019	8.80%	Apr 15, 2024	72.85	[ICRA]AAA (Stable)
INE027E07AF3	Non-convertible Debenture (public issuance)	Apr 15, 2019	9.00%	Apr 15, 2024	185.97	[ICRA]AAA (Stable)
INE027E07AG1	Non-convertible Debenture (public issuance)	Apr 15, 2019	8.48%	Apr 15, 2024	1.55	[ICRA]AAA (Stable)
INE027E07AH9	Non-convertible Debenture (public issuance)	Apr 15, 2019	8.66%	Apr 15, 2024	21.9	[ICRA]AAA (Stable)
INE027E07AI7	Non-convertible Debenture (public issuance)	Apr 15, 2019	8.81%	Apr 15, 2024	0.23	[ICRA]AAA (Stable)
INE027E07AJ5	Non-convertible Debenture (public issuance)	Apr 15, 2019	9.01%	Apr 15, 2024	18.34	[ICRA]AAA (Stable)
INE027E07AK3	Non-convertible Debenture (public issuance)	Apr 15, 2019	8.85%	Apr 15, 2027	10.52	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate (In %)	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
INE027E07AL1	Non-convertible Debenture (public issuance)	Apr 15, 2019	9.05%	Apr 15, 2027	351.99	[ICRA]AAA (Stable)
INE027E07AM9	Non-convertible Debenture (public issuance)	Apr 15, 2019	8.52%	Apr 15, 2027	0.45	[ICRA]AAA (Stable)
INE027E07AN7	Non-convertible Debenture (public issuance)	Apr 15, 2019	8.70%	Apr 15, 2027	17.48	[ICRA]AAA (Stable)
INE523E08NH8	Subordinated Debt	Dec 21, 2012	9.80%	Dec 21, 2022	275	[ICRA]AAA (Stable)
INE691I08263	Subordinated Debt	Jan 30, 2014	9.73%	Jan 31, 2024	5	[ICRA]AAA (Stable)
INE691I08263	Subordinated Debt	Jan 31, 2014	9.73%	Jan 31, 2024	20	[ICRA]AAA (Stable)
INE691I08271	Subordinated Debt	Feb 08, 2014	9.73%	Feb 09, 2024	5	[ICRA]AAA (Stable)
INE691I08271	Subordinated Debt	Feb 10, 2014	9.73%	Feb 09, 2024	15	[ICRA]AAA (Stable)
INE691I08289	Subordinated Debt	Feb 12, 2014	9.73%	Feb 16, 2024	2	[ICRA]AAA (Stable)
INE691I08289	Subordinated Debt	Feb 13, 2014	9.73%	Feb 16, 2024	11	[ICRA]AAA (Stable)
INE691I08289	Subordinated Debt	Feb 14, 2014	9.73%	Feb 16, 2024	2	[ICRA]AAA (Stable)
INE691I08289	Subordinated Debt	Feb 18, 2014	9.73%	Feb 16, 2024	5	[ICRA]AAA (Stable)
INE691I08297	Subordinated Debt	Feb 28, 2014	9.73%	Mar 14, 2024	0.3	[ICRA]AAA (Stable)
INE691I08305	Subordinated Debt	Mar 04, 2014	9.73%	Mar 04, 2024	5	[ICRA]AAA (Stable)
INE691I08297	Subordinated Debt	Mar 06, 2014	9.73%	Mar 14, 2024	5	[ICRA]AAA (Stable)
INE691I08297	Subordinated Debt	Mar 07, 2014	9.73%	Mar 14, 2024	0.3	[ICRA]AAA (Stable)
INE691I08297	Subordinated Debt	Mar 10, 2014	9.73%	Mar 14, 2024	0.3	[ICRA]AAA (Stable)
INE691I08297	Subordinated Debt	Mar 11, 2014	9.73%	Mar 14, 2024	3	[ICRA]AAA (Stable)
INE691I08297	Subordinated Debt	Mar 12, 2014	9.73%	Mar 14, 2024	0.3	[ICRA]AAA (Stable)
INE691I08297	Subordinated Debt	Mar 14, 2014	9.73%	Mar 14, 2024	20.8	[ICRA]AAA (Stable)
INE523E08NI6	Subordinated Debt	Mar 27, 2014	10.35%	Mar 27, 2024	50	[ICRA]AAA (Stable)
INE027E08020	Subordinated Debt	Mar 27, 2014	10.90%	Mar 27, 2024	50	[ICRA]AAA (Stable)
INE759E08028	Subordinated Debt	Mar 30, 2014	9.95%	Mar 28, 2025	50	[ICRA]AAA (Stable)
INE027E08038	Subordinated Debt	Jun 30, 2014	10.40%	Jun 28, 2024	40	[ICRA]AAA (Stable)
INE691I08313	Subordinated Debt	Nov 13, 2014	9.10%	Nov 13, 2024	100	[ICRA]AAA (Stable)
INE691I08321	Subordinated Debt	Jan 15, 2015	8.75%	Jan 17, 2025	13.1	[ICRA]AAA (Stable)
INE691I08321	Subordinated Debt	Jan 16, 2015	8.75%	Jan 17, 2025	20	[ICRA]AAA (Stable)
INE691I08321	Subordinated Debt	Jan 19, 2015	8.75%	Jan 17, 2025	91.9	[ICRA]AAA (Stable)
INE476M08014	Subordinated Debt	Jan 29, 2015	9.35%	Jan 29, 2025	100	[ICRA]AAA (Stable)
INE691I08339	Subordinated Debt	Feb 18, 2015	8.75%	Feb 18, 2025	225	[ICRA]AAA (Stable)
INE691I08347	Subordinated Debt	Apr 16, 2015	8.90%	Apr 17, 2025	44	[ICRA]AAA (Stable)
INE691I08347	Subordinated Debt	Apr 17, 2015	8.90%	Apr 17, 2025	56	[ICRA]AAA (Stable)
INE691I08354	Subordinated Debt	Apr 21, 2015	8.90%	Apr 21, 2025	79.5	[ICRA]AAA (Stable)
INE691I08362	Subordinated Debt	Apr 22, 2015	8.90%	Apr 22, 2025	45	[ICRA]AAA (Stable)
INE691I08370	Subordinated Debt	Apr 29, 2015	8.90%	Apr 29, 2025	75	[ICRA]AAA (Stable)
INE691I08388	Subordinated Debt	May 15, 2015	8.90%	May 15, 2025	43	[ICRA]AAA (Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate (In %)	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
INE691I08396	Subordinated Debt	Jun 03, 2015	8.87%	Jun 03, 2025	60	[ICRA]AAA (Stable)
INE476M08030	Subordinated Debt	Jul 14, 2015	9.32%	Jul 14, 2025	14	[ICRA]AAA (Stable)
INE476M08048	Subordinated Debt	Jul 24, 2015	9.30%	Jul 24, 2025	50	[ICRA]AAA (Stable)
INE759E08036	Subordinated Debt	Sep 09, 2015	9.25%	Sep 09, 2025	100	[ICRA]AAA (Stable)
INE691I08412	Subordinated Debt	Sep 15, 2015	8.90%	Sep 15, 2025	20	[ICRA]AAA (Stable)
INE027E08046	Subordinated Debt	Jan 30, 2016	9.35%	Jan 29, 2026	32	[ICRA]AAA (Stable)
INE027E08053	Subordinated Debt	Feb 09, 2016	9.35%	Feb 09, 2026	18	[ICRA]AAA (Stable)
INE027E08061	Subordinated Debt	Mar 04, 2016	9.48%	Mar 04, 2026	50	[ICRA]AAA (Stable)
INE759E08044	Subordinated Debt	Mar 23, 2016	9.30%	Mar 23, 2026	100	[ICRA]AAA (Stable)
INE691I08446	Subordinated Debt	Jul 21, 2016	8.78%	Jul 21, 2026	80	[ICRA]AAA (Stable)
INE691I08453	Subordinated Debt	Aug 09, 2016	8.65%	Aug 08, 2031	25	[ICRA]AAA (Stable)
INE691I08461	Subordinated Debt	Aug 12, 2016	8.63%	Aug 12, 2031	25	[ICRA]AAA (Stable)
INE691I08479	Subordinated Debt	Sep 07, 2016	8.55%	Sep 05, 2031	20	[ICRA]AAA (Stable)
INE691I08487	Subordinated Debt	Jan 04, 2017	8.05%	Jan 04, 2027	125	[ICRA]AAA (Stable)
INE691I08495	Subordinated Debt	Jan 30, 2017	8.05%	Jan 29, 2027	15	[ICRA]AAA (Stable)
INE691I08511	Subordinated Debt	Jul 14, 2017	7.80%	Jul 13, 2029	60	[ICRA]AAA (Stable)
INE691I08529	Subordinated Debt	Oct 31, 2018	9.10%	Oct 31, 2028	45	[ICRA]AAA (Stable)
INE691I08255	Perpetual Debt	Jan 29, 2014	10.35%	Jan 29, 2024	50	[ICRA]AA+ (Stable)
INE691I08404	Perpetual Debt	Aug 27, 2015	9.90%	Aug 27, 2025	150	[ICRA]AA+ (Stable)
INE691I08420	Perpetual Debt	Mar 18, 2016	9.50%	Mar 18, 2026	50	[ICRA]AA+ (Stable)
INE027E08079	Perpetual Debt	Mar 30, 2016	10.10%	Mar 30, 2026	50	[ICRA]AA+ (Stable)
INE476M08055	Perpetual Debt	Mar 30, 2016	9.90%	Mar 30, 2026	50	[ICRA]AA+ (Stable)
INE691I08438	Perpetual Debt	Mar 30, 2016	9.50%	Mar 30, 2026	30	[ICRA]AA+ (Stable)
INE476M08063	Perpetual Debt	Jun 03, 2016	9.60%	Jun 03, 2026	15	[ICRA]AA+ (Stable)
INE027E07BQ8	Long-term Market Linked Debenture Programme	Sep 08, 2021	G-SEC Linked	Sep 08, 2023	30	PP-MLD[ICRA]AAA (Stable)
INE027E07BR6	Long-term Market Linked Debenture Programme	Sep 15, 2021	G-SEC Linked	Mar 15, 2023	50	PP-MLD[ICRA]AAA (Stable)
INE027E07BZ9	Long-term Market Linked Debenture Programme	Jul 27, 2022	G-SEC Linked	Aug 27, 2024	204	PP-MLD[ICRA]AAA (Stable)
INE027E14LO8	Commercial Paper	Sep 03, 2021	-	Sep 02, 2022	150	[ICRA]A1+
INE027E14LN0	Commercial Paper	Sep 06, 2021	-	Sep 05, 2022	365	[ICRA]A1+
INE027E14MD9	Commercial Paper	Jan 05, 2022	-	Dec 29, 2022	200	[ICRA]A1+
INE027E14MF4	Commercial Paper	Jan 18, 2022	-	Jan 17, 2023	250	[ICRA]A1+
INE027E14LN0	Commercial Paper	Sep 06, 2021	-	Sep 05, 2022	550	[ICRA]A1+
INE027E14MM0	Commercial Paper	Mar 07, 2022	-	Mar 06, 2023	300	[ICRA]A1+
INE027E14MN8	Commercial Paper	Mar 21, 2022	-	Mar 20, 2023	250	[ICRA]A1+
INE027E14MS7	Commercial Paper	Apr 22, 2022	-	Apr 21, 2023	160	[ICRA]A1+
INE027E14MS7	Commercial Paper	Apr 22, 2022	-	Apr 21, 2023	200	[ICRA]A1+

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate (In %)	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
INE027E14MS7	Commercial Paper	Apr 22, 2022	-	Apr 21, 2023	25	[ICRA]A1+
INE027E14MU3	Commercial Paper	May 30, 2022	-	Aug 29, 2022	500	[ICRA]A1+
INE027E14LO8	Commercial Paper	Sep 03, 2021	-	Sep 02, 2022	400	[ICRA]A1+
INE027E14MY5	Commercial Paper	Jun 06, 2022	-	Jun 05, 2023	25	[ICRA]A1+
INE027E14MY5	Commercial Paper	Jun 06, 2022	-	Jun 05, 2023	25	[ICRA]A1+
INE027E14MZ2	Commercial Paper	Jun 13, 2022	-	Aug 30, 2022	175	[ICRA]A1+
INE027E14MZ2	Commercial Paper	Jun 13, 2022	-	Aug 30, 2022	325	[ICRA]A1+
INE027E14NA3	Commercial Paper	Jun 20, 2022	-	Jun 19, 2023	200	[ICRA]A1+
INE027E14NB1	Commercial Paper	Jun 24, 2022	-	Jun 23, 2023	225	[ICRA]A1+
INE027E14NB1	Commercial Paper	Jun 24, 2022	-	Jun 23, 2023	75	[ICRA]A1+
INE027E14NB1	Commercial Paper	Jun 24, 2022	-	Jun 23, 2023	225	[ICRA]A1+
INE027E14NE5	Commercial Paper	Jul 08, 2022	-	Jul 05, 2023	50	[ICRA]A1+
INE027E14NF2	Commercial Paper	Jul 15, 2022	-	Jul 14, 2023	75	[ICRA]A1+
NA	Non-convertible Debenture^	NA	NA	NA	9,949.15	[ICRA]AAA (Stable)
NA	Commercial Paper^	NA	NA	NA	21,250	[ICRA]A1+
NA	Long-term Market Linked Debenture Programme^	NA	NA	NA	1,716	PP-MLD[ICRA]AAA (Stable)
NA	Non convertible Debenture (infra bonds)^	NA	NA	NA	327.31	[ICRA]AAA (Stable)
NA	Non-convertible Debenture (public issuance)^	NA	NA	NA	2,500	[ICRA]AAA (Stable)
NA	Non-convertible Debenture (public issuance)^	NA	NA	NA	5,000	[ICRA]AAA (Stable)
NA	Perpetual Debt^	NA	NA	NA	505	[ICRA]AA+ (Stable)
NA	Subordinated Debt ^	NA	NA	NA	3,128.50	[ICRA]AAA (Stable)
NA	Term Loan-1	Sep 2018	NA	Sep 2023	1,000	[ICRA]AAA (Stable)
NA	Term Loan-2	Dec 2017	NA	July 2023	1,200	[ICRA]AAA (Stable)
NA	Term Loan-3	Mar 2019	NA	Sep 2023	3,200	[ICRA]AAA (Stable)
NA	Term Loan-4	Mar 2022	NA	March 2024	150	[ICRA]AAA (Stable)
NA	Term Loan-5	Jun 2022	NA	Jun 2026	450	[ICRA]AAA (Stable)
NA	Line of Credit	Dec 2015	NA	Mar 2023	4,113	[ICRA]AAA (Stable)
NA	Cash Credit	Dec 2013	NA	Mar 2023	320	[ICRA]AAA (Stable)
NA	Working Capital	Jul 2011	NA	Sep 2023	1,435	[ICRA]AAA (Stable)
NA	Non-fund based	May 2016	NA	Aug 2027	260	[ICRA]AAA (Stable)
NA	Long-term Fund Based/Non-fund Based Bank Lines Programme	NA	NA	NA	25,172	[ICRA]AAA (Stable)

*Source: Company; ^Yet to be placed/unutilised; *To be withdrawn later*

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership*	Consolidation Approach
L&T Finance Holdings Limited	Holding Company	Full
L&T Finance Limited	Subsidiary	Full
L&T Infra Credit Limited	Subsidiary	Full
L&T Infra Investment Partners Advisory Private Limited	Subsidiary	Full
L&T Infra Investment Partners Trustee Private Limited	Subsidiary	Full
L&T Investment Management Limited	Subsidiary	Full
L&T Mutual Fund Trustee Limited	Subsidiary	Full
L&T Financial Consultants Limited	Subsidiary	Full
L&T Infra Investment Partners	Subsidiary	Full

*Source: Annual report for FY2022; *For LTFHL*

ANALYST CONTACTS

Karthik Srinivasan
+91 22 6114 3444
karthiks@icraindia.com

Manushree Saggar

+91 124 4545 316

manushrees@icraindia.com

Sandeep Sharma
+91 124 4545 820
sandeep.sharma@icraindia.com

Balram Yadav
+91 22 6114 3400
balram.yadav@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

Branches

Ratings

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CRISIL
An S&P Global Company

RL/APEFING/301755/RBOND/0922/42719/118506340
September 13, 2022

Mr. Sachinn Joshi
Chief Financial Officer
L&T Finance Limited
2nd Floor, Brindawan,
Plot -177, CST Road,
Kalina, Santacruz (E),
Mumbai City - 400098

Dear Mr. Sachinn Joshi,

Re: CRISIL Rating on the Rs. 5000 Crore Retail Bond% of L&T Finance Limited

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL AAA/Stable (pronounced as CRISIL triple A rating with Stable outlook) rating to the captioned Debt instrument. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Malvika Bhotika

Malvika Bhotika
Associate Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings

Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301

Details of the Rs. 5000 Crore Retail Bond of
L&T Finance Limited

	1st tranche		*2nd tranche*		*3rd tranche*	
Instrument Series:						
Amount Placed:						
Maturity Period:						
Put or Call Options (if any):						
Coupon Rate:						
Interest Payment Dates:						
Principal Repayment Details:	Date	Amount	Date	Amount	Date	Amount
Investors:						
Trustees:						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

Ratings
CRISIL Ratings Limited (A subsidiary of CRISIL Limited)

CRISIL
An S&P Global Company

Rating Rationale

September 13, 2022 | Mumbai

L&T Finance Limited

'CRISIL AAA/Stable' assigned to Retail Bond

Rating Action

Total Bank Loan Facilities Rated	**Rs.11500 Crore**
Long Term Rating	**CRISIL AAA/Stable (Reaffirmed)**

Rs.5000 Crore Retail Bond%	**CRISIL AAA/Stable (Assigned)**
Rs.5000 Crore Retail Bond&	**CRISIL AAA/Stable (Withdrawn)**
Rs.5000 Crore Retail Bond&	**CRISIL AAA/Stable (Reaffirmed)**
Rs.26000 Crore Commercial Paper	**CRISIL A1+ (Reaffirmed)**
Non Convertible Debentures Aggregating Rs.29230 Crore	**CRISIL AAA/Stable (Reaffirmed)**
Subordinated Debt Aggregating Rs.1000 Crore	**CRISIL AAA/Stable (Reaffirmed)**

%Public issue of secured redeemable non-convertible debentures
&Public issue of secured redeemable non-convertible debentures and/or unsecured subordinated redeemable non-convertible debentures
1 crore = 10 million
Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL AAA/Stable**' rating to Rs 5000 crore retail bonds of L&T Finance Limited (LTF; part of the L&T Financial Service s [LTFS] group) and reaffirmed its 'CRISIL AAA/Stable/CRISIL A1+' ratings on the bank facilities and debt instruments. The LTFS group includes L&T Finance Holdings Limited (LTFH; holding company of LTFS group) and its subsidiaries and associates. Rating on Rs 5000 crore retail bonds have been withdrawn given nil outstanding against the same. This withdrawal is in line with CRISIL Rating's withdrawal policy.

The ratings continue to reflect the strong and diversified presence of the LTFS group across the financial services space and a well-diversified resource profile. The ratings favourably factors in improved granularity of loan book with increase in share of retail loans (54% as on June 30, 2022, 45% as on June 30, 2021), which is in line with company's strategy (Lakshya 2026) of increasing retail loan book to 80% by 2026. It also centrally factors in the expectation of strong support from the parent, Larsen & Toubro Ltd (L&T; rated 'CRISIL AAA/Stable/CRISIL A1+'). These strengths are partially offset by moderate asset quality.

In line with the relief measures announced by the Reserve Bank of India (RBI) during the Covid-19 pandemic, the group had provided moratorium to its borrowers. Though collections declined during the initial months of the first wave and second wave, they improved subsequently. During the third wave, there was limited impact on collections. However, any adverse change in payment discipline of borrowers may lead to higher delinquencies.

Under the one time restructuring (OTR) schemes announced by the RBI dated August 6, 2020 and May 5, 2021, LTFS had 2.3% of advances restructured as on June 30, 2022. Nevertheless, the ability to manage collections and asset quality is a key monitorable.

Analytical Approach

For arriving at its ratings, CRISIL Ratings has combined the business and financial risk profiles of LTFH and its subsidiaries and associates. This is because all these entities have significant operational and management linkages and operate under a common brand. CRISIL Ratings has also factored in the strong support from the parent, L&T, given the strategic importance of the group to the parent along with the shared brand name. L&T has majority shareholding in LTFH, at 66.23% as on June 30, 2022.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation

Key Rating Drivers & Detailed Description

Strengths:

Strategic importance to, and expectation of strong support from, L&T

The LTFS group has demonstrated healthy growth and improved its return on equity over the last few fiscals. Due to L&T's focus on building a strong services portfolio including IT, technology and financial services, the LTFS group has been identified as a key focus area by the parent. L&T provides strategic oversight to the group and has personnel from its senior management - Mr. S. N. Subrahmanyan (CEO & MD, L&T Ltd) is the Director and Chairperson and Mr. R Shankar Raman (CFO, L&T Ltd) is the Non-Executive Director on LTFH's board. The parent also has representation in some of the key committees of the group, such as asset-liability, risk management and credit committees. The group also benefits from the synergies and expertise of L&T, especially in infrastructure and real estate lending. The shared name also supports the liabilities of the LTFS group.

Furthermore, the parent provides capital support to the LTFS group and has infused around Rs 5,700 crore (till March 2022; including ~Rs 1,900 crore in fiscal 2021). L&T has also provided an ongoing line of credit to the LTFS group, which could be used during contingency. Capital support from the parent, along with internal cash accrual, is expected to keep capitalisation for the group adequate, with gearing not expected to exceed 7.5 times - on a steady-state basis.

The ratings also factor in the strong support from the parent, as demonstrated by the articulation of its intention to (i) maintain strategic linkages and management oversight so that, among others, the LTFS group conducts its business in a manner such that it honours its stakeholder obligations in a timely manner (ii) maintain majority shareholding in LTFH, and (iii) provide growth and risk capital, if and when required.

Financial services business is expected to remain one of the key focus areas for L&T, which should continue to support the LTFS group.

Strong and diversified presence across the financial services space
LTFH is the holding company for the financial services business of L&T and has majority stake in various subsidiaries that operate in the lending and investment management business. Under the lending business, the group has built a strong market position, with assets under management (AUM) of Rs 88,078 crore as on June 30, 2022. The portfolio is diversified with presence across various asset classes, such as farm equipment financing (13% of AUM as on June 30, 2022), two-wheeler financing (9%), rural business loans & micro finance loans (16%), consumer loans (3%), home loans (10%), LAP (3%), infrastructure finance (34%) and real estate finance (11%). The group recently launched SME Finance in fiscal 2022 (0.1%). The remaining 1% is the defocused portfolio (consisting of products where the book is being run down) comprising the small retail portfolio (identified earlier), structured finance group, and DCM portfolio (classified since June 30, 2019). While the portfolio had registered a compound annual growth rate of around 20% over the five fiscals through 2019, it remained flat during fiscal 2020 and de-grew by 4% during fiscal 2021on account of a difficult macro environment. It further de-grew by 6% during fiscal 2022, on account of decline in wholesale business; heavy pre-payments in infrastructure finance and in real estate finance the group continues to mainly focus on tranche disbursements of existing projects. Retail business has however witnessed a growth of 10% during fiscal 2022 aided by higher disbursement in retail business. The growth in the business is expected to be driven by Retail (including SME Finance) segment over the near to medium term.

Under the non-lending business, the LTFS group currently is primarily present in the investment management business with an average (quarterly) AUM of Rs 71,571 crore as on June 30, 2022. However, LTFH has entered into a definitive agreement with HSBC Asset Management (India) Private Limited to sell 100% equity shares of L&T Investment Management Limited (a wholly owned subsidiary of LTFH, which carries out AMC business), subject to regulatory approvals. This is in line with strategic objective of LTFH of unlocking value from its subsidiaries to strengthen its balance sheet. The group sold its wealth management business to IIFL Wealth Finance Ltd (rated 'CRISIL PP-MLD AAr/Stable/CRISIL A1+') in April 2020.

Over the medium term, the group as part of its Lakshya 2026 strategy, intends to continue its focus on increasing retalization by growing its existing retail businesses and adding newer products. The share of the wholesale portfolio has declined steadily to 46% as on June 30, 2022, from 57% as on March 31, 2021; the management intends to reduce the share further in the coming years. Apart from growth in the rural and retail housing finance portfolios, this shift in proportion is supported by a higher sell-down / pre-payments in the infrastructure financing book (which also supports higher fee income) and limited disbursements towards existing projects in real estate financing. While the group continues to use its (and L&T's) expertise in the infrastructure finance segment to underwrite loans, a majority of the disbursements is typically sold down. Moreover, the focus will continue to be on operational projects in the infrastructure segment.

Well-diversified resource profile
Resource profile is spread across capital markets and bank funding. The group is a large and frequent issuer in capital markets and has strong banking relationships. Of the total borrowing of Rs 81,778 crore as on June 30, 2022, non-convertible debentures (including retail), commercial paper, external commercial borrowings (ECB) and bank borrowings formed 45%, 8%, 4%, and 43%, respectively. The diversified resource profile is also reflected in the competitive average borrowing cost[1] of 6.8% for quarter ended June 30, 2022 (annualised; 6.8% for fiscal 2022). The parentage of L&T also supports resource profile.

Weakness:
Moderate asset quality
The asset quality of the lending portfolio remains moderate. Asset quality metrics have shown an inch up on account of second wave of Covid-19 pandemic, however the same is on improving trend on account of improvement in collection efficiency and controlled slippages. On a consolidated basis, gross stage 3 and net stage 3 assets improved further and stood at 4.1% and 1.9%, respectively, as on June 30, 2022 compared to 6.7% and 2.3% respectively as on June 30, 2021. In real estate portfolio, the gross stage 3 increased on account of one large ticket slippage.

In the infrastructure portfolio, with resolution of legacy delinquent accounts, gross stage 3 assets continue to be on improvement trend. However, the share of wholesale portfolio remains high at 45% of AUM and the ticket size remains chunky given the nature of these asset segments. Nevertheless, the infrastructure lending portfolio is unlikely to see any expansion as the company plans to continue to operate on an asset / capital light model with focus on renewable and road projects. In the real estate portfolio, there will not be any new project sanctions and the company will continue to concentrate on existing projects and collections with the objective of reduction of the portfolio. LTFS is also exploring divestment of the real estate finance business. Furthermore, the higher focus on retail loans, stronger underwriting and collection practices, better early warning systems, and focus on digitisation, should support improvement in asset quality from current levels. Further, the group has a specialised team to oversee recovery from stressed assets.

Management's ability to keep the portfolio quality in check will remain a monitorable. Performance of the wholesale lending portfolios will also be closely monitored given the chunkiness in ticket size and sensitivity of borrowers in these segments to an environment of prolonged stretch in liquidity. Any significant deterioration in asset quality, leading to a sharp and continued decline in profitability from the current level, will be closely monitored.

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[1]*Borrowing cost = Annualised interest cost during the period divided by the average of outstanding borrowings at the beginning and the end of the period*

Liquidity: Superior
The consolidated asset-liability maturity profile as on June 30, 2022, reflects cumulative positive liquidity gaps in all buckets up to one year, after factoring in the line of credit from the parent. The group generally maintains liquidity to meet obligations coming up over the next 30 days. As on June 30, 2022, total debt repayment (including interest) was Rs 8,537 crore for the next three months (until September 30, 2022). Against this, liquidity of Rs 10,137 crore was available in the form of cash and liquid investments (Rs 7,770 crore) and unutilised bank lines (Rs 2,368 crore). Further, support from the parent is available in the form of a line of credit.

Outlook: Stable
CRISIL Ratings believes LTFS group will remain highly strategically important to L&T and continue to benefit from the latter's strong support over the medium term. Furthermore, it is expected to maintain its strong and diversified presence across the financial services space and a well-diversified resource profile.

Rating Sensitivity factors
Downward Factors
- Decline in L&T's credit risk profile by one notch, could lead to a similar rating change for LTFH and its subsidiaries
- Any material change in the shareholding or support philosophy of L&T for the LTFS group
- Weakening of the group's capital structure, with gearing exceeding 7.5 times on a steady-state basis, and/or deterioration in asset quality leading to a substantial decline in profitability

About the LTFS Group
The group has a diversified product portfolio with presence in the wholesale as well as retail finance segments. Over the past couple of years, the management has exited some lending asset classes and currently caters to limited segments such as farm equipment finance, two-wheeler finance, micro loans, consumer loans, housing and real estate finance and infrastructure finance. As part of this strategy, the supply chain financing portfolio was sold to Centrum Financial Services Ltd in fiscal 2019. Furthermore, structured finance group and DCM were identified and classified as part of the defocused book during the quarter ended June 30, 2019. The group also has presence in the investment management business, however that is set to be sold to HSBC Asset Management (India) Private Limited. As on June 30, 2022, LTFH's consolidated networth was Rs 20,193 crore.

In fiscal 2022, on a consolidated basis, profit after tax (PAT) was Rs 1,049 crore on total income of Rs 12,324 crore, against Rs 949 crore and Rs 13,753 crore, respectively, for the previous fiscal.

For the quarter ended June 30, 2022, PAT and total income were Rs 261 crore and Rs 3,136 crore, respectively, against Rs 177 crore and Rs 3,116 crore, respectively, during the corresponding period previous fiscal.

About L&T Finance Ltd
L&T Finance Ltd (LTF) is an NBFC incorporated in 1993 and wholly held by LTFH. Effective April 12, 2021, L&T Infrastructure Finance Company Ltd (LTIFC) and L&T Housing Finance Ltd (LTHF) merged with LTF. It had AUM of Rs 80,711 crore as on June 30, 2022, comprising rural business loans & microfinance (18% of total AUM), farm equipment loans (14%), two-wheeler loans (9%), consumer loan (4%), home loans (10%), (LAP (3%), SME Finance (0.2%), acquired portfolio (0.1%), real estate financing (12%), infrastructure loans (28%) and balance in defocused. The gross and net stage 3 assets were 4.4% and 2.0%, respectively, as on June 30, 2022. Networth and gearing were Rs 16,491 crore and 4.7 times, respectively, as on March 31, 2022 (Rs 15,621 crore and 5.1 times, respectively, as on March 31, 2021). In fiscal 2022, the company reported a PAT of Rs 808 crore on total income of Rs 11,445 crore against Rs 1 crore and Rs 12,693 crore, respectively, for the previous fiscal. For the quarter ended June 30, 2022, the company reported a PAT of Rs 214 crore and total income of Rs 2,963 crore, compared to a PAT of Rs 100 crore on total income of Rs 2,870 crore for corresponding period previous fiscal.

Key Financial Indicators: L&T Finance Holdings Ltd (consolidated; as per Indian Accounting Standard)

As On/ For the quarter months ended June 30	Unit	2022	2021
Total Assets	Rs crore	1,03,660	1,04,714
Total income	Rs crore	3136	3116
PAT	Rs crore	261	177
Gross Stage 3	%	4.08	6.67
Return on assets (annualized)	%	1.0	0.7
Gearing	Times	4.0	4.4

Any other information: Not applicable

Note on complexity levels of the rated instrument:
CRISIL Ratings' complexity levels are assigned to various types of financial instruments. The CRISIL Ratings' complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL Ratings' complexity levels

for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of the instrument	Date of issuance	Coupon rate (%)	Maturity Date	Size of the issue (Rs Cr)	Complexity	Rating assigned along with Outlook
INE476M07BU2	Non-Convertible Debentures	29-Nov-19	8.48%	29-Nov-22	375	Simple	CRISIL AAA/Stable
INE691I07EH5	Non-Convertible Debentures	29-Nov-19	8.55%	29-Nov-22	625	Simple	CRISIL AAA/Stable
INE027E07BD6	Non-Convertible Debentures	24-Jan-20	8.25%	24-Jan-23	405	Simple	CRISIL AAA/Stable
INE691I07EI3	Non-Convertible Debentures	28-Jan-20	8.45%	17-Feb-25	65	Simple	CRISIL AAA/Stable
INE691I07EJ1	Non-Convertible Debentures	28-Jan-20	8.55%	28-Jan-30	55	Simple	CRISIL AAA/Stable
INE691I07EI3	Non-Convertible Debentures	5-Feb-20	8.45%	17-Feb-25	35	Simple	CRISIL AAA/Stable
INE691I07EJ1	Non-Convertible Debentures	11-Feb-20	8.55%	28-Jan-30	220	Simple	CRISIL AAA/Stable
INE691I07EK9	Non-Convertible Debentures	17-Feb-20	8.50%	17-Jan-23	800	Simple	CRISIL AAA/Stable
INE691I07EL7	Non-Convertible Debentures	17-Feb-20	8.50%	17-Feb-23	800	Simple	CRISIL AAA/Stable
INE691I07EM5	Non-Convertible Debentures	17-Feb-20	8.50%	17-Mar-23	900	Simple	CRISIL AAA/Stable
INE476M07BV0	Non-Convertible Debentures	28-Feb-20	7.75%	28-Feb-23	250	Simple	CRISIL AAA/Stable
INE027E07BE4	Non-Convertible Debentures	4-Mar-20	7.68%	3-Mar-23	75	Simple	CRISIL AAA/Stable
INE476M07BW8	Non-Convertible Debentures	4-Mar-20	7.75%	15-Mar-23	20	Simple	CRISIL AAA/Stable
INE027E07BF1	Non-Convertible Debentures	28-Apr-20	7.80%	28-Apr-23	1,075.00	Simple	CRISIL AAA/Stable
INE027E07BH7	Non-Convertible Debentures	12-Jun-20	7.70%	12-Jun-23	300	Simple	CRISIL AAA/Stable
INE691I07EO1	Non-Convertible Debentures	30-Jun-20	8.10%	28-Jan-30	119.3	Simple	CRISIL AAA/Stable
INE476M07BY4	Non-Convertible Debentures	9-Jul-20	7.85%	9-Jul-25	279	Simple	CRISIL AAA/Stable
INE027E07BI5	Non-Convertible Debentures	10-Jul-20	7.75%	10-Jul-25	345	Simple	CRISIL AAA/Stable
INE691I07EO1	Non-Convertible Debentures	13-Jul-20	8.10%	28-Jan-30	251.3	Simple	CRISIL AAA/Stable
INE691I07ER4	Non-Convertible Debentures	13-Jul-20	7.95%	28-Jul-25	500	Simple	CRISIL AAA/Stable
INE691I07ES2	Non-Convertible Debentures	13-Jul-20	7.90%	12-Jul-24	244.9	Simple	CRISIL AAA/Stable
INE691I07ET0	Non-Convertible Debentures	9-Sep-20	7.30%	8-Sep-23	500	Simple	CRISIL AAA/Stable
INE691I07EU8	Non-Convertible Debentures	9-Sep-20	7.66%	9-Sep-30	100	Simple	CRISIL AAA/Stable
INE691I07EV6	Non-Convertible Debentures	16-Sep-20	7.15%	16-Sep-24	175	Simple	CRISIL AAA/Stable
INE691I07EU8	Non-Convertible Debentures	16-Sep-20	7.66%	9-Sep-30	50	Simple	CRISIL AAA/Stable
INE476M07BZ1	Non-Convertible Debentures	3-Nov-20	6.55%	1-Nov-24	300	Simple	CRISIL AAA/Stable
INE691I07EW4	Non-Convertible Debentures	3-Nov-20	6.75%	1-Nov-24	200	Simple	CRISIL AAA/Stable
INE027E07BK1	Non-Convertible Debentures	2-Dec-20	5.85%	1-Dec-23	600	Simple	CRISIL AAA/Stable
INE691I07EX2	Non-Convertible Debentures	30-Dec-20	7.62%	30-Dec-30	1,500.00	Simple	CRISIL AAA/Stable
INE027E07BL9	Non-Convertible Debentures	3-Mar-21	6.40%	1-Mar-24	450	Simple	CRISIL AAA/Stable
INE027E07BM7	Non-Convertible Debentures	10-Mar-21	6.45%	10-May-24	50	Simple	CRISIL AAA/Stable
INE027E07BN5	Non-Convertible Debentures	17-Mar-21	6.15%	17-May-23	300	Simple	CRISIL AAA/Stable

INE027E07BE4	Non-Convertible Debentures	17-Mar-21	7.68%	3-Mar-23	25	Simple	CRISIL AAA/Stable
INE027E07BM7	Non-Convertible Debentures	30-Apr-21	6.45%	10-May-24	300	Simple	CRISIL AAA/Stable
INE027E07BO3	Non-Convertible Debentures	19-May-21	7.40%	19-May-31	1,000.00	Simple	CRISIL AAA/Stable
INE027E07BM7	Non-Convertible Debentures	27-May-21	6.45%	10-May-24	200	Simple	CRISIL AAA/Stable
INE027E07BE4	Non-Convertible Debentures	30-Jul-21	7.68%	3-Mar-23	500	Simple	CRISIL AAA/Stable
INE027E07BE4	Non-Convertible Debentures	10-Aug-21	7.68%	3-Mar-23	250	Simple	CRISIL AAA/Stable
INE027E07BE4	Non-Convertible Debentures	31-Aug-21	7.68%	3-Mar-23	500	Simple	CRISIL AAA/Stable
INE027E07BP0	Non-Convertible Debentures	31-Aug-21	5.90%	30-Aug-24	500	Simple	CRISIL AAA/Stable
INE027E07BH7	Non-Convertible Debentures	30-Sep-21	7.70%	12-Jun-23	55	Simple	CRISIL AAA/Stable
INE027E07BS4	Non-Convertible Debentures	16-Nov-21	6.25%	15-Nov-24	215	Simple	CRISIL AAA/Stable
INE027E07BT2	Non-Convertible Debentures	3-Dec-21	6.25%	3-Dec-24	150	Simple	CRISIL AAA/Stable
INE027E07BU0	Non-Convertible Debentures	23-Dec-21	6.15%	23-Jan-25	300	Simple	CRISIL AAA/Stable
INE027E07BX4	Non-Convertible Debentures	15-Jul-22	7.75%	14-Aug-25	200	Simple	CRISIL AAA/Stable
INE027E07BY2	Non-Convertible Debentures	15-Jul-22	7.74%	15-Sep-25	300	Simple	CRISIL AAA/Stable
INE027E07BY2	Non-Convertible Debentures	15-Jul-22	7.87%	15-Sep-25	218.8	Simple	CRISIL AAA/Stable
INE027E07CA0	Non-Convertible Debentures	29-Aug-22	7.53%	28-Nov-25	580	Simple	CRISIL AAA/Stable
NA	Non-Convertible Debentures*	NA	NA	NA	11971.7	NA	CRISIL AAA/Stable
INE027E07AR8	Retail bonds%	23-Dec-19	8.25%	23-Dec-22	29.8	Simple	CRISIL AAA/Stable
INE027E07AS6	Retail bonds%	23-Dec-19	8.45%	23-Dec-22	417.2	Simple	CRISIL AAA/Stable
INE027E07AV0	Retail bonds%	23-Dec-19	7.96%	23-Dec-22	0.9	Simple	CRISIL AAA/Stable
INE027E07AW8	Retail bonds%	23-Dec-19	8.15%	23-Dec-22	43.4	Simple	CRISIL AAA/Stable
INE027E07AX6	Retail bonds%	23-Dec-19	8.45%	23-Dec-24	23.2	Simple	CRISIL AAA/Stable
INE027E07AY4	Retail bonds%	23-Dec-19	8.60%	23-Dec-24	325.5	Simple	CRISIL AAA/Stable
INE027E07AZ1	Retail bonds%	23-Dec-19	8.15%	23-Dec-24	0.8	Simple	CRISIL AAA/Stable
INE027E07BA2	Retail bonds%	23-Dec-19	8.29%	23-Dec-24	75.3	Simple	CRISIL AAA/Stable
INE027E07BB0	Retail bonds%	23-Dec-19	8.50%	23-Dec-26	25	Simple	CRISIL AAA/Stable
INE027E07BC8	Retail bonds%	23-Dec-19	8.65%	23-Dec-26	398.2	Simple	CRISIL AAA/Stable
INE027E07AT4	Retail bonds%	23-Dec-19	8.26%	23-Dec-22	6.3	Simple	CRISIL AAA/Stable
INE027E07AU2	Retail bonds%	23-Dec-19	8.46%	23-Dec-22	62.3	Simple	CRISIL AAA/Stable
NA	Retail bonds%*	NA	NA	NA	3592.1	Simple	CRISIL AAA/Stable
NA	Retail bonds%*^	NA	NA	NA	5000	Simple	CRISIL AAA/Stable
INE691I08537	Subordinate Debt	10-Jun-20	8.30%	10-Jun-30	86	Complex	CRISIL AAA/Stable
INE691I08545	Subordinate Debt	20-Jul-20	8.15%	19-Jul-30	100	Complex	CRISIL AAA/Stable
NA	Subordinate Debt*	NA	NA	NA	814	Complex	CRISIL AAA/Stable
NA	Commercial paper programme	NA	NA	7-365 days	26000	Simple	CRISIL A1+
NA	Long Term Loan	NA	NA	30-Sep-	250	NA	CRISIL

				22			AAA/Stable
NA	Long Term Loan	NA	NA	31-Mar-25	1100	NA	CRISIL AAA/Stable
NA	Proposed Long Term Bank Loan Facility**	NA	NA	NA	10150	NA	CRISIL AAA/Stable

*Not yet issued
^Public issue of secured redeemable non-convertible debentures
**Interchangeable with short-term bank facility
%Public issue of secured redeemable non-convertible debentures and/or unsecured subordinated redeemable non-convertible

Annexure - Details of Rating Withdrawn

ISIN	Name of the instrument	Date of issuance	Coupon rate (%)	Maturity Date	Size of the issue (Rs Cr)	Complexity
NA	Retail bonds*	NA	NA	NA	5,000	Simple

*Public issue of secured redeemable non-convertible debentures and/or unsecured subordinated redeemable non-convertible debentures

Annexure - List of Entities Consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
L&T Finance Holdings Ltd	Full	Holding company
L&T Investment Management Ltd	Full	Subsidiary
L&T Mutual Fund Trustee Ltd	Full	Subsidiary
L&T Financial Consultants Ltd	Full	Subsidiary
L&T Finance Ltd	Full	Subsidiary
L&T Infra Investment Partners Advisory Pvt Ltd	Full	Subsidiary
L&T Infra Investment Partners Trustee Pvt Ltd	Full	Subsidiary
L&T Infra Credit Ltd	Full	Subsidiary
Mudit Cement Pvt Ltd	Full	Subsidiary
L&T Capital Markets (Middle East) Limited	Full	Subsidiary
L&T Infra Investment Partners	Proportionate	Subsidiary

Annexure - Rating History for last 3 Years

	Current			2022 (History)		2021		2020		2019		Start of 2019
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT	11500.0	CRISIL AAA/Stable	31-03-22	CRISIL AAA/Stable	25-08-21	CRISIL AAA/Stable	31-07-20	CRISIL AAA/Stable	14-11-19	CRISIL AAA/Stable	--
			--		--	27-04-21	CRISIL AAA/Stable	05-05-20	CRISIL AAA/Stable	04-10-19	CRISIL AAA/Stable	--
Commercial Paper	ST	26000.0	CRISIL A1+	31-03-22	CRISIL A1+	25-08-21	CRISIL A1+	31-07-20	CRISIL A1+	14-11-19	CRISIL A1+	--
			--		--	27-04-21	CRISIL A1+	05-05-20	CRISIL A1+	04-10-19	CRISIL A1+	--
Non Convertible Debentures	LT	29230.0	CRISIL AAA/Stable	31-03-22	CRISIL AAA/Stable	25-08-21	CRISIL AAA/Stable	31-07-20	CRISIL AAA/Stable	14-11-19	CRISIL AAA/Stable	--
			--		--	27-04-21	CRISIL AAA/Stable	05-05-20	CRISIL AAA/Stable	04-10-19	CRISIL AAA/Stable	--
Retail Bond	LT	10000.0	CRISIL AAA/Stable	31-03-22	CRISIL AAA/Stable	25-08-21	CRISIL AAA/Stable	31-07-20	CRISIL AAA/Stable	14-11-19	CRISIL AAA/Stable	--
			--		--	27-04-21	CRISIL AAA/Stable	05-05-20	CRISIL AAA/Stable		--	--
Subordinated Debt	LT	1000.0	CRISIL AAA/Stable	31-03-22	CRISIL AAA/Stable	25-08-21	CRISIL AAA/Stable	31-07-20	CRISIL AAA/Stable		--	--
			--		--	27-04-21	CRISIL AAA/Stable		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Long Term Loan	**250**	**Corporation Bank**	**CRISIL AAA/Stable**
Long Term Loan	**1100**	**Canara Bank**	**CRISIL AAA/Stable**
Proposed Long Term Bank Loan Facility**	**10150**	**Not Applicable**	**CRISIL AAA/Stable**

This Annexure has been updated on 13-Sep-22 in line with the lender-wise facility details as on 08-Sep-21 received from the rated entity

***Interchangeable with short-term bank facility*

Criteria Details

Links to related criteria
Rating Criteria for Finance Companies
CRISILs Criteria for rating short term debt
Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support
CRISILs Criteria for Consolidation

Media Relations	Analytical Contacts	Customer Service Helpdesk
Aveek Datta Media Relations **CRISIL Limited** M: +91 99204 93912 B: +91 22 3342 3000 AVEEK.DATTA@crisil.com **Prakruti Jani** Media Relations **CRISIL Limited** M: +91 98678 68976 B: +91 22 3342 3000 PRAKRUTI.JANI@crisil.com **Rutuja Gaikwad** Media Relations **CRISIL Limited** B: +91 22 3342 3000 **Rutuja.Gaikwad@ext-crisil.com**	Krishnan Sitaraman Senior Director and Deputy Chief Ratings Officer **CRISIL Ratings Limited** D:+91 22 3342 8070 krishnan.sitaraman@crisil.com Subhasri Narayanan Director **CRISIL Ratings Limited** D:+91 22 3342 3403 subhasri.narayanan@crisil.com Ronak Rathi Senior Rating Analyst **CRISIL Ratings Limited** B:+91 22 3342 3000 Ronak.Rathi@crisil.com	Timings: 10.00 am to 7.00 pm Toll free Number:1800 267 1301 For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com For Analytical queries: ratingsinvestordesk@crisil.com

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India Ratings & Research
A Fitch Group Company

FitchGroup

Mr. Sachinn Joshi
Group Chief Financial Officer,
L&T Finance,
5th Floor, City-2, Kalina,
Santacruz (East),
Mumbai – 400098

September 12, 2022

Dear Sir/Madam,

Re: Rating Letter for NCD of L&T Finance Limited

India Ratings and Research (Ind-Ra) has taken the following rating actions on L&T Finance Limited's (LTFL) debt instruments:

Instrument Type	**Date of issuance**	**Coupon Rate**	**Maturity Date**	**Size of Issue (billion)**	**Rating/Outlook**	**Rating Action**
Non-convertible debentures (NCDs; public issue/private issue)#	-	-	-	INR140	IND AAA/Stable	Affirmed
Principal protected market-linked debenture^+	-	-	-	INR30	IND PP-MLD AAA emr/Stable	Affirmed
NCDs (public issue/private issue)/bank borrowings/subordinate debt#	-	-	-	INR115	IND AAA/Stable	Affirmed
Bank loan	-	-	-	INR240	INDAAA/Stable	Affirmed
NCD (public issue)*#	-	-	-	INR100 (reduced from INR150 billion)	IND AAA/Stable	Affirmed
NCD (public issue)$#				INR50	IND AAA/Stable	Assigned
subordinated debt#	-	-	-	INR15	IND AAA/Stable	Affirmed

*The limits are for secured redeemable NCDs and are interchangeable with unsecured subordinated redeemable NCDs

^ unutilised; these could be public NCDs too.

$ secured redeemable NCDs

#Details in Annexure

+The suffix emr denotes the exclusion of the embedded market risk from the rating. The rating of the market-linked debentures is an ordinal assessment of the underlying credit risk of the instrument and does not factor in the market risk that investors in such instruments will assume. This market risk stems from the fact that coupon payment on the instrument will be based on the performance of a reference index or equity share (detailed in the information memorandum of the issue). PP-MLD refers to full principal protection in the equity-linked notes wherein the issuer is obligated to pay the full principal upon maturity.

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The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

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We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

Prakash Agarwal

Prakash Agarwal
Director

K Gupta

Karan Gupta
Director

India Ratings & Research
A Fitch Group Company

FitchGroup

Annexure: Facilities Breakup

Instrument Description	Banks Name	Ratings	Outstanding/Rated Amount(INR million)
	Axis Bank Limited	IND AAA/Stable	12000
	Axis Bank Limited	IND AAA/Stable	250
	Axis Bank Limited	IND AAA/Stable	4500
	Axis Bank Limited	IND AAA/Stable	10000
	Bank of Baroda	IND AAA/Stable	10000
	Bank of China	IND AAA/Stable	500
	Bank of India	IND AAA/Stable	1000
	Bnp Paribas India	IND AAA/Stable	2000
	DBS Bank India Limited	IND AAA/Stable	2000
	Federal Bank	IND AAA/Stable	3500
	HDFC Bank Limited	IND AAA/Stable	5000
	ICICI Bank	IND AAA/Stable	1000
	IndusInd Bank Limited	IND AAA/Stable	250
	Karnataka Bank Ltd	IND AAA/Stable	3000
	Karur Vysya Bank	IND AAA/Stable	450
	Karur Vysya Bank	IND AAA/Stable	50
	Kotak Mahindra Bank	IND AAA/Stable	1500
	Kotak Mahindra Bank	IND AAA/Stable	1500
	NABARD	IND AAA/Stable	5000
	NABARD	IND AAA/Stable	15000
	RBL Bank	IND AAA/Stable	1000
	RBL Bank	IND AAA/Stable	1500
	RBL Bank	IND AAA/Stable	3500
	RBL Bank	IND AAA/Stable	2000
	SIDBI	IND AAA/Stable	10000
	South Indian Bank	IND AAA/Stable	1500
	South Indian Bank	IND AAA/Stable	1500
	Standard Chartered bank	IND AAA/Stable	1750
	Standard Chartered Bank (Mauritius) Limited	IND AAA/Stable	4500
	Standard Chartered bank	IND AAA/Stable	1300
	Sumitomo Mitsui Banking Corp.	IND AAA/Stable	1000
	Sumitomo Mitsui Banking Corporation	IND AAA/Stable	1000
	HDFC Bank Limited	IND AAA/Stable	3000
	Axis Bank Limited	IND AAA/Stable	7180
	SIDBI	IND AAA/Stable	10000

	Axis Bank Limited	IND AAA/Stable	5080
	Axis Bank Limited	IND AAA/Stable	3600
	Societe Generale	IND AAA/Stable	2000
	Micro Units Development and Refinance Agency (MUDRA)	IND AAA/Stable	3400
	CTBC Bank	IND AAA/Stable	900
	State Bank of India	IND AAA/Stable	5000
	State Bank of India	IND AAA/Stable	250
	NA	IND AAA/Stable	14090

Issue Type	ISIN	Date of Issuance	Maturity Date	Coupon Rate%	Size of Issue (billion)	Rating /Outlook
NCD	INE027E07659	06-Jun-18	28-Apr-22	8.65%	INR0.55	WD (Paid in full)
NCD	INE476M07BK3	06-Jun-18	28-Apr-22	8.60%	INR0.45	WD (Paid in full)
NCD	INE027E07675	06-Jul-18	10-Jun-22	8.95%	INR0.35	WD (Paid in full)
NCD	INE476M07BL1	06-Jul-18	10-Jun-22	8.95%	INR0.67	WD (Paid in full)
NCD	INE027E07717	02-Aug-18	02-Aug-23	8.86%	INR0.35	IND AAA/Stable
NCD	INE027E07618	31-Oct-18	12-Dec-22	7.95%	INR0.165	IND AAA/Stable
NCD	INE027E07659	14-Nov-18	28-Apr-22	8.65%	INR0.3	WD (Paid in full)
NCD	INE027E07550	20-Nov-18	06-Oct-22	7.70%	INR0.65	IND AAA/Stable
NCD	INE027E07774	04-Jan-19	04-Jan-24	9.00%	INR8	IND AAA/Stable
NCD	INE027E07790	11-Jan-19	09-Feb-24	9.00%	INR0.25	IND AAA/Stable
NCD	INE476M07BS6	11-Jan-19	11-Jan-24	8.90%	INR0.27	IND AAA/Stable
NCD	INE027E07857	24-Jan-19	08-Aug-22	8.93%	INR0.5	WD (Paid in full)
NCD	INE027E07865	01-Feb-19	11-Mar-24	9.02%	INR0.25	IND AAA/Stable
NCD	INE027E07AP2	28-May-19	28-May-26	8.80%	INR8.5	IND AAA/Stable
NCD	INE691I07EO1	30-Jun-20	28-Jun-30	8.10%	INR1.193	IND AAA/Stable
NCD	INE476M07BY4	09-Jul-20	09-Jul-25	7.85%	INR2.79	IND AAA/Stable
NCD	INE027E07BI5	10-Jul-20	10-Jul-25	7.75%	INR3.45	IND AAA/Stable
NCD	INE691I07EO1	13-Jul-20	28-Jun-30	8.10%	INR2.513	IND AAA/Stable
NCD	INE476M07BZ1	03-Nov-20	01-Nov-24	6.55%	INR3	IND AAA/Stable

NCD	INE691I07EX2	30-Dec-20	30-Dec-30	7.62%	INR15	IND AAA/Stable
NCD	INE027E07BO3	19-May-21	19-May-27	7.40%	INR2.5	IND AAA/Stable
NCD	INE027E07BO3	19-May-21	19-May-28	7.40%	INR2.5	IND AAA/Stable
NCD	INE027E07BO3	19-May-21	18-May-29	7.40%	INR2.5	IND AAA/Stable
NCD	INE027E07BO3	19-May-21	17-May-30	7.40%	INR1.5	IND AAA/Stable
NCD	INE027E07BO3	19-May-21	19-May-31	7.40%	INR1	IND AAA/Stable
NCD	INE027E07BS4	16-Nov-21	15-Nov-24	6.25%	INR2.15	IND AAA/Stable
NCD	INE027E07BT2	03-Dec-21	03-Dec-24	6.25%	INR1.5	IND AAA/Stable
NCD	INE027E07790	03-Dec-21	09-Feb-24	9.00%	INR0.5	IND AAA/Stable
NCD	INE027E07BU0	23-Dec-21	23-Jan-25	6.15%	INR3	IND AAA/Stable
NCD	INE027E07BV8	01-Feb-22	26-Sep-25	6.45%	INR5.65	IND AAA/Stable
NCD	INE027E07BW6	01-Jul-22	01-Jul-24	7.55%	INR1.75	IND AAA/Stable
NCD	INE027E07CA0	29-Aug-22	28-Nov-25	7.53%	INR5.8	IND AAA/Stable
Utilised					INR76.73	
Unutilised					INR178.27	
Total					INR255	

Issue Type	ISIN	Date of Issuance	Maturity Date	Coupon Rate%	Size of Issue (billion)	Rating /Outlook
NCD - Public Issue	INE027E07923	13-Mar-19	13-Mar-24	9.10%	INR0.303	IND AAA/Stable
NCD - Public Issue	INE027E07931	13-Mar-19	13-Mar-24	9.25%	INR2.356	IND AAA/Stable
NCD - Public Issue	INE027E07949	13-Mar-19	13-Mar-24	8.75%	INR0.018	IND AAA/Stable
NCD - Public Issue	INE027E07956	13-Mar-19	13-Mar-24	8.89%	INR0.601	IND AAA/Stable
NCD - Public Issue	INE027E07964	13-Mar-19	13-Mar-29	9.20%	INR0.08	IND AAA/Stable
NCD - Public Issue	INE027E07972	13-Mar-19	13-Mar-29	9.35%	INR1.109	IND AAA/Stable
NCD - Public Issue	INE027E07980	13-Mar-19	13-Mar-29	8.84%	INR0.007	IND AAA/Stable

NCD - Public Issue	INE027E07998	13-Mar-19	13-Mar-29	8.98%	INR1.017	IND AAA/Stable
NCD - Public Issue	INE027E07AE6	15-Apr-19	15-Apr-24	8.80%	INR0.729	IND AAA/Stable
NCD - Public Issue	INE027E07AF3	15-Apr-19	15-Apr-24	9.00%	INR1.86	IND AAA/Stable
NCD - Public Issue	INE027E07AG1	15-Apr-19	15-Apr-24	8.48%	INR0.016	IND AAA/Stable
NCD - Public Issue	INE027E07AH9	15-Apr-19	15-Apr-24	8.66%	INR0.219	IND AAA/Stable
NCD - Public Issue	INE027E07AI7	15-Apr-19	15-Apr-24	8.81%	INR0.002	IND AAA/Stable
NCD - Public Issue	INE027E07AJ5	15-Apr-19	15-Apr-24	9.01%	INR0.183	IND AAA/Stable
NCD - Public Issue	INE027E07AK3	15-Apr-19	15-Apr-27	8.85%	INR0.105	IND AAA/Stable
NCD - Public Issue	INE027E07AL1	15-Apr-19	15-Apr-27	9.05%	INR3.52	IND AAA/Stable
NCD - Public Issue	INE027E07AM9	15-Apr-19	15-Apr-27	8.52%	INR0.005	IND AAA/Stable
NCD - Public Issue	INE027E07AN7	15-Apr-19	15-Apr-27	8.70%	INR0.175	IND AAA/Stable
NCD - Public Issue	INE027E07AR8	23-Dec-19	23-Dec-22	8.25%	INR0.298	IND AAA/Stable
NCD - Public Issue	INE027E07AS6	23-Dec-19	23-Dec-22	8.45%	INR4.172	IND AAA/Stable
NCD - Public Issue	INE027E07AV0	23-Dec-19	23-Dec-22	7.96%	INR0.009	IND AAA/Stable
NCD - Public Issue	INE027E07AW8	23-Dec-19	23-Dec-22	8.15%	INR0.434	IND AAA/Stable
NCD - Public Issue	INE027E07AX6	23-Dec-19	23-Dec-24	8.45%	INR0.232	IND AAA/Stable
NCD - Public Issue	INE027E07AY4	23-Dec-19	23-Dec-24	8.60%	INR3.255	IND AAA/Stable
NCD - Public Issue	INE027E07AZ1	23-Dec-19	23-Dec-24	8.15%	INR0.008	IND AAA/Stable
NCD - Public Issue	INE027E07BA2	23-Dec-19	23-Dec-24	8.29%	INR0.753	IND AAA/Stable
NCD - Public Issue	INE027E07BB0	23-Dec-19	23-Dec-26	8.50%	INR0.25	IND AAA/Stable
NCD - Public Issue	INE027E07BC8	23-Dec-19	23-Dec-26	8.65%	INR3.982	IND AAA/Stable
NCD - Public Issue	INE027E07AT4	23-Dec-19	23-Dec-22	8.26%	INR0.063	IND AAA/Stable
NCD - Public Issue	INE027E07AU2	23-Dec-19	23-Dec-22	8.46%	INR0.623	IND AAA/Stable
Utilised					INR26.38	
Unutilised					INR123.62	

Total					INR150	

Issue Type	ISIN	Date of Issuance	Maturity Date	Coupon Rate%	Size of Issue (billion)	Rating /Outlook
TIER II	INE027E08087	13-Sep-19	13-Sep-29	8.90%	INR0.26	IND AAA/Stable
Utilised					INR0.26	
Unutilised					INR14.74	
Total					INR15	

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India Ratings Assigns L&T Finance’s NCDs ‘IND AAA’/Stable; Affirms Other Ratings

Sep 12, 2022 | Financial Services

India Ratings and Research (Ind-Ra) has taken the following rating actions on L&T Finance Limited’s (LTFL) debt instruments:

Instrument Type	Date of issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Non-convertible debentures (NCDs; public issue/private issue)#	-	-	-	INR140	IND AAA/Stable	Affirmed
Principal protected market-linked debenture^+	-	-	-	INR30	IND PP-MLD AAA emr/Stable	Affirmed
NCDs (public issue/private issue)/bank borrowings/subordinate debt#	-	-	-	INR115	IND AAA/Stable	Affirmed
Bank loan	-	-	-	INR240	INDAAA/Stable	Affirmed
NCD (public issue)*#	-	-	-	INR100 (reduced from INR150 billion)	IND AAA/Stable	Affirmed
NCD (public issue)$#				INR50	IND AAA/Stable	Assigned
subordinated debt#	-	-	-	INR15	IND AAA/Stable	Affirmed

*The limits are for secured redeemable NCDs and are interchangeable with unsecured subordinated redeemable NCDs
^ unutilised; these could be public NCDs too.
$ secured redeemable NCDs
#Details in Annexure
+The suffix emr denotes the exclusion of the embedded market risk from the rating. The rating of the market-linked debentures is an ordinal assessment of the underlying credit risk of the instrument and does not factor in the market risk that investors in such instruments will assume. This market risk stems from the fact that coupon payment on the instrument will be based on the performance of a reference index or equity share (detailed in the information memorandum of the issue). PP-MLD refers to full principal protection in the equity-linked notes wherein the issuer is obligated to pay the full principal upon maturity.

Analytical Approach: Ind-Ra continues to take a consolidated view of L&T Finance Holdings Limited (LTFHL; IND AAA/Stable) and its 100% (direct and indirect) key operating subsidiaries, including LTFL and L&T Infra Credit Limited (LTICL; formerly known as L&T Infra Debt Fund Limited), together referred to as L&T Financial Services (LTFS). The ratings continue to reflect the credit strength of the parent - Larsen & Toubro Limited (L&T; 'IND AAA'/Stable) and factor in Ind-Ra's expectations of continuous financial and operational support from L&T, given LTFS's core position in the group's strategy.

Key Rating Drivers

L&T Group's High Propensity and Ability to Support: L&T considers financial services to be a core and integral part of the group's strategy, as it is among key value drivers over the long term. Given the thrust being provided by L&T Group for the services businesses in its overall portfolio, LTFS has decided to accelerate its retailisation, while strengthening the group's presence in the financial vertical. Furthermore, the chief executive officer and managing director of the L&T group, S. N. Subrahmanyan, has been appointed as the chairman of LTFS. The financial services business has been regularly receiving capital infusions (about INR57 billion as of June 2022) from the group since inception. The group has a strong operating profile, with adequate resources in terms of on-book liquidity, an ability to raise funds from banks as well as capital markets, and assets/investments that can be monetised to raise funds, if needed. Furthermore, L&T's management has articulated that it will continue to provide material equity support (growth and risk capital) for financial services, if required.

In the agency's opinion, the L&T group has enhanced its management oversight and control over the financial services vertical. Also, it has stated that it will maintain strategic linkages, majority shareholding (end-March 2022: 66.26%; June 2022: 66.23%) and support lines (INR18 billion) towards the financial services business on an ongoing basis. Furthermore, within the infrastructure and real estate portfolio segments, L&T has been supporting the financial services vertical at a tactical and operational level. However, LTFS would incrementally focus on expanding its retail portfolio while consolidating the remaining portfolios. LTFS will also explore the divestment of the real estate finance business, and the divestment or adoption of a capital light model for the infrastructure financing business. Furthermore, LTFS benefits from the L&T group's ecosystem, intelligence and operations, with the latter participating in the former's credit committee. Ind-Ra expects the financial and non-financial support from the parent to continue, if and when required.

Ind-Ra expects LTFS's asset quality, especially in the real estate finance segment, to be under pressure in the near-to-medium term in the COVID-19 aftermath. However, LTFS at the consolidated level has adequate operating buffers, unutilised additional provisions (macro-prudential, COVID-19 linked, and one-time restructuring – OTR provisions) of INR14 billion at end-June 2022, enhanced capital buffers and it plans to monetise the asset management company; these factors offer more than adequate protection in Ind-Ra stress tests.

Retailisation Embedded in Strategy: LTFL is the largest subsidiary of LTFHL in terms of the loan book size, especially after the amalgamation of various entities of the group into LTFL in 1QFY22. Its gross loan portfolio stood at INR807.1 billion in 1QFY23 (FY22: INR818 billion), i.e. 93% of the total gross loans of LTFS. It houses the rural and microfinance business segments (1QFY23: 17%), tractor and farm equipment loans (13%), two-wheeler loans (9%), consumer financing (3%) and extant retail housing and the loans against property segment (13%). In wholesale finance, it has construction finance (11% in 1QFY23) and infrastructure finance (26%). The balance represents the company's SME, acquired portfolio and defocused book. From 1QFY23, LTFL has been reporting its business performance under two main verticals: retail (rural, farmer and urban segments) and wholesale business, with respective sub-segments.

LTFS plans to increase the pace of retailisation, and most of it will be driven through LTFL's balance sheet. At end-June 2022, the granular retail portfolio stood at about 54% (end-FY22: 45%), aided by the growth in the retail vertical, the absence of any new project sanctions in the real estate vertical (with focus on the completion of existing projects), and substantial refinance / repayment / prepayment in the infrastructure vertical. LTFS would follow on committed disbursements in the wholesale businesses (real estate and infrastructure). It would not undertake new sanctions in the real estate segment. In the meanwhile, the infrastructure lending portfolio is also unlikely to see any expansion as the company expects to be selective in disbursements and plans to continue to operate on an asset / capital light model. It plans to expand existing retail products and also enter into new products within the retail segments, such as farm allied financing, market offerings on personal loans and business loans, some of which are in various stages of roll-out. In the tractor, two-wheeler and microfinance segments, LTFS is among the largest players and has peer-comparable or better asset quality.

Asset Quality Pressures to Continue in near to Medium Term, Mainly from Real Estate: Ind-Ra expects COVID-19 to have some impact on LTFL's profitability in FY23. At end-June 2022, its net stage 3 was about 2%, and its gross stage 3 was 4.4%; also, about 2.5% of its loans are being restructured under the one-time restructuring scheme of the Reserve Bank of India. LTICL did not have any stage 3 assets at end-June 2022. In the real estate finance segment, in a couple of projects that have been beneficiaries of the deferment of date for commencement of commercial operations, the cashflow / security cover has seen reductions to slightly above 1x. LTFS has received/sought additional securities. Some projects have seen delays in construction / receipt of occupation certificate, and hence, there could be an increase in delinquencies in the near-to-medium term. A large exposure to a National Capital region-based real estate player turned stage 3 in FY22; Ind-Ra expects the real estate segment to see some more slippages that might require additional provisioning, but this could be alleviated by the ongoing resolution plans.

LTFS's infrastructure finance book mainly consists of renewable power projects (forming about 68% of the infrastructure exposure), which are largely operational, and road transport projects (24%), which have higher exposure towards annuity structures, and hence, faces a low cash flow risk. The infra vertical has seen moratoriums of up to 35% at peak; but overall, it showed resilience through FY21-FY22. Some of the stage 2 projects in infrastructure (wherein a key reason could be delays in payables from discoms), however, are either in the operational stage or are close to completion. Banks have been becoming more competitive on infrastructure projects; a material quantum of LTFS's infrastructure loans were refinanced by others, which resulted in higher repayments and a decrease in LTFS' infra loans by INR75 billion in FY22.

The retail segment has, for the most part, achieved normalisation across the three largest sub-segments (rural business & microfinance, farm equipment and two-wheeler loans). The progressive performance in these segments will also be driven by the overall macroeconomic scenario, with the performance of agriculture sector and rural economy being key to this vertical's performance. LTFS, in total, has about INR14.5 billion of macro-prudential provisions and modest restructured assets. Ind-Ra expects, in the business-as-usual case, the rural segment could see lower-than-normalised credit costs in FY23, event risks notwithstanding.

Profitability Pressure to Continue in Medium Term until Adequate Traction in Retailsation: The annualised consolidated return on asset ratio for LTFS stood at 1% in 1QFY23 (FY22: 1%, FY21:0.6%, FY20: 1.6%). For LTFL, the annualised return on asset ratio stood at 0.9% in 1QFY23 (FY22: 0.8%, FY21: 0%; FY20: 0.7%; FY19: 1.5%). The key reasons for this drop compared to FY19 was the additional outstanding unutilised provisions (including provisions related macro-prudential, COVID-19 and OTR) of INR14.5 billion at the end of 1QFY23 (credit cost annualised of about 3.0% over FY21-1QFY23) and decline in wholesale disbursements. At end-March 2022, the company had approximately INR48.8 billion of net security receipts, which, depending on pace of resolutions, could require additional provisions in the medium term. Over the short-to-medium term, Ind-Ra expects the increasing share of retail in the total revenue to lead to a sharper rise in its contribution to the profitability, though this would be accompanied by higher operating expenses. Ind-Ra opines the existing provisions and the expected operating buffers could be adequate to maintain the existing levels of profitability.

Liquidity Indicator - Adequate: The treasury operations and management are well integrated for LTFHL and its operating subsidiaries, and almost all of it is attributable to LTFL. In terms of the consolidated structural asset liability management statement (excluding funding lines from banks and support lines from L&T), there was a positive cumulative mismatch in all the maturity buckets up to one year at end-June 2022 to the extent of about 6.8% of the total assets (this includes about INR78 billion of cash and liquid unencumbered investments). The unutilised bank lines and support lines from the parent amounted to about INR42 billion as of June 2022. The unutilised bank lines have declined in 2QFY22 compared to the previous quarters, i.e. during covid-19 period. Ind-Ra expects the company to maintain the unavailed lines at higher levels, especially if there is a decline in the balance sheet liquid assets. The liquidity, in the form of liquid assets and unutilised bank lines continue to be more than adequate to service the next three months' debt obligations. LTFS's consolidated funding profile is diverse in terms of the funding mix, investors and loan tenors. Its borrowings are spread over several institutions. The proportion of CPs in the total borrowing profile at end-June 2022 was about 8%; this could increase as the retailisation plans progress.

Improvement in Leverage: LTFL's leverage (debt to net worth) improved to 4.7x in FY22 (FY21: 5.1x; FY20: 5.3x) and remained at the same level in 1QFY23 (debt to tangible net worth: 1QFY23, FY22: 5.2x; FY21: 5.7x; FY20: 6.2x), due to its modest internal accruals, loan book decline since FY20 and capital allocation from the holding company in 4QFY21. Ind-Ra expects the leverage to improve further in the near term with the completion of the sale of the asset management company. Ind-Ra has also factored into the ratings the availability of capital support from the L&T group, if required for both, growth and risk.

Please click here for detailed rationale of LTFHL.

Rating Sensitivities

Negative: Developments that could, individually and collectively, lead to a negative rating action include:

- dilution in the support expectations, in Ind-Ra's opinion, from the L&T group, which, among other things, could be on account of weakened commercial prospects or missing L&T's return on equity expectations on a consistent basis
- LTFS's inability to manage asset quality (net stage 3 to net worth exceeding 25% at a consolidated level), resulting in higher-than-expected credit losses, weakened liquidity position, elevated consolidated leverage levels
- decreased importance of financial services business to the L&T group
- lack of timely support in terms of both equity and liquidity
- any material deterioration in the credit profile of the L&T group or a change of the ownership outside of the group

ESG Issues

ESG Factors Minimally Relevant to Rating: Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on LTFL, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click here. For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

Company Profile

LTFL is a wholly owned subsidiary of LTFHL and the largest operating NBFC subsidiary. It houses the entire lending business other than about INR65 billion of operational infrastructure loans (at end June 22) housed in LTICL.

FINANCIAL SUMMARY

Particulars (Standalone)	FY22	FY21
Total assets (INR billion)	961.72	962.01
Total tangible net worth (INR billion)	149.52	139.02
Net profit (INR billion)	8.08	0.01
Return on average assets (%)	0.8	0.0
Net worth/total assets (%)	17.15	16.23
Source: Company, Ind-Ra estimated		

Particulars (Consolidated)	FY22	FY21
Total assets (INR billion)	1,069.0	1089.71
Total tangible net worth (INR billion)	183.52	163.65
Net profit (INR billion)	10.49	9.5
Return on average assets (%)	0.97	0.9
Tangible net worth/assets (%)	17.2	15.0
Source: LTFHL, Ind Ra		

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

Rating History

Instrument Type	Current Rating/Outlook				
	Rating Type	Rated Limits (billion)	Rating	26 April 2022	27 April 2021
NCDs (public issue/private issue)/bank borrowings/subordinate debt	Long Term	INR255	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
Subordinated debt	Long Term	INR15	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
NCD (public issue)	Long Term	INR150	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
Bank loans	Long Term	INR240	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable

Principal protected market-linked debentures	Long Term	INR30	IND PP-MLD AAA emr/Stable	IND PP-MLD AAA emr/Stable	IND PP-MLD AAA emr/Stable	N (

Annexure

Issue Type	ISIN	Date of Issuance	Maturity Date	Coupon Rate%	Size of Issue (billion)	Rating /Outlook
NCD	INE027E07659	6 June 2018	28 April 2022	8.65%	INR0.55	WD (Paid in full)
NCD	INE476M07BK3	6 June 2018	28 April 2022	8.60%	INR0.45	WD (Paid in full)
NCD	INE027E07675	6 July 2018	10 June 2022	8.95%	INR0.35	WD (Paid in full)
NCD	INE476M07BL1	6 July 2018	10 June 2022	8.95%	INR0.67	WD (Paid in full)
NCD	INE027E07717	2 August 2018	2 August 2023	8.86%	INR0.35	IND AAA/Stable
NCD	INE027E07618	31 October 2018	12 December 2022	7.95%	INR0.165	IND AAA/Stable
NCD	INE027E07659	14 November 2018	28 April 2022	8.65%	INR0.3	WD (Paid in full)
NCD	INE027E07550	20 November 2018	6 October 2022	7.70%	INR0.65	IND AAA/Stable
NCD	INE027E07774	4 January 2019	4 January 2024	9.00%	INR8	IND AAA/Stable
NCD	INE027E07790	11 January 2019	9 February 2024	9.00%	INR0.25	IND AAA/Stable
NCD	INE476M07BS6	11 January 2019	11 January 2024	8.90%	INR0.27	IND AAA/Stable
NCD	INE027E07857	24 January 2019	8 August 2022	8.93%	INR0.5	WD (Paid in full)
NCD	INE027E07865	1 February 2019	11 March 2024	9.02%	INR0.25	IND AAA/Stable
NCD	INE027E07AP2	28 May 2019	28 May 2026	8.80%	INR8.5	IND AAA/Stable
NCD	INE691I07EO1	30 June 2020	28 June 1930	8.10%	INR1.193	IND AAA/Stable
NCD	INE476M07BY4	9 July 2020	9 July 2025	7.85%	INR2.79	IND AAA/Stable
NCD	INE027E07BI5	10 July 2020	10 July 2025	7.75%	INR3.45	IND AAA/Stable
NCD	INE691I07EO1	13 July 2020	28 June 1930	8.10%	INR2.513	IND AAA/Stable
NCD	INE476M07BZ1	3 November 2020	1 November 2024	6.55%	INR3	IND AAA/Stable
NCD	INE691I07EX2	30 December 2020	30 December 1930	7.62%	INR15	IND AAA/Stable
NCD	INE027E07BO3	19 May 2021	19 May 2027	7.40%	INR2.5	IND AAA/Stable
NCD	INE027E07BO3	19 May 2021	19 May 2028	7.40%	INR2.5	IND AAA/Stable
NCD	INE027E07BO3	19 May 2021	18 May 2029	7.40%	INR2.5	IND AAA/Stable
NCD	INE027E07BO3	19 May 2021	17 May 1930	7.40%	INR1.5	IND AAA/Stable
NCD	INE027E07BO3	19 May 2021	19 May 1931	7.40%	INR1	IND AAA/Stable

NCD	INE027E07BS4	16 November 2021	15 November 2024	6.25%	INR2.15	IND AAA/Stable
NCD	INE027E07BT2	3 December 2021	3 December 2024	6.25%	INR1.5	IND AAA/Stable
NCD	INE027E07790	3 December 2021	9 February 2024	9.00%	INR0.5	IND AAA/Stable
NCD	INE027E07BU0	23 December 2021	23 January 2025	6.15%	INR3	IND AAA/Stable
NCD	INE027E07BV8	1 February 2022	26 September 2025	6.45%	INR5.65	IND AAA/Stable
NCD	INE027E07BW6	1 July 2022	1 July 2024	7.55%	INR1.75	IND AAA/Stable
NCD	INE027E07CA0	29 August 2022	28 November 2025	7.53%	INR5.8	IND AAA/Stable
Utilised					**INR76.73**	
Unutilised					**INR178.27**	
Total					**INR255**	

Issue Type	ISIN	Date of Issuance	Maturity Date	Coupon Rate%	Size of Issue (billion)	Rating /Outlook
NCD - Public Issue	INE027E07923	13 March 2019	13 March 2024	9.10%	INR0.303	IND AAA/Stable
NCD - Public Issue	INE027E07931	13 March 2019	13 March 2024	9.25%	INR2.356	IND AAA/Stable
NCD - Public Issue	INE027E07949	13 March 2019	13 March 2024	8.75%	INR0.018	IND AAA/Stable
NCD - Public Issue	INE027E07956	13 March 2019	13 March 2024	8.89%	INR0.601	IND AAA/Stable
NCD - Public Issue	INE027E07964	13 March 2019	13 March 2029	9.20%	INR0.08	IND AAA/Stable
NCD - Public Issue	INE027E07972	13 March 2019	13 March 2029	9.35%	INR1.109	IND AAA/Stable
NCD - Public Issue	INE027E07980	13 March 2019	13 March 2029	8.84%	INR0.007	IND AAA/Stable
NCD - Public Issue	INE027E07998	13 March 2019	13 March 2029	8.98%	INR1.017	IND AAA/Stable
NCD - Public Issue	INE027E07AE6	15 April 2019	15 April 2024	8.80%	INR0.729	IND AAA/Stable
NCD - Public Issue	INE027E07AF3	15 April 2019	15 April 2024	9.00%	INR1.86	IND AAA/Stable
NCD - Public Issue	INE027E07AG1	15 April 2019	15 April 2024	8.48%	INR0.016	IND AAA/Stable
NCD - Public Issue	INE027E07AH9	15 April 2019	15 April 2024	8.66%	INR0.219	IND AAA/Stable
NCD - Public Issue	INE027E07AI7	15 April 2019	15 April 2024	8.81%	INR0.002	IND AAA/Stable
NCD - Public Issue	INE027E07AJ5	15 April 2019	15 April 2024	9.01%	INR0.183	IND AAA/Stable
NCD - Public Issue	INE027E07AK3	15 April 2019	15 April 2027	8.85%	INR0.105	IND AAA/Stable
NCD - Public Issue	INE027E07AL1	15 April 2019	15 April 2027	9.05%	INR3.52	IND AAA/Stable
NCD - Public Issue	INE027E07AM9	15 April 2019	15 April 2027	8.52%	INR0.005	IND AAA/Stable
NCD - Public Issue	INE027E07AN7	15 April 2019	15 April 2027	8.70%	INR0.175	IND AAA/Stable
NCD - Public Issue	INE027E07AR8	23 December 2019	23 December 2022	8.25%	INR0.298	IND AAA/Stable

NCD - Public Issue	INE027E07AS6	23 December 2019	23 December 2022	8.45%	INR4.172	IND AAA/Stable
NCD - Public Issue	INE027E07AV0	23 December 2019	23 December 2022	7.96%	INR0.009	IND AAA/Stable
NCD - Public Issue	INE027E07AW8	23 December 2019	23 December 2022	8.15%	INR0.434	IND AAA/Stable
NCD - Public Issue	INE027E07AX6	23 December 2019	23 December 2024	8.45%	INR0.232	IND AAA/Stable
NCD - Public Issue	INE027E07AY4	23 December 2019	23 December 2024	8.60%	INR3.255	IND AAA/Stable
NCD - Public Issue	INE027E07AZ1	23 December 2019	23 December 2024	8.15%	INR0.008	IND AAA/Stable
NCD - Public Issue	INE027E07BA2	23 December 2019	23 December 2024	8.29%	INR0.753	IND AAA/Stable
NCD - Public Issue	INE027E07BB0	23 December 2019	23 December 2026	8.50%	INR0.25	IND AAA/Stable
NCD - Public Issue	INE027E07BC8	23 December 2019	23 December 2026	8.65%	INR3.982	IND AAA/Stable
NCD - Public Issue	INE027E07AT4	23 December 2019	23 December 2022	8.26%	INR0.063	IND AAA/Stable
NCD - Public Issue	INE027E07AU2	23 December 2019	23 December 2022	8.46%	INR0.623	IND AAA/Stable
Utilised					**INR26.38**	
Unutilised					**INR123.62**	
Total					**INR150**	

Issue Type	ISIN	Date of Issuance	Maturity Date	Coupon Rate%	Size of Issue (billion)	Rating /Outlook
TIER II	INE027E08087	13 September 2019	13 September 2029	8.90%	INR0.26	IND AAA/Stable
Utilised					**INR0.26**	
Unutilised					**INR14.74**	
Total					**INR15**	

Bank wise Facilities Details

Click here to see the details

Complexity Level of Instruments

Instrument Type	Complexity Indicator
NCDs	Low
Bank loans	Low
Subordinated debt	Moderate
Principal protected market-linked debentures	High

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

Contact

Primary Analyst
Jindal Haria
Director
India Ratings and Research Pvt Ltd
Wockhardt Towers, 4th Floor, West Wing, Bandra Kurla Complex, Bandra East,Mumbai - 400051
+91 22 40001750
For queries, please contact: infogrp@indiaratings.co.in

Secondary Analyst
Bhavik Mehta
Senior Analyst
022 40001757

Chairperson
Karan Gupta
Director
+91 22 40001744

Media Relation
Ankur Dahiya
Senior Manager – Corporate Communication
+91 22 40356121

APPLICABLE CRITERIA

Evaluating Corporate Governance

Financial Institutions Rating Criteria

Rating FI Subsidiaries and Holding Companies

Rating of Financial Institutions Legacy Hybrids and Sub-Debt

Non-Bank Finance Companies Criteria

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ANNEXURE B – DEBENTURE TRUSTEE CONSENT LETTER

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01 September 2022

L&T Finance Limited
15th Floor, PS SRIJAN Tech Park,
Plot No 52 Block DN,
Sector-V, Salt Lake City,
Kolkata Parganas North 700091, West Bengal

Dear Ma'am/Sir

Sub: Proposed public offering of Secured Redeemable Non-convertible debenture ("NCDs") within the shelf limit of ₹ 5,000 Crore (hereinafter referred to as "Issue") by L&T Finance Limited ("Company" or "Issuer").

We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in (i) the draft shelf prospectus ("**Draft Shelf Prospectus**") to be filed with the BSE Limited ("**BSE**") and/or the National Stock Exchange of India Limited ("**NSE**" together with BSE, the "**Stock Exchanges**") for the purpose of receiving public comments and submitted with the Securities and Exchange Board of India ("**SEBI**") for record purposes; (ii) the shelf prospectus and relevant tranche prospectus proposed to be filed with the Registrar of Companies, West Bengal at Kolkata ("**RoC**") and submitted to SEBI and the Stock Exchanges in relation to the Issue ("**Shelf Prospectus and relevant Tranche Prospectus**"); (iii) the abridged prospectus; and (iv) all related advertisements and subsequent communications sent pursuant to the Issue. The NCDs are proposed to be listed on the Stock Exchanges. The following details with respect to us may be disclosed:

Name:	Catalyst Trusteeship Limited
Address:	GDA House', Plot No. 85, Bhusari Colony (Right), Kothrud, Pune – 411038, Maharashtra
Tel:	022 4922 0555
Fax:	022 4922 0505
Email:	ComplianceCTL-Mumbai@ctltrustee.com
Investor Grievance email:	grievance@ctltrustee.com
Website:	www.catalysttrustee.com
Contact Person:	Mr. Umesh Salvi
Compliance Officer:	Ms. Rakhi Kulkarni
SEBI Registration No:	IND000000034
CIN:	U74999PN1997PLC110262

CATALYST
Believe In Yourself... Trust Us!
Catalyst Trusteeship Limited

Logo:

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**.

We also confirm that we have not been prohibited by SEBI or any other regulatory authority from acting as an intermediary in capital market issues. We also confirm that we have not been debarred from functioning as Debenture Trustee by any regulatory authority, court or tribunal.

We hereby authorise you to deliver this letter of consent to the RoC, pursuant to the provisions of Section 26 and Section 31 of the Companies Act, 2013, as amended, the SEBI, the Stock Exchanges and any other applicable laws or any other regulatory/statutory authorities as required by law.

We also agree to keep strictly confidential, until such time as the proposed Issue is publicly announced by the Company in the form of a press release, (i) the nature and scope of the Issue; and (ii) our knowledge of the proposed Issue.

We confirm that we will immediately inform the Company and the Lead Manager of any change, in writing, to the above information until the date when the proposed Public Issue of NCDs commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as accurate and updated information until the NCDs commence trading on the Stock Exchanges.

This letter may be relied upon by you, the Lead Manager and the legal advisor to the Issue in respect of the Issue.

Sincerely
For **Catalyst Trusteeship Limited**

CATALYST TRUSTEESHIP LIMITED

Name**: Nidhi Todi**
Designation**: Manager**

CC:
A.K. Capital Services Limited
603, 6th floor, Windsor,
Off CST Road, Kalina, Santacruz (East)
Mumbai 400 098,

JM Financial Limited ("JM Financial")
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025

Trust Investment Advisors Private Limited ("Trust Investment")
109 & 110, First Floor
Balarama Premises Co-Op Soc
Vilg Parigkhari, Bandra Kurla Complex
Bandra (E), Mumbai 400 051

Khaitan & Co
One World Centre
10th & 13th Floor, Tower 1C,
Senapati Bapat Marg,
Mumbai 400 013,
Maharashtra, India

CATALYST
Believe in yourself... Trust us!

Annexure B

01 September 2022

L&T Finance Limited
15th Floor, PS SRIJAN Tech Park,
Plot No 52 Block DN,
Sector-V, Salt Lake City,
Kolkata Parganas North 700091, West Bengal

Dear Ma'am/Sir

Sub: Proposed public offering of Secured Redeemable Non-convertible debenture ("NCDs") within the shelf limit of ₹ 5,000 Crore (hereinafter referred to as "Issue") by L&T Finance Limited ("Company" or "Issuer").

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

1.	Registration Number	Catalyst Trusteeship Limited
2.	Date of registration/ Renewal of registration	April 18, 2022
3.	Date of expiry of registration	Permanent Registration
4.	If applied for renewal, date of application	Not Applicable
5.	Any communication from SEBI prohibiting the entity from acting as an intermediary	NIL
6.	Any enquiry/ investigation being conducted by SEBI	NIL
7.	Details of any penalty imposed by SEBI	NIL

For **Catalyst Trusteeship Limited**

Nidhi Todi

Name: **Nidhi Todi**
Designation: **Manager**

Annexure A

डिबेंचर न्यासी

प्ररूप ख
FORM B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000 28 2

विनियम 8
(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

Catalyst Trusteeship Limited
GDA House, First Floor, Plot No. 85,
S. No. 94 & 95, Bhusari Colony (Right), Kothrud,
Pune- 411038, Maharashtra

as a debenture trustee subject to the conditions in the rules and in accordance with the regulations

2) Registration Code for the debenture trustee is IND000000034

3) Unless renewed, the certificate of registration is valid from

This Certificate of Registration shall be valid from 13/04/2022 for permanent, unless suspended or cancelled by the Board

आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
By order
Securities and Exchange Board of India

स्थान Place : Mumbai
तारीख Date : April 18, 2022

DINESH JOSHI
प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory