



Press Release
January 16, 2026, Mumbai

L&T Finance Ltd. (LTF) records highest ever core Profit After Tax (PAT) of Rs. 760 Crore (before one-time impact of New Labour Code provision), up 21% YoY (Year-on-Year) in the third quarter ended December 31, 2025 (Q3FY26); PAT after one-time impact stands at Rs. 739 Crore, up 18% YoY

Highest ever Retail disbursements for Q3FY26 at Rs. 22,701 Crore, up 49% YoY

Robust Retail franchise with a retail portfolio of Rs. 1,11,990 Crore, reflecting a 21% growth YoY

Consolidated loan book grew by 20% YoY to Rs. 1,14,285 Crore

All-time high disbursements in Two-wheeler Finance at Rs. 3,217 Crore and Farmer Finance at Rs. 2,783 Crore growing 33% YoY and 12% YoY, respectively

Net Interest Margins (NIMs)+Fees sequentially improved by 19 basis points (bps) Quarter-on-Quarter (QoQ) to 10.41% from 10.22% in the second quarter ended September 30, 2025 (Q2FY26)

Rural Business Finance business asset quality improves significantly with 0 Days Past Due (DPD) collection efficiencies reaching 99.7% in December 2025

L&T Finance Ltd., formerly known as L&T Finance Holdings Ltd. (LTF), one of the leading Non-Banking Financial Companies (NBFCs) in India, has recorded its highest ever core Profit After Tax (PAT) of Rs. 760 Crore (before one-time impact of New Labour Code provision), up 21% YoY (Year-on-Year) in the third quarter ended December 31, 2025 (Q3FY26). PAT after one-time impact of New Labour Code stands at Rs. 739 Crore, up 18% in Q3FY26. During the quarter, the retail book size reached Rs. 1,11,990 Crore, up 21% YoY. The consolidated loan book grew by 20% YoY to Rs. 1,14,285 Crore. The Company has recorded the highest ever quarterly retail disbursement of Rs. 22,701 Crore for the third quarter ended December 31, 2025, up 49% YoY. The Company also recorded all-time high disbursements in Two-wheeler Finance at Rs. 3,217 Crore and Farmer Finance at Rs. 2,783 Crore growing 33% YoY and 12% YoY, respectively. Retailisation stood at 98% of overall book as on December 31, 2025.

The Company's Net Interest Margins (NIMs)+Fees sequentially improved by 19 basis points (bps) Quarter-on-Quarter (QoQ) to 10.41% from 10.22% in the second quarter ended September 30, 2025 (Q2FY26). The Rural Business Finance business asset quality improved significantly with 0 Days Past Due (DPD) collection efficiencies reaching 99.7% in December 2025.

The Company's customer-facing PLANET app, which has emerged as a powerful digital channel for customers, crossed more than 2.20 Crore downloads as of December 31, 2025, comprising more than 18.3 Lakh customers on the rural side. As of December 31, 2025, this channel has done collections of over Rs. 7,700 Crore while servicing over 10 Crore requests and has sourced loans of over Rs. 24,100 Crore.

'Project Cyclops' has been implemented in Two-wheeler Finance, Farm Equipment Finance, SME Finance, and Personal Loans. It will be rolled out in Home Loans and Rural Group Loans & MFI in FY27. 'Project Nostradamus' – Proprietary AI portfolio management engine is live in Beta mode for Two-wheeler. 'Project Helios' - Underwriting AI Co-Pilot is live in SME Finance. 'Project Orion' - Nostradamus Co-Pilot AI Conversational Assistant for automated portfolio is live in Two-wheeler Finance from December 2025. RAISE' 25, LTF's flagship AI conference, which was conducted in November 2025, drew participation of over 4,500 attendees. It brought together global tech leaders, policymakers, innovators, and industry practitioners. On the sidelines of RAISE' 25, LTF launched an AI startup pitch platform – 'Pitch Point', thereby incubating new tech AI entrepreneur ecosystem.

Commenting on the financial results, **Mr. Sudipta Roy, Managing Director & CEO, LTF**, said, "Q3FY26 for the financial services sector has been defined by a powerful convergence of favourable macro-tailwinds. The implementation of GST 2.0, good monsoons, and a series of repo rate cuts have seen a surge in consumption and created an environment for growth. In Q3FY26, LTF's focus remained on delivering a standout performance across business segments. We registered the highest ever quarterly disbursements



of Rs. 22,701 Crore, up 49% YoY, and the retail portfolio reaching Rs.1,11,990 Crore, reflecting a growth of 21% YoY leading to a PAT of Rs. 760 Crore, up 21% YoY (without the impact of a one-time exceptional item).

In line with our commitment to deliver a sustainable and profitable growth across quarters, we are focused on transforming LTF into a risk-first, tech-first, multi-product retail financier of choice. In line with this, we have been continuously broadening our customer acquisition funnels while sourcing creditworthy customers backed by technology and robust credit guardrails, while keeping a strong focus on collection efficiencies across businesses.

Our proprietary AI driven next-gen digital credit engine 'Project Cyclops' is now implemented in Personal Loans in addition to Two-wheeler, Farm Equipment, and SME Finance businesses. It will go live in Home Loans and Loan Against Property and Rural Group Loans and MFI businesses in the new financial year (FY27). At LTF, we are no longer just automating processes, we are deploying predictive intelligence at scale. Our portfolio management engine, 'Project Nostradamus,' is now live in Beta for Two-wheeler Finance, while 'Project Helios,' our AI Underwriting Co-Pilot is live in SME Finance. The recent launch of 'Project Orion' – Nostradamus Co-pilot in December 2025 has brought automated conversational intelligence to our portfolio management, ensuring we stay ahead of risk while enhancing customer experience. We remain focused on continuously strengthening our risk and credit frameworks, which will serve us well in times to come.

Furthermore, through our RAISE' 25 conference and the 'Pitch Point' competition launched as a part of RAISE, we are nurturing a new ecosystem of AI entrepreneurship and thought leadership. We are confident that our focused actions will not only ensure a sustainable and resilient performance in the coming quarters, but also truly transform LTF into a risk-first, tech-first, diversified retail finance company."

Key Highlights:

Robust Retail Franchise:

The Company's granular and deep pan-India Retail franchise is led by its strong distribution capabilities, namely, its geographic presence in around 2 Lakh villages from around 2,257 rural meeting centers/branches and 439 branches across urban centers. This extensive geographic presence is also supported by around 14,000 distribution points built over 15 years. In Q3FY26, the Company also launched its first Sampoorna Branch in Ujjain, Madhya Pradesh. The Company also leverages around 2.8 Crore of its customer database to drive a credible cross-sell and up-sell franchise, contributing 40% of the Company's repeat disbursements share in value and 48% in count during Q3FY26. The Company has a portfolio mix of 59% Urban and 41% Rural.

Building a diversified retail franchise:

Rural Business Finance:

- Q3FY26 disbursements at Rs. 6,740 Crore vs. Rs. 4,599 Crore, up 47% YoY
- Book size at Rs. 28,976 Crore vs. Rs. 26,231 Crore, up 10% YoY
- Growth driven by heightened focus on improving collection efficiency and macro sectoral trends

Farmer Finance:

- Q3FY26 disbursements at Rs. 2,783 Crore vs. Rs. 2,495 Crore, up 12% YoY
- Book size at Rs. 16,671 Crore vs. Rs. 15,075 Crore, up 11 % YoY
- GST 2.0 along with a favourable monsoon fueled robust festive demand resulted in all-time high disbursements

Two-wheeler Finance:

- Q3FY26 disbursements at Rs. 3,217 Crore vs. Rs. 2,414 Crore, up 33% YoY
- Book size at Rs. 13,913 Crore vs. Rs. 12,676 Crore, up 10% YoY
- GST 2.0 & robust festive demand resulted in all-time high disbursements

Personal Loans:

- Q3FY26 disbursements at Rs. 3,574 Crore vs. Rs. 1,642 Crore, up 118% YoY
- Book size at Rs. 12,810 Crore vs. Rs. 7,820 Crore, up 64% YoY



- Growth in the segment aided by big tech partnerships and focus on continuously broadening customer acquisition channels

Housing Loans and Loan Against Property:

- Q3FY26 disbursements at Rs. 2,879 Crore vs. Rs. 2,475 Crore, up 16% YoY
- Book size at Rs. 28,682 Crore vs. Rs. 23,461 Crore, up 22% YoY

SME Finance:

- Q3FY26 disbursements at Rs. 1,550 Crore vs. Rs. 1,249 Crore, up 24% YoY
- Book size at Rs. 7,946 Crore vs. Rs. 5,817 Crore, up 37% YoY

Gold Loan:

- Q3FY26 disbursements at Rs. 1,408 Crore
- Book size reached Rs. 1,738 Crore.
- Focus remains on geo-expansion and increasing disbursement from new branches

About L&T Finance Ltd. (LTF):

L&T Finance Ltd. (LTF) (www.LTFINANCE.com) formerly known as L&T Finance Holdings Ltd., (LTFH) is a leading Non-Banking Financial Company (NBFC), offering a range of financial products and services. Headquartered in Mumbai, the Company has been rated 'AAA' — the highest credit rating — by four leading domestic rating agencies. In August 2025, S&P Global Ratings upgraded LTF long-term Issuer Credit Rating to "BBB/Stable" from "BBB-/Positive" and short-term issuer credit rating to "A-2" from "A-3". Fitch Ratings has assigned LTF Long-Term Foreign and Local-Currency Issuer Default Ratings of "BBB-" with a Stable outlook. It has also received leadership scores and ratings by global and national Environmental, Social, and Governance (ESG) rating providers for its sustainability performance. The Company has been certified as a Great Place To Work® and has also won many prestigious awards for its flagship CSR project – "Digital Sakhi"- which focuses on women's empowerment and digital and financial inclusion. Under Right to Win, being in the 'right businesses' has helped the Company become one of the leading financiers in key Retail products. The Company is focused on creating a top-class, digitally enabled, Retail finance company as part of the Lakshya 2026 plan. The goal is to move the emphasis from product focus to customer focus and establish a robust Retail portfolio with quality assets, thus creating a Fintech@Scale while keeping ESG at the core. Fintech@Scale is one of the pillars of the Company's strategic roadmap - Lakshya 2026. The Company has over 2.8 Crore customer database, which is being leveraged to cross-sell, up-sell, and identify new customers.

