

L&T Finance Limited

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NOTICE OF THE TWENTY EIGHTH ANNUAL GENERAL MEETING

Notice is hereby given that the **Twenty Eighth Annual General Meeting** ("AGM") of the Members of L&T Finance Limited will be held on **Tuesday, August 3, 2021 at 3.00 p.m.** at shorter notice through electronic mode [video conferencing ("VC") or other audio-visual means ("OAVM")] at the registered office of the Company, to transact the following business:

Ordinary Business:

1. To consider and adopt the audited standalone financial statements of the Company together with the reports of the Board of Directors and the Auditors thereon for the financial year ended March 31, 2021 and consolidated financial statements of the Company together with the report of the Auditors thereon for the financial year ended March 31, 2021.

2. **Appointment of Statutory Auditors of the Company:**

To consider and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION** :

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), RBI regulations and other applicable regulatory provisions, if any, the Company hereby appoints Kalyaniwalla & Mistry and LLP (FRN: 104607W/LLP W100166) and MSKA & Associates (ICAI Firm Registration No. 105047W) as the Joint Statutory Auditors of the Company for a term of 3 (three) consecutive years to hold office from the conclusion of Twenty Eighth Annual General Meeting ("AGM") till the conclusion of the Thirty First AGM.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to decide and finalise the terms and conditions of appointment (including remuneration) and to do all such other acts, matters, deeds and things as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto."

3. To appoint a director in place of Mr. Sunil Prabhune (DIN: 07517824), who retires by rotation, and being eligible, offers himself for re-appointment.

Special Business:

4. **Approval for payment of additional remuneration to Mr. Sunil Prabhune (DIN: 07517824), the Whole-time Director of the Company:**

To consider and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT in addition to the resolution passed by the Members at the Meeting of the Company held on March 20, 2020 and pursuant to provisions of Section 196, 197 and 203 read with Schedule V to the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment(s) or statutory modification(s) thereof for the time being in force) and as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for payment of additional remuneration (one-time retention pay) to Mr. Sunil Prabhune (DIN:07517824) Whole-time Director of the Company of ₹ 3.81 Crore (Rupees Three Crore Eighty One Lakh only).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable, including without limitation to settle any question, difficulty or doubt that may arise in this regard."

5. **Appointment of Mr. Thomas Mathew T. (DIN: 00130282) as an Independent Director of the Company:**

To consider and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder and Schedule IV to the Act and the provisions of the Articles of Association of the Company, Mr. Thomas Mathew T. (DIN: 00130282), who was appointed as an Additional Director of the Company with effect from April 12, 2021 and holds office up to the date of the ensuing Annual General Meeting ("AGM") and is

eligible for appointment and in respect of whom the Company has received a notice under provisions of Section 160 of the Act, proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 years i.e. from April 12, 2021 to April 11, 2026."

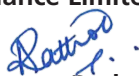
6. Appointment of Ms. Nishi Vasudeva (DIN: 03016991) as an Independent Director of the Company:

To consider and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder and Schedule IV to the Act and the provisions of the Articles of Association of the Company, Ms. Nishi Vasudeva (DIN: (03016991), who was appointed as an Additional Director of the Company with effect from April 12, 2021 and holds office up to the date

of the ensuing Annual General Meeting ("AGM") and is eligible for appointment and in respect of whom the Company has received a notice under provisions of Section 160 of the Act, proposing her candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 years i.e. from April 12, 2021 to April 11, 2026."

**By Order of the Board of Directors
For L&T Finance Limited**


**Apurva Rathod
Company Secretary
ACS 18314**

Date: July 21, 2021

Place: Mumbai

Notes:

1. The Statement as required under Section 102 of the Companies Act, 2013 ("the Act") is annexed to the Notice.

2. Ministry of Corporate Affairs ("MCA") has vide its circulars dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 ("MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM. In compliance with the provisions of the Act, MCA Circulars and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Twenty Eighth Annual General Meeting of the Company ("AGM") is being held through VC / OAVM on Tuesday, August 3, 2021 at 3.00 p.m. The deemed venue of the AGM shall be the Registered Office of the Company.

The procedure for joining the AGM through VC/ OAVM is mentioned in this Notice.

3. Since this AGM is being held through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM.

The Proxy Form as well as the Attendance Slip are therefore, not annexed to this Notice.

4. In line with MCA Circulars and SEBI circulars dated May 12, 2020 and January 15, 2021, the Notice calling the AGM along with the Annual Report for FY 2020- 21 is being sent through electronic mode to those Members whose email addresses are registered with the Company / Depositories.

Members may note that the Notice and the Annual Report will also be available on the website of the Company at www.ltfs.com/investors.html.

5. Members who have not yet registered their email addresses are requested to register the same with their Depository Participants ("DPs").

6. The Members are permitted to join the AGM through VC/OAVM by clicking on the link sent to their registered email id for participating in the AGM. The facility for joining the AGM through VC/ OAVM will open 15 minutes before the scheduled time of the commencement of the AGM and will be kept open till the expiry of 15 minutes after the scheduled time of AGM.

7. For any technical support in connection with the AGM, Members may contact the Company Secretary of the Company at +91 22 6212 5000.

8. Corporate members intending to send their authorised representative(s) to attend the AGM are requested to send a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote at the AGM to the Company at the following email id: secretarial@ltfs.com.

9. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.

10. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

11. All the relevant documents referred in the Notice,

if any, are available for inspection electronically from the date of circulation of Notice till Tuesday, August 3, 2021. Members seeking to inspect such documents are requested to write to the Company at secretarial@ltfs.com.

12. In case a Poll on any item is demanded by the Members at the AGM, the Members shall cast their votes only by sending e-mails through their registered e-mail addresses to the following designated e-mail id i.e. secretarial@ltfs.com.
13. Additional information of a Director seeking re-appointment/appointment at the ensuing AGM, as required under Clause 1.2.5 of Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2"), is annexed to the Notice.

EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE DATED JULY 21, 2021

The following Explanatory Statement relating to the accompanying Notice sets out all material facts in respect of the resolution:

ITEM NO. 4

The Members at the General Meeting held on March 20, 2020 had appointed Mr. Sunil Prabhune (DIN: 07517824), as the Whole-time Director of the Company with effect from February 11, 2020 and approved the remuneration and terms and conditions in relation to the appointment.

To bridge the compensation gap as reflected in the benchmarking exercise with the peers undertaken by the Company, the Board of Directors of the Company on the recommendation of Nomination & Remuneration Committee has approved payment of one-time catch up ₹ 1.27 Crore (Rupees One Crore Twenty-Seven Lakhs only) in April 2022 and ₹ 2.54 Crore (Rupees Two Crore Fifty-Four Lakhs only) in April 2023. All other terms and conditions of the appointment or remuneration shall remain same as approved by the Members at its meeting held on March 20, 2020.

The Board recommends the resolution set forth in Item No. 4 of the Notice for approval of the Members.

Save and except Mr. Sunil Prabhune, none of the Directors, Key Managerial Personnel and their relatives, other than to the extent of their shareholding in the Company, are concerned / interested, financially or otherwise, in the above resolution.

ITEM NO. 5 & 6:

In view of the merger of L&T Infrastructure Finance Limited Company Limited ("LTIF") and L&T Housing Finance Limited ("LTHF") with the Company, the Board had appointed Mr. Thomas Mathew T.(DIN: 00130282) and Ms. Nishi Vasudeva (DIN: 03016991) as Additional Directors of the Company at its Meeting held on April 12, 2021 effective April 12, 2021 in accordance with the provisions of Section 161 of the Companies Act, 2013 ("the Act"), basis the recommendation of the Nomination and Remuneration Committee of the Company. Mr. Thomas Mathew T. and Ms. Nishi Vasudeva will hold office up to the date of ensuing Annual General Meeting ("AGM").

Mr. Thomas Mathew T. and Ms. Nishi Vasudeva possess the relevant expertise and experience and fulfil the criteria applicable to Independent Director as stated in Section 149(6) of the Companies Act, 2013. Section 149(10) of the Act restricts the tenure of Independent Director to two terms of up to 10 years, with a single term not exceeding 5 years. In compliance with the provisions of Section 149 of the Act, it is proposed to appoint Mr. Thomas Mathew T. and Ms. Nishi Vasudeva as Independent Directors of the Company to hold office for a term of 5 consecutive years i.e. from April 12, 2021 to April 11, 2026.

The Company has received a notice in accordance with the provisions of Section 160 of the Act proposing the candidature of Mr. Thomas Mathew T. and Ms. Nishi Vasudeva for the office of Independent Director.

In the opinion of the Board, Mr. Thomas Mathew T. and Ms. Nishi Vasudeva fulfil the conditions specified in the Act and are independent of the Management. For the information of Members, the Company has received a declaration from Mr. Thomas Mathew T. and Ms. Nishi Vasudeva that they are not disqualified to be appointed as Independent Directors under the Act.

The Board is of the view that the Company would greatly benefit from the rich and varied experience of Mr. Thomas Mathew T. and Ms. Nishi Vasudeva and accordingly recommends the ordinary resolution set forth in Item Nos. 5 and 6 of the Notice for approval of the Members.

Save and except Mr. Thomas Mathew T. and Ms. Nishi Vasudeva being the appointees, none of the Directors or Key Managerial Personnel of the Company including their relatives are in any way interested or concerned in the Resolution.

Additional information of a Director seeking re-appointment/appointment at the Twenty Eighth Annual General Meeting pursuant to SS-2:

Name of the Director	Mr. Sunil Prabhune (DIN: 07517824)	Mr. Thomas Mathew T. (DIN: 00130282)	Ms. Nishi Vasudeva (DIN: 03016991)
Date of Birth/ (age)	May 24, 1975 (46 years)	June 3, 1953 (67 years)	March 30, 1956 (65 years)
Qualifications	Business Management from Xavier Institute of Management.	Post-graduate Diploma in Management, Post graduation in Economics and graduate in Law. He is also an Associate of the Insurance Institute of India and has a Diploma in the Spanish language.	BA (Economic Honours) from Delhi University. MBA from IIM Calcutta.
Date of first appointment on the Board	January 17, 2020	April 12, 2021	April 12, 2021
Remuneration (a) sought to be paid (b) last drawn	As per the terms of the whole-time Director Agreement.	Sitting fees and commission as approved by the Board.	Sitting fees and commission as approved by the Board.
Experience/ brief profile	<p>Mr. Sunil Prabhune is the Chief Executive of Rural Finance, which includes Micro Loans, Farm Equipment Finance and Two Wheeler Finance. He also leads the Digital, IT and Analytics strategy for LTFS.</p> <p>A harbinger of change, Mr. Prabhune has guided the Farm Equipment Finance business towards enhanced loan book quality, reduced NPAs and strengthening of the collection infrastructure. Digitization of the credit process has enabled the Two-Wheeler Finance business to become a leader in multiple geographies. Mr. Prabhune's ability to focus on details, while keeping an eye on the larger picture, has aided him in realigning the Micro Loan business, and increasing its national footprint. Under his leadership, the Rural Finance business has evolved into a market leader in multiple segments and geographies.</p> <p>In his capacity as the Group Head - Digital, IT and Analytics, Mr. Prabhune's focus is on further enhancing organizational efficiency and customer experience. Additionally, Mr. Prabhune also leads various inorganic growth initiatives of the organization, in line with the strategy of driving the retailisation of the portfolio.</p>	<p>Thomas Mathew T. 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. He has served as Director on the Boards of Mahindra & Mahindra Limited, Tata Power Co. Limited, Voltas Limited, IFCI Limited and Corporation Bank. He was a member on the Governing Council of the MDI, Gurgaon, Actuarial Institute of India & Chairman of The National Insurance Academy, Pune.</p> <p>He is a Director on the Boards of Larsen & Toubro Limited, Canara HSBC OBC Life Insurance Company, LIC (International) B.S.C.(c), Bahrain, PTC India Financial Services Limited and subsidiaries of the Company. He is also member of the 'Take Over Panel' of SEBI.</p> <p>He is PGDM Marketing, Postgraduate in Economics, Law Graduate and Associate</p>	<p>Nishi Vasudeva with over 39 years of experience in the petroleum industry is an internationally acclaimed leader and the first woman to chair an oil & gas company in India. As the Chairman and Managing Director of Hindustan Petroleum Corporation Limited, she was responsible for developing the vision and long term objectives, improving growth and profitability, driving a high performance culture geared towards operational excellence and consistent value creation for all stakeholders.</p> <p>She is the first Indian to be awarded the Global CEO of the year at Platt's Global Energy Awards 2015. She received the SCOPE Award for excellence and outstanding contribution to Public Sector Management from the Hon'ble President of India. She was awarded Best CEO (Super Large Companies) and Best CEO (Oil & Gas) at Business Today Best CEO Awards 2016.</p> <p>She is BA (Economic Honours) from Delhi University and an MBA from IIM Calcutta.</p>

Name of the Director	Mr. Sunil Prabhune (DIN: 07517824)	Mr. Thomas Mathew T. (DIN: 00130282)	Ms. Nishi Vasudeva (DIN: 03016991)
	<p>Mr. Prabhune plays a pivotal role leading the Strategic Cost optimization drive across LTFS, which has helped the organization become more competitive. Previously at LTFS, in his role as the Chief Human Resource Officer, Mr. Prabhune was instrumental in driving the transformational journey of organizational structure and skills, aligning these initiatives to focused execution and targeted RoEs.</p> <p>He joined L&T Financial Services in 2013 and has more than two decades of experience in global and regional leadership roles across sectors, particularly in areas of organizational change, transformation management and building capabilities for leadership. He has also headed process efficiency and digitization in his previous roles and has been associated with organizations like ICICI Bank, Novartis, GE, and ICI in various capacities in the past.</p> <p>Mr. Prabhune is a Gold Medalist in Business Management from Xavier Institute of Management, Bhubaneswar. He is an avid reader and a sports enthusiast</p>	of the Insurance Institute of India.	
Terms and conditions of re-appointment/ appointment	Appointed as a Whole-time Director liable to retire by rotation.	Appointed as an Independent Director for a term of 5 years i.e. from April 12, 2021 to April 11, 2026.	Appointed as an Independent Director for a term of 5 years i.e. from April 12, 2021 to April 11, 2026.
Directorship held in other Companies (excluding foreign companies) as on date	1) L&T Infra Debt Fund Limited 2) L&T Financial Consultants Limited 3) L&T Infra Investment Partners Trustee Private Limited	1) L&T Finance Holdings Limited 2) L&T Infra Debt Fund Limited 3) Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited 4) PTC India Financial Services Limited	1) L& Finance Holdings Limited 2) L&T Infra Debt Fund Limited 3) HCL Technologies Limited 4) Atria Convergence Technologies Limited 5) ABB Power Products and Systems India Limited

Name of the Director	Mr. Sunil Prabhune (DIN: 07517824)	Mr. Thomas Mathew T. (DIN: 00130282)	Ms. Nishi Vasudeva (DIN: 03016991)
Memberships of committees across companies (only Statutory Committees as required to be constituted under the Act considered)	A. Corporate Social Responsibility Committee 1. L&T Finance Limited 2. L&T Financial Consultants Limited B. Stakeholders Relationship Committee 1. L&T Finance Limited	A. Audit Committee 1. L&T Finance Holdings Limited 2. L& T Finance Limited 3. L&T Infra Debt Fund Limited (Chairperson) 4. Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited B. Nomination & Remuneration Committee 1. L&T Finance Holdings Limited (Chairperson) 2. L& T Finance Limited (Chairperson) 3. L&T Infra Debt Fund Limited (Chairperson) 4. Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited C. Corporate Social Responsibility Committee 1. L&T Infra Debt Fund Limited (Chairperson) D. Stakeholder Relationship Committee 1. PTC India Financial Services Limited	A. Audit Committee 1. L&T Infra Debt Fund Limited (Chairperson) 2. HCL Technologies Limited 3. Atria Convergence Technologies Limited 4. ABB Power Products and Systems India Limited B. Nomination & Remuneration Committee 1. L& T Finance Limited 2. L&T Infra Debt Fund Limited (Chairperson) 3. ABB Power Products and Systems India Limited C. Corporate Social Responsibility and ESG Committee 1. L&T Finance Holdings Limited 2. L& T Finance Limited D. Corporate Social Responsibility Committee 1. L&T Infra Debt Fund Limited 2. Atria Convergence Technologies Limited E. Stakeholder Relationship Committee 1. L&T Finance Holdings Limited 2. Atria Convergence Technologies Limited 3. ABB Power Products and Systems India Limited
Shareholding in the Company (Equity) as on March 31, 2021	One share, held jointly with L&T Finance Holdings Limited	Nil	Nil
Relationship with other Directors / Manager / Key Managerial Personnel	None	None	None

Name of the Director	Mr. Sunil Prabhune (DIN: 07517824)	Mr. Thomas Mathew T. (DIN: 00130282)	Ms. Nishi Vasudeva (DIN: 03016991)
Number of Board meetings attended during the FY 2020-21	All meetings (i.e. four out of four meetings)	N.A.	N.A.

By Order of the Board of Directors
For L&T Finance Limited


Apurva Rathod
Company Secretary
ACS 18314

Date: July 21, 2021

Place: Mumbai