

L&T INFRA CREDIT LIMITED

(formerly known as L&T Infra Debt Fund Limited)

Regd. Office: Plot No.177, CTS No. 6970, 6971, Vidyanagari Marg, CST Road, Kalina, Santacruz (East), Mumbai – 400098. **CIN:** L67100MH2013PLC241104

E-mail: accountspayable-merger@ltfs.com; **Website:** www.ltfs.com **Phone:** +91 22 6212 5000; **Fax:** +91 22 6212 5553

NOTICE OF THE MEETING OF THE SECURED CREDITORS OF L&T INFRA CREDIT LIMITED CONVENED AS PER THE ORDER DATED MAY 19, 2023 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, BENCH AT MUMBAI

MEETING DETAILS:

Day	:	Thursday
Date	:	July 27, 2023
Time	:	10:30 a.m. (IST)
Venue	:	Brindavan, Plot No. 177, CST Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra.

REMOTE E-VOTING:

Commencement of remote e-voting period	:	Monday, July 24, 2023 at 9:30 a.m. (IST)
End of remote e-voting period	:	Wednesday, July 26, 2023 at 5:00 p.m. (IST)

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Note: The supplementary accounting statements have been approved by the relevant company's Board, but are yet to be adopted by the shareholders of the relevant companies.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH AT MUMBAI
COMPANY APPLICATION NO. CA(CAA) 124/MB-V/2023**

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 - 232 read with Section 52 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamation) Rules, 2016;

And

In the matter of Scheme of Amalgamation by way of merger by absorption among L&T Finance Limited, L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited), L&T Mutual Fund Trustee Limited and L&T Finance Holdings Limited and Arrangement.

L&T Infra Credit Limited (CIN: L67100MH2013PLC241104))	...Applicant Company/Transferor
a public company incorporated under the provisions of Companies)	Company/Amalgamating Company
Act, 1956, having its Registered Office at Plot No.177, CTS No.)	
6970, 6971, Vidyanagari Marg, CST Road, Kalina, Santacruz (East))	
Mumbai – 400098, Maharashtra.)	

Form No. CAA 2

(Pursuant to Section 230(3) of the Companies Act, 2013 and Rules 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016)

Company Application No. CA(CAA) 124/MB-V/2023

L&T Infra Credit Limited..... Applicant Company

**NOTICE CONVENING THE MEETING OF THE SECURED CREDITORS OF
L&T INFRA CREDIT LIMITED**

To,

The Secured Creditors
L&T Infra Credit Limited
(formerly known as L&T Infra Debt Fund Limited)

NOTICE is hereby given that by an order dated May 19, 2023 (the "Order") in the abovementioned Company Application, the Mumbai Bench of the Hon'ble NCLT has directed a meeting to be held of the secured creditors of the Company for the purpose of considering, and if thought fit, approving with or without modification, the scheme of amalgamation amongst LTFL, the Company, LTMFTL with LTFH and arrangement under Sections 230-232 read with Section 52 and other applicable provisions of the Act.

In pursuance of the said Order and as directed therein, further notice is hereby given that the said meeting of the secured creditors (i.e., debenture holders) of the Company ("Secured Creditors Meeting" or "Tribunal Convened Meeting" or "Meeting") will be convened and held in compliance with the applicable provisions of the Act and circulars thereunder at Brindavan, Plot No.177, C.S.T Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra on Thursday, July 27, 2023 at 10:30 a.m. (IST) at which date and time, the secured creditors (i.e., debenture holders) of the Company ("Secured Creditors") are requested to attend the Meeting.

A copy of the Scheme, the Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Merger Rules along with the enclosures as indicated in the index, are enclosed. In compliance with the Order, the Notice of this Meeting, together with the documents accompanying the same, is being sent through email to those Secured Creditors as on May 31, 2023 whose e-mail addresses are registered/available with the Company and by speed post, to those Secured Creditors whose addresses are registered/available in the records of the Company (where email is not available) and an access has been provided to download the Notice from the website of the Company for those Secured Creditors whose e-mail or postal addresses are not available with the Company or for those Secured Creditors who may not have received the Notice. A copy of this Notice and the accompanying documents, including the Scheme, will be hosted on the website of the Company at www.ltfs.com and will also be available on the website of NSE and BSE at <https://www.nseindia.com/> and <https://www.bseindia.com/>, respectively. A copy of the Scheme along with the Explanatory Statement can be obtained free of charge, from the date of dispatch of Notice upto the date of the Meeting on all working days during business hours from the Registered Office of the Company or by sending a request by e-mail at accountspayable-merger@ltfs.com.

The Hon'ble NCLT has appointed Mr. Aditya Jain, as the Chairperson of the Meeting and Mr. S.N. Ananthasubramanian, Practicing Company Secretary (FCS No. 4206 and COP No. 1774), failing which Mr. S.N. Viswanathan, Practicing Company Secretaries (ACS No. 61955 and COP No. 24335) as the Scrutinizer of the Meeting. The Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble NCLT and such other approvals, permission, and sanctions of regulatory or other authorities, as may be necessary and as contemplated in the Scheme.

TAKE NOTICE that in accordance with the Order and provisions of Section 108 and other applicable provisions of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company has engaged the services of Central Depository Services (India) Limited ("CDSL") for the purpose of providing facility of

e-voting. Accordingly, voting by Secured Creditors of the Company shall be carried out through (a) remote e-voting prior to the Meeting, and (b) e-voting during the Meeting either by themselves or through their proxy.

TAKE FURTHER NOTICE that the Secured Creditors may attend and vote at the said Meeting in person or by proxy and vote at the said Meeting through the e-voting facility, provided that a proxy in the prescribed form i.e., MGT-11, duly signed by the Secured Creditors or their authorised representative is filed with the Company at accountspayable-merger@ltfs.com with a copy marked to scrutinizer@snaco.net not later than 48 hours before the time fixed for the Meeting. The form of proxy is enclosed as part of the Notice.

The Secured Creditors shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes through remote e-voting prior to the Meeting during the period commencing from 9:30 a.m. (IST) on Monday, July 24, 2023 and ending at 5:00 p.m. (IST) on Wednesday, July 26, 2023. The facility for remote e-voting will not be available post the aforesaid date and time, i.e., 5:00 p.m. on Wednesday, July 26, 2023.

The voting rights of Secured Creditors shall be in proportion to the amount due in the name of the Secured Creditor as of May 31, 2023, being the cut-off date ("Cut-off Date"). The Secured Creditors opting to cast their votes by remote e-voting or e-voting during the Meeting either themselves or through proxy are requested to read the instructions in the Notes of this Notice for further details on remote e-voting and e-voting themselves or through proxy during the Meeting.

TAKE FURTHER NOTICE that the following resolutions are proposed under Sections 230 to 232 of the Act and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the provisions of the Memorandum of Association and Articles of Association of the Company, for the purpose of considering, and if thought fit, approving the Scheme:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 (the "Act") and any other applicable provisions of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the rules, circulars and notifications made thereunder as may be applicable, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), and the applicable circulars thereunder issued by the Securities and Exchange Board of India ("SEBI") (as amended from time to time) and relevant provisions of other applicable laws, the provisions of the Memorandum of Association and Articles of Association of the Company, and subject to the approval of the Hon'ble National Company Law Tribunal, ("NCLT") and/or the National Company Law Appellate Tribunal or such other forum or authority as may be vested with the appellate jurisdiction in this regard and such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, the proposed Scheme of Amalgamation amongst L&T Finance Limited, the Company, L&T Mutual Fund Trustee Limited and L&T Finance Holdings Limited and Arrangement by way of merger by absorption under the provisions of Sections 230-232 read with Section 52 of the Act and other applicable regulatory requirements (the "Scheme"), as per the draft enclosed to this Notice, be and is hereby approved.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid 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 desirable, necessary, expedient, usual or proper, as considered necessary to give effect to the aforesaid resolution, settling of any questions or difficulties that may arise in relation to the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those, and to make modifications, amendments, revisions, edits to the Scheme, including in relation to any conditions/ modifications/ directions as may be required and/or imposed and/or permitted by the NCLT while sanctioning the Scheme, or otherwise imposed by any other governmental authorities, or to withdraw (and where applicable, re-file) the Scheme at any stage for any reason, and/or if the Scheme cannot be implemented otherwise, all other actions as may be required in relation to the Scheme and do all acts, deeds, matters and things as may be necessary, desirable or expedient in this regard and to do and perform and to authorize the performance of all such acts and deeds which are necessary or advisable for purposes of the foregoing resolution or the implementation of the Scheme and to approve and authorize execution of any agreements, deeds, documents, declarations, affidavits, writings, etc. (including any alterations or modifications in the documents executed or to be executed), whether or not under the Common Seal of the Company, as may be required from time to time in connection with the Scheme."

In accordance with the provisions of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the Secured Creditors only if the Scheme is approved by majority of persons representing three-fourth in value of the Secured Creditors of the Company, voting through remote e-voting and e-voting facility made available during the Meeting.

The Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble NCLT and such other approvals, permission, and sanctions of regulatory or other authorities, as may be necessary and as contemplated in the Scheme.

Date: June 19, 2023

Place: Chandigarh

Aditya Jain

Chairperson appointed for the Meeting

Registered Office:

L&T Infra Credit Limited

Plot No.177, CTS No. 6970, 6971

Vidyanagari Marg, CST Road,

Kalina, Santacruz (East),

Mumbai – 400098, Maharashtra

CIN: L67100MH2013PLC241104

Website: www.ltfs.com

Email: accountspayable-merger@ltfs.com

NOTES:

1. The statement as required under Sections 230-232 and 102 of the Act read with Rule 6 of the Merger Rules is annexed to the Notice.
2. Pursuant to the Order, passed by the Hon'ble NCLT, the Meeting of the Secured Creditors of the Company is being convened on Thursday, July 27, 2023 at 10:30 a.m. (IST) at Brindavan, Plot No.177, C.S.T Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra at the option of the Company and as per applicable procedure (with requisite modifications as may be required) provided under the MCA and/or SEBI circulars, if applicable, for the purpose of considering, and if thought fit, approving the Scheme.
3. The route map, proxy form as well as the attendance slip are annexed to this Notice.
4. In accordance with the requirements of Sections 112 and 113 of the Act read with Rule 10 of the Merger Rules, where a body corporate is a member, authorised representative of the body corporate may be appointed for the purpose of voting through remote e-voting or for participation in the Meeting and e-voting during the Meeting, provided an authority letter/power of attorney by the board of directors or a certified true copy of the resolution passed by its board of directors or other governing body of such corporate authorizing such person to attend and vote at the Meeting as its representative, is emailed to the Scrutinizer at scrutinizer@snaco.net and to the Company at accountspayable-merger@ltfs.com not later than 48 (forty eight) hours before the time scheduled for holding the Meeting.
5. The attendance of the Secured Creditors joining the Meeting will be counted for the purpose of ascertaining the quorum under Section 103 of the Act. Further, in terms of the Order in case the required quorum for the Meeting (i.e., 5 Secured Creditors) is not present at the commencement of the Meeting, then the Meeting shall be adjourned by 30 (thirty) minutes and thereafter, the persons present shall be deemed to constitute the quorum.
6. Secured Creditors shall have the option to vote electronically ("e-voting") before the Meeting ("remote e-voting"). In accordance with the regulatory requirements or as prescribed by the Hon'ble NCLT, the facility for remote e-voting in respect of the business to be transacted at the Secured Creditors Meeting is being provided by the Company through CDSL. Necessary arrangements have been made by the Company with CDSL to facilitate remote e-voting and e-voting during the Meeting.
7. The NCLT has appointed Mr. S.N. Ananthasubramanian, Practicing Company Secretary (FCS No. 4206 and COP No. 1774), failing which Mr. S. N. Viswanathan, Practicing Company Secretaries (ACS No. 61955 and COP No. 24335), as the Scrutinizer to scrutinize votes casted electronically through remote e-voting prior to the Meeting and through e-voting at the Meeting in a fair and transparent manner. The Scrutinizer shall also submit a consolidated report on remote e-votes and the e-votes cast at the Meeting to the Chairperson of the Meeting or to the person so authorised by the Chairperson. The Scrutinizer's decision on the validity of the votes casted electronically shall be final.
8. Secured Creditors attending the Secured Creditors Meeting should note that those who are entitled to vote but have not exercised their right to vote by remote e-voting, may vote during the Secured Creditors Meeting for the business specified in the Notice. The Secured Creditors who have exercised their right to vote by remote e-voting may attend the Secured Creditors Meeting but shall not be entitled to vote again at the Meeting.
9. Voting rights shall be reckoned on the amounts due in the name of the Secured Creditors as on the cut-off date i.e., May 31, 2023 ("Cut-off date").
10. In terms of the directions contained in the Order, the notice convening the Meeting will be published by Company through advertisement in 'Free Press Journal' (Mumbai edition) in the English language and a Marathi translation thereof in 'Loksatta' (Mumbai edition) indicating the day, date, place and time of the Meeting. A copy of the Scheme along with the Explanatory Statement can be obtained free of charge, from the date of dispatch of Notice upto the date of the Meeting on all working days during business hours from the Registered Office of the Company or by sending a request, by e-mail at accountspayable-merger@ltfs.com.
11. Grievance Redressal: The Company has designated an exclusive e-mail address i.e., accountspayable-merger@ltfs.com to enable the investors to send correspondence with respect to the Scheme, if any.

PROCEDURE FOR REMOTE E-VOTING, ATTENDING THE SECURED CREDITORS MEETING AND E-VOTING DURING THE SECURED CREDITORS MEETING:

The remote e-voting period begins on 9:30 a.m. (IST) on Monday, July 24, 2023. During this period, Secured Creditors of the Company, having any amounts due, as on the Cut-off Date, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL after 5:00 p.m. (IST) on Wednesday, July 26, 2023.

The Secured Creditors who have casted their vote by remote e-voting prior to the Secured Creditors Meeting may also attend/participate in the Secured Creditors Meeting but shall not be entitled to cast their vote again at the Meeting.

A.1 Procedure and instructions for individual Secured Creditors holding securities in dematerialised form:

Type of Secured Creditors	Login Method
Individual Secured Creditors holding securities in dematerialised form with CDSL	<ol style="list-style-type: none"> 1) Users opting for CDSL's Easi /Easiest facility, can login through their existing User ID and password. Option will be made available to reach e-voting page without any further authentication. The URLs for users to login to Easi /Easiest are https://web.cdslindia.com/myeasinew/home/login or www.cdslindia.com. And Click on "Login" icon and select "New System Myeasi". 2) After successful login, the Easi /Easiest user will be able to see the e-voting menu. On clicking the e-voting menu, the user will be able to see his /her holdings along with links of the respective e-voting service provider ("ESP") i.e., CDSL as per information provided by the Company. Additionally, links are available with the ESPs, so that the user can visit the ESPs site directly. 3) If the user is not registered for Easi /Easiest facility, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4) Alternatively, the user can directly access e-voting page by providing DP ID & Client ID and PAN from a link available on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on the registered mobile no. & e-mail ID as recorded in the demat account. After successful authentication, the user will be able to see the e-voting option where the e-voting is in progress and also directly access the system of all ESPs.
Individual Secured Creditors holding securities in dematerialised form with NSDL	<ol style="list-style-type: none"> 1) If the user is already registered for NSDL IDeAS facility, please visit the e-services website of NSDL. The URL for using the e-services is https://eservices.nsdl.com Once the home page of e-services is launched, the user can click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. The user will have to enter the User ID and password. After successful authentication, the user will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and the user will be able to see e-voting page. Click on company name or ESP name and user will be redirected to the website of ESP for casting vote during the remote e-voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. User will have to enter User ID (i.e., sixteen digit demat account number of NSDL), password/OTP and a verification code as shown on the screen. After successful authentication, user will be redirected to NSDL site wherein you can see e-voting page. Click on company name or ESP name and user will be redirected to the website of ESP for casting vote during the remote e-voting period.
Individual Secured Creditors (holding securities in dematerialized form) logging in through their DPs	User can also login using the login credentials of demat account through the user's DP registered with NSDL/CDSL for e-voting facility. After successful login, user will be able to see e-voting option. Once user clicks on the e-voting option, the user will be redirected to NSDL/CDSL Depository site after successful authentication, wherein user can see e-voting feature. Click on company name or name of the ESP and user will be redirected to ESP website for casting vote during the remote e-voting period.

Important note: Secured Creditors who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Secured Creditors holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL

Login type	Helpdesk details
Individual Secured Creditors holding securities in Demat mode with CDSL	Secured Creditors facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542-43.
Individual Secured Creditors holding securities in Demat mode with NSDL	Secured Creditors facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

A.2. Procedure and instructions for non-individual Secured Creditors holding securities in dematerialised form and Secured Creditors holding securities in physical form:

- (i) The user should log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders", on the website.
- (iii) Now enter the User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 character DP ID followed by 8 digits client ID
 - c. Secured Creditors holding securities in physical form should enter folio no. registered with the Company.
- (iv) Next: Enter the image verification as displayed and Click on "Login".
- (v) If you are holding securities in dematerialised form and had logged on to www.evotingindia.com and voted on an earlier resolution of any other company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Secured Creditors holding securities in dematerialised form and physical form	
PAN	<ul style="list-style-type: none"> Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Secured Creditors who have not updated their PAN with the Company/DP are requested to contact the Company through e-mail on igrc@ltfs.com.
Dividend bank details or date of birth (DOB)	<ul style="list-style-type: none"> Enter the dividend bank details or DOB (in dd/mm/yyyy format) as recorded in the demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company, please enter the member ID/folio no. in the dividend bank details field by following the instructions.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Secured Creditors holding securities in physical form will then directly reach the Company selection screen. However, Secured Creditors holding securities in dematerialised form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the security holders for voting for resolutions of any other company on which they are eligible to vote, provided that the said company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Secured Creditors holding securities in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on Electronic Voting Sequence Number ("EVSN") of "L&T Infra Credit Limited".
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the details of the resolution.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (xvi) If a security holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for non - individual Secured Creditors and custodians:
 - Non-individual Secured Creditors (i.e., other than individuals, HUF, NRI etc.) and custodians are required to log onto www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - A scanned copy of the Board resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, non-individual Secured Creditors are required to send the relevant Board resolution/ authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the scrutinizer and to the Company, if the aforesaid documents are not uploaded on the CDSL e-voting system, for scrutinizer to verify the same.

B. Procedure and instructions for Secured creditors attending the Secured Creditors Meeting:

Secured Creditors will be able to attend the Secured Creditors Meeting on July 27, 2023, at 10:30 a.m. at Brindavan, Plot No.177, C.S.T Road, Kalina, Santacruz (East), Mumbai – 400098.

C. Procedure and instructions for Secured Creditors for voting during the Secured Creditors Meeting:

Only those Secured Creditors, who are present at the Secured Creditors Meeting and have not casted their vote on the resolutions through remote e-voting prior to the Meeting and are otherwise not barred from doing so, shall be eligible to vote through e-voting during the Secured Creditors Meeting.

Secured Creditors who have any queries or issues regarding e-voting from the CDSL e-voting system, can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Declaration of Results:

- (i) The Scrutinizer shall, immediately after the conclusion of voting at the Secured Creditors Meeting, first count the votes cast during the Secured Creditors Meeting, thereafter unblock the votes cast through remote e-voting and submit, not later than two days of conclusion of the Secured Creditors Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson of the Company or the person authorised by him, who shall countersign the same.
- (ii) The results of the Meeting shall be announced in accordance with the regulatory requirements or as prescribed by the Hon'ble NCLT upon receipt of Scrutinizer's report.
- (iii) The results declared along with the Scrutinizer's report, will be hosted on the website of the Company at www.ltfs.com and on the website of CDSL at www.evotingindia.com immediately after the declaration of the result by the Chairperson in writing and communicated to the stock exchanges.
- (iv) Subject to the receipt of requisite majority of votes, representing three-fourths in value, in favour of the Scheme, the resolution shall be deemed to be passed on the date of the Meeting, i.e., on Thursday, July 27, 2023.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH AT MUMBAI
COMPANY APPLICATION NO. CA(CAA) 124/MB-V/2023**

In the matter of the Companies Act, 2013;

And

In the matter of Application under Sections 230 - 232 read with Section 52 and other relevant provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamation) Rules, 2016;

And

In the matter of L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited) (CIN: L67100MH2013PLC241104), a public company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at Plot No.177, CTS No. 6970, 6971, Vidyanagari Marg, CST Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra;

And

In the matter of L&T Mutual Fund Trustee Limited (CIN: U65993MH1996PLC211198), a public company incorporated under the provisions of Companies Act, 1956, having its Registered Office at Brindavan, Plot No.177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra;

And

In the matter of L&T Finance Holdings Limited (CIN: L67120MH2008PLC181833), a public company incorporated under the provisions of Companies Act, 1956, having its Registered Office at Brindavan, Plot No.177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra;

And

In the matter of Scheme of Amalgamation by way of merger by absorption among L&T Finance Limited, L&T Infra Credit Limited, L&T Mutual Fund Trustee Limited and L&T Finance Holdings Limited and Arrangement.

L&T Infra Credit Limited (CIN: L67100MH2013PLC241104), a)Applicant	Company/	Transferor
public company incorporated under the provisions of Companies)	Company/	Amalgamating	Company 2
Act, 1956, having its Registered Office at Plot No.177, CTS No.)			
6970, 6971, Vidyanagari Marg, CST Road, Kalina, Santacruz (East),)			
Mumbai – 400098, Maharashtra.)			

EXPLANATORY STATEMENT UNDER SECTIONS 230 – 232 AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to the Order passed by the Hon'ble NCLT a Meeting of the Secured Creditors of the Company is being convened for the purpose of considering, and if thought fit, approving the Scheme.

Amalgamating Company 1, Amalgamating Company 2 and Amalgamating Company 3 are hereinafter collectively referred to as the "Amalgamating Companies".

This is a statement accompanying the Notice for the Meeting as required under the Act. The Meeting will be convened as per the details given below:

Day	:	Thursday
Date	:	July 27, 2023
Time	:	10:30 a.m. (IST)
Venue	:	Brindavan, Plot No.177, CST Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra.

2. A copy of the Scheme which has been, inter alia, recommended by the Audit Committee and approved by the Board of Directors of the Companies at their respective meetings held on January 13, 2023 is enclosed as **Annexure 1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless stated otherwise.

3. The Scheme, inter alia, provides for the following:

- (a) The amalgamation of Amalgamating Company 1 and Amalgamating Company 3 into the Amalgamated Company, by way of a merger by absorption and the dissolution of Amalgamating Company 1 and Amalgamating Company 3 without winding up and the consequent cancellation of the equity shares held by the Amalgamated Company in Amalgamating Company 1 and Amalgamating Company 3, in accordance with this Scheme (hereinafter referred to as "Amalgamation 1");
- (b) The amalgamation of Amalgamating Company 2 into the Amalgamated Company, by way of a merger by absorption, the dissolution of Amalgamating Company 2 without winding up and the consequent cancellation of the equity shares held by the Amalgamated Company in the Amalgamating Company 2, in accordance

with this Scheme (hereinafter referred to as "Amalgamation 2") (Amalgamation 1 and Amalgamation 2 are hereinafter collectively referred to as, the "Amalgamations");

- (c) Adjustment of debit balance of capital reserve, if any (including capital reserve arising on the Amalgamations), and debit balance of amalgamation adjustment reserve account in the books of the Amalgamated Company post the Amalgamations with the Securities Premium Account (as defined in the Scheme) of Amalgamated Company; and
 - (d) Various other matters incidental, consequential or otherwise integrally connected therewith, including the change in name and changes to the share capital of the Amalgamated Company, pursuant to provisions of Sections 230 – 232 read with Section 52 and other applicable/relevant provisions of the Act in the manner provided for in this Scheme and in compliance with the provisions of the Income Tax Act, 1961 and other applicable regulatory requirements.
4. The Secured Creditors would be entitled to vote by remote e-voting prior to the Meeting or by e-voting during the Meeting. The quorum of the Meeting shall be 5 (five) Secured Creditors physically present at the Meeting, either in person or proxy.

5. In terms of the Order, the Hon'ble NCLT, has appointed Mr. Aditya Jain, as chairperson of the Meeting and Mr. S.N. Ananthasubramanian, Practicing Company Secretary (FCS No. 4206 and COP No. 1774), failing which Mr. S.N. Viswanathan, Practicing Company Secretaries (ACS No. 61955 and COP No. 24335) as the Scrutinizer of the Meeting.

6. The Company, LTMFTL and LTFH have filed the Scheme in Form No. GNL-1 with the Registrar of Companies, Mumbai.

7. Details as per Rule 6(3) of the Merger Rules:

(a) Details of the NCLT order which directs the calling, convening and conducting of the Meeting:

Please refer to paragraph no. 1 of this Explanatory Statement for date of the Order and the date, time and venue of the Tribunal Convened Meeting.

(b) Details of the Companies:

1. L&T FINANCE HOLDINGS LIMITED

Date of Incorporation	May 1, 2008
Corporate Identification Number	L67120MH2008PLC181833
Permanent Account Number	AABCL5046R
Type of Company	Public limited company
Registered Office	Brindavan, Plot No.177, CST Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra.
Email Address	igrc@ltfs.com
Name of the stock exchange(s) where securities of the Company are listed	The equity shares of LTFH are listed on BSE and NSE.

2. L&T FINANCE LIMITED

Date of Incorporation	November 24, 1993
Corporate Identification Number	U65910WB1993FLC060810
Permanent Account Number	AACCA1963B
Type of Company	Public limited company
Registered Office	15th Floor, PS SRIJAN Tech Park, Plot No.52 Block DN, Sector – V, Salt Lake City, Kolkata – 700091, West Bengal.
Email Address	accountspayableltf-merger@ltfs.com
Name of the stock exchange(s) where securities of the Company are listed	The non-convertible debentures of LTFL are listed on the Stock Exchanges.

3. L&T INFRA CREDIT LIMITED

Date of Incorporation	March 19, 2013
Corporate Identification Number	L67100MH2013PLC241104
Permanent Account Number	AACCL4493R
Type of Company	Public limited company
Registered Office	Plot No.177, CTS No. 6970, 6971, Vidyannagari Marg, CST Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra.
Email Address	accountspayable-merger@ltfs.com
Name of the stock exchange(s) where securities of the Company are listed	The non-convertible redeemable preference shares of the Company were previously listed on BSE, they were redeemed on March 20, 2023 and the non-convertible debentures are listed on the Stock Exchanges.

4. L&T MUTUAL FUND TRUSTEE LIMITED

Date of Incorporation	April 30, 1996
Corporate Identification Number	U65993MH1996PLC211198
Permanent Account Number	AABCC9718P
Type of Company	Public limited company
Registered Office	Brindavan, Plot No.177, CST Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra.
Email Address	N.A.
Name of the stock exchange(s) where securities of the Company are listed	N.A.

(c) Other particulars of LTFH as per Rule 6(3) of the Merger Rules:

- (i) Summary of the main objects as per the Memorandum of Association and main business carried on by LTFH:

The objects for which LTFH has been established are set out in its Memorandum of Association. The relevant object clauses as set out in Clause III A of the Memorandum of Association are, inter alia, reproduced hereunder:

1. *To carry on the business of Investment/finance Company in all its branches and to invest, sell, purchase, exchange, surrender, extinguish, relinquish, subscribe, acquire, undertake, underwrite, hold, auction, convert or otherwise deal in any shares, stocks, debentures, debenture stock, bonds, negotiable instruments, hedge instruments, warrants, certificates, premium notes, Treasury Bills, obligations, inter corporate deposits, call money deposits, public deposits, commercial papers, options futures, money market securities, marketable or non-marketable, securities, derivatives, and other instruments and securities issued, guaranteed or given by any government, semi-government, local authorities, public sector undertakings, companies, corporations, co-operative societies, trusts, funds, State, Dominion, sovereign, Ruler, Commissioner, Public body or authority, Supreme, Municipal, Local or otherwise and other organisations/entities persons to acquire and hold controlling and other interests in the securities or loan capital of any issuer, company or companies.*

Clauses B.23 and B.25 of the Memorandum of Association of LTFH which contains provisions for amalgamations and arrangements, is reproduced herein below:

23. *To amalgamate with any company or companies having similar business*
25. *To act in conjunction with, unite or amalgamate with, create or constitute or assist in creating or constituting any other company or association of a kind similar wholly or partially, properties, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company and to build up or absorb all or any part of the business or property of any such company or association and to acquire and secure membership, seat or privilege in any association, Exchange, Market or institution in India or any part of the world.*

- (ii) Details of change of name, Registered Office and objects of LTFH during the last 5 (five) years:

- (a) Change of Name: There has been no change in the name of LTFH during the last 5 (five) years.
- (b) Change of Registered Office: There Registered Office of LTFH has not been changed during the last 5 (five) years.
- (c) Change of objects: There has been no change in the objects as listed in the Memorandum of Association of LTFH during the last 5 (five) years.

Note: In light of the aforesaid amalgamation and considering the Lakshya 2026 strategy of LTFH to be a top class 'digitally enabled' retail finance company and creating a Fintech@ scale, it is proposed to amend the object clause of the Memorandum of Association ("MOA") of LTFH including carrying out other ancillary changes which will be put forth for the approval of the shareholders of LTFH at the forthcoming Annual General Meeting of LTFH.

- (iii) Details of the capital structure of LTFH including authorized, issued, subscribed and paid up share capital:

- A. The share capital structure of LTFH as on March 31, 2023 is as under:

Particulars	Amount (in ₹)
Authorised Share Capital	
5,00,00,00,000 equity shares of ₹ 10 each	50,00,00,00,000
50,00,00,00,000 preference shares of ₹ 100 each	50,00,00,00,000
Total	100,00,00,00,000
Issued, Subscribed and Paid up Share Capital	
2,47,96,71,117 equity shares of ₹ 10 each	24,79,67,11,170
Total	24,79,67,11,170

- B. The expected post-Scheme capital structure of LTFH will be as follows:

Particulars	Amount (in ₹)
Authorised Share Capital	
10,87,45,59,610 equity shares of ₹ 10 each	1,08,74,55,96,100
50,12,00,00,000 preference shares of ₹ 100 each	50,12,00,00,000
10,000 preference shares of ₹ 10,00,000 each	10,00,00,00,000
Total	1,68,86,55,96,100
Issued, Subscribed and Paid up Share Capital	
2,47,99,69,485 equity shares of ₹ 10 each	24,79,96,94,850
Total	24,79,96,94,850

Note: The issued, subscribed and paid-up share capital is subject to change inter alia, basis allotment of Employee Stock Options. There will be no change in post Scheme paid up share capital of LTFH on account of Scheme.

- (iv) Details of the promoters and directors of LTFH along with their addresses:

- A. The details of the promoters of LTFH are as follows:

Sr. No.	Name of Promoter	Address
1.	Larsen and Toubro Limited	L&T House Ballard Estate Mumbai – 400001, Maharashtra

- B. The details of the directors of LTFH are as follows:

Sr. No.	Name of Director	Designation	Address
1.	Mr. S.N. Subrahmanyam	Non-Executive Director and Chairperson	E-116, 16th Cross Street, Besant Nagar, Chennai-600090.

Sr. No.	Name of Director	Designation	Address
2.	Mr. Dinanath Dubhashi	Chief Executive Officer and Managing Director	9, Prabhat, PM Road, Vile Parle East, Mumbai 400057
3.	Mr. R. Shankar Raman	Non-Executive Director	Flat No 123, Kalpataru Royale, 12th Floor Road No 29 Near Sion Circle, Sion East Mumbai 400022
4.	Mr. S. V. Haribhakti	Independent Director	Flat No.10 &11, Sahil Apartments, Airavat Co-operative Housing Society Ltd, 14 Altamount Road, Mumbai 400026
5.	Mr. P. V. Bhide	Independent Director	H. No. 3/17-B, Front portion, Shanti Niketan, South West Delhi, Delhi 110021
6.	Dr. Rajani R. Gupte	Independent Director	10, Dream Residency, 128, Anand Park Near Hotel Seasons, Aundh Pune 411007
7.	Mr. Thomas Mathew T.	Independent Director	19A011, Phase 2, Kohinoor City, Kirol Road, Off LBS Marg, Kurla (West), Mumbai - 400070
8.	Mr. Pavninder Singh	Nominee Director	703,Taj Wellington Mews, 33 Nathalal Parekh Marg, Colaba, Mumbai-400 001, Maharashtra

- (v) The date of the board meeting of LTFH at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of LTFH approved the Scheme at its Meeting held on January 13, 2023. Details of the manner in which the directors of LTFH voted at its meeting are as follows:

Sr. No.	Name of Director	Voted in favour/ against/ abstained
1.	Mr. S.N. Subrahmanyam	In favour
2.	Mr. Dinanath Dubhashi	In favour
3.	Mr. R. Shankar Raman	In favour
4.	Mr. S. V. Haribhakti	In favour
5.	Mr. P. V. Bhide	In favour
6.	Mr. Thomas Mathew T.	In favour
7.	Dr. Rajani R. Gupte	In favour
8.	Mr. Pavninder Singh	In favour

The details of the shareholding of the Directors and Key Managerial Personnel of LTFH and Amalgamating Companies on May 31, 2023 is as follows:

Sr. No.	Name	Designation	No. of shares held in LTFH	No. of shares held in Amalgamating Companies
1.	Mr. S.N. Subrahmanyam	Non - Executive Director and Chairperson	4,987	Nil
2.	Mr. Dinanath Dubhashi	Chief Executive Officer and Managing Director	5,00,975	1 share* of LTFL held jointly with LTFH 1 share* of LTICL held jointly with LTFL 1 share* of LTMFTL held jointly with LTFH
3.	Mr. R. Shankar Raman	Non – Executive Director	30,080	1 share* of LTMFTL held jointly with LTFH
4.	Mr. S. V. Haribhakti	Independent Director	5,39,038	Nil
5.	Mr. P. V. Bhide	Independent Director	6,136	Nil
6.	Mr. Thomas Mathew T.	Independent Director	-	Nil
7.	Dr. Rajani R. Gupte	Independent Director	-	Nil
8.	Mr. Pavinder Singh	Nominee Director	-	Nil
9.	Mr. Sachinn Joshi	Chief Financial Officer	4,47,669	1 share* of LTFL held jointly with LTFH 1 share* of LTICL held jointly with LTFL 1 share* of LTMFTL held jointly with LTFH
10.	Ms. Apurva Rathod	Company Secretary and Compliance Officer	1,96,423	1 share* of LTFL held jointly with LTFH.

* Shares are held jointly in order to meet the minimum shareholder requirement as required under the Act.

- (vi) Disclosure about the effect of the Scheme on the various stakeholders of LTFH:

Sr. No.	Category of stakeholder	Effect of the Scheme on the stakeholders
1.	Shareholders	The effect of the Scheme on the shareholders, promoters, and non-promoter shareholders and Key Managerial Personnel of LTFH has been set out in the report adopted by the Board of Directors of LTFH pursuant to the provisions of Section 232(2)(c) of the Act which is attached as Annexure 2A to this statement.
2.	Promoters	
3.	Non-Promoter Shareholders	
4.	Key Managerial Personnel	

Sr. No.	Category of stakeholder	Effect of the Scheme on the stakeholders
5.	Employees	The Scheme will have no effect on the office of the existing employees of LTFH.
6.	Debtenture holders and Debtenture trustees	N.A.
7.	Creditors	All the liabilities of the Amalgamating Companies, immediately before the Amalgamations, shall become the liabilities of the Amalgamated Company, by virtue of the Amalgamations with effect from the Appointed Date as specified in the Scheme. Therefore, the present Scheme is in no manner prejudicial to the interests of the creditors of the Amalgamating Companies. The assets and net-worth of LTFH post-Scheme is more than sufficient to meet the obligations and liabilities of LTFH, and accordingly the present Scheme is in no manner prejudicial to the interests of the creditors of the Amalgamating Companies.
8.	Directors	The Scheme will have no effect on the office of the existing Directors of LTFH. The composition of the board of directors of LTFH may change by appointments, retirements or resignations in accordance with the provisions of the Act, Listing Regulations, Memorandum of Association and Articles of Association of LTFH.
9.	Depositors and deposit trustee	N.A.

(d) Other particulars of LTFL as per Rule 6(3) of the Merger Rules:

- (i) Summary of the main objects as per the Memorandum of Association and main business carried on by LTFL:

The objects for which LTFL has been established are set out in its Memorandum of Association. The relevant object clauses as set out in Clause III A of the Memorandum of Association are, inter alia, reproduced hereunder:

- 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, showrooms, 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 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.*
3. *To undertake the business of financing leasing hire purchase, lease operations of all kinds and all other businesses stated in sub-clause 1 above, electronically through internet based trading mechanisms subject to prior approval of appropriate authorities and Indian Cyber Laws as and when enacted.*
4. *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*

shares, stocks bonds or debentures or securities of any Government or Public authority or Company, gold and silver and bullion and to form, promote, subsidies and assist companies, syndicates and partnership, subject to compliance with SEBI regulations or any other relevant laws.

5. *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.*
6. *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.*

7. *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.*
8. *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.*
9. *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.

Clauses B.17 and B.20 of the Memorandum of Association of LTFL which contains provisions for amalgamations and arrangements, is reproduced herein below:

17. *To acquire by amalgamation, purchase, take-over or otherwise, and undertake all or any part of the properties, assets, liabilities, undertaking and business of any person, firm, association or body corporate carrying on or proposing to carry on any business which the Company is authorised to carry on or possessed of property suitable for the purposes of the Company or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.*
20. *Subject to the provisions of the Companies Act, 2013. or any re-enactment thereof for the time being in force, to amalgamate or to enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint-adventure or reciprocal concession with any person or persons or company or companies, body corporate or bodies corporate carrying on or engaged in or about to carry on or engage in or being authorised to carry on or engage in, any business or transaction which the Company is authorised to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.*

(ii) Details of change of name, Registered Office and objects of LTFL during the last 5 (five) years:

- (a) Change of Name: The name of LTFL has not changed during last 5 (five) years.
- (b) Change of Registered Office: The Registered Office of LTFL has changed from Technopolis, 7th Floor, Wing-A, Plot No -4, Block- BP, Sector -V, Salt Lake, Kolkata - 700091 to 15th Floor, PS SRIJAN Tech Park, Plot No 52 Block DN, Sector-V, Salt Lake City, Kolkata – 700091 with effect from April 1, 2022.
- (c) Change of objects: There has been no change in the objects as listed in the Memorandum of Association of LTFL during the last 5 (five) years.

(iii) Details of the capital structure of LTFL including authorized, issued, subscribed and paid up share capital:

A. The share capital structure of LTFL as on March 31, 2023 is as under:

Particulars	Amount (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	48,86,30,96,100
Issued, Subscribed and Paid up Share Capital	
2,86,41,72,360 equity shares of ₹ 10 each	28,64,17,23,600
Total	28,64,17,23,600

B. The expected post-Scheme capital structure of LTFL - Upon the Scheme becoming effective, LTFL shall stand dissolved without winding up and the equity shares of LTFL shall stand cancelled without any further act or deed.

(iv) Details of the promoters and directors of LTFL along with their addresses:

A. The details of the promoters of LTFL are as follows:

Sr. No.	Name of Promoter	Address
1.	L&T Finance Holdings Limited	Brindavan, Plot No.177, CST Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra.

B. The details of the directors of LTFL are as follows:

Sr. No.	Name of Director	Designation	Address
1.	Mr. Dinanath Dubhashi	Non - Executive Director	9, Prabhat, PM Road, Vile Parle East, Mumbai 400057
2.	Mr. Thomas Mathew T.	Independent Director	19A011, Phase 2, Kohinoor City, Kirol Road, Off LBS Marg, Kurla (West), Mumbai 400070
3.	Mr. P.V. Bhide	Independent Director	H. No. 3/17-B, Front portion, Shanti Niketan, South West Delhi, Delhi 110021
4.	Dr. Rajani R Gupte	Independent Director	10, Dream Residency, 128, Anand Park Near Hotel Seasons, Aundh Pune 411007
5.	Ms. Nishi Vasudeva	Independent Director	21 - A, Land Breeze, 52 Pali Hill, Bandra, Mumbai 400050
6.	Mr. Rishi Mandawat	Non-Executive Director	1601, Tower 5, Planet Godrej, K marg, Mahalaxmi (E), Mumbai 400011
7.	Mr. Sachinn Joshi	Whole-time Director	1203, Torino, Cliff Avenue, next to Avalon Towers, Hiranandani Gardens, Powai, Mumbai 400076

- (v) The date of the board meeting of LTFL at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of LTFL approved the Scheme at its meeting held on January 13, 2023. Details of the manner in which the directors of LTFL voted at this meeting are as follows:

Sr. No.	Name of Director	Voted in favour/ against/ abstained
1.	Mr. Dinanath Dubhashi	In favour
2.	Mr. Thomas Mathew T.	In favour
3.	Mr. P.V. Bhide	In favour
4.	Dr. Rajani R Gupte	In favour
5.	Ms. Nishi Vasudeva	In favour
6.	Mr. Rishi Mandawat	In favour
7.	Mr. Sachinn Joshi	In favour

The details of the shareholding of the directors and Key Managerial Personnel of LTFL as on May 31, 2023 is as follows:

Sr. No.	Name	Designation	No. of shares held in the LTFL	No. of shares held in Amalgamated Company
1.	Mr. Dinanath Dubhashi	Non-Executive Director	1*	5,00,975
2.	Mr. Thomas Mathew T.	Independent Director	Nil	Nil
3.	Mr. P.V. Bhide	Independent Director	Nil	6,136
4.	Dr. Rajani R Gupte	Independent Director	Nil	Nil
5.	Ms. Nishi Vasudeva	Independent Director	Nil	Nil
6.	Mr. Rishi Mandawat	Non-Executive Director	Nil	Nil
7.	Mr. Sachinn Joshi	Whole-time Director	1*	4,47,669
8.	Ms. Apurva Rathod	Company Secretary and Compliance Officer	1*	1,96,423
9.	Mr. Keshav Loyalka	Chief Financial Officer	Nil	3,24,350

* Shares are held jointly with L&T Finance Holdings Limited to comply with the minimum shareholding requirement under the Act.

- (vi) Disclosure about the effect of the Scheme on the various stakeholders of LTFL:

Sr. No.	Category of stakeholder	Effect of the Scheme on the stakeholders
1.	Shareholders	The effect of the Scheme on the shareholders, promoters non-promoter shareholders, key managerial personnel and debenture holders of LTFL has been set out in the report adopted by the Board of Directors of LTFL pursuant to the provisions of Section 232(2) (c) of the Act which is attached as Annexure 2B to this Statement.
2.	Promoters	
3.	Non-Promoter Shareholders	
4.	Key Managerial Personnel	
5.	Debenture holders	
6.	Debenture Trustee	The debenture trustee appointed for the respective series of debentures shall continue to remain the debenture trustee and shall not be affected by the Scheme.
7.	Employees	The employees of LTFL will be transferred to the Amalgamated Company in accordance with the Scheme.
8.	Creditors	All the liabilities of the Amalgamating Companies, immediately before the Amalgamations, shall become the liabilities of the Amalgamated Company, by virtue of the Amalgamations, with effect from the Appointed Date. The present Scheme inter alia includes the Amalgamations between the Amalgamating Companies and the Amalgamated Company and is in no manner prejudicial to the interests of the creditors of the Amalgamating Companies. No compromise is proposed with the creditors of LTFL under the Scheme nor will the liability in respect of any creditor be reduced or extinguished under the Scheme.

Sr. No.	Category of stakeholder	Effect of the Scheme on the stakeholders
9.	Directors	LTFL shall stand dissolved pursuant to the Scheme. The Scheme does not provide for any Directors of the Amalgamating Companies to become Directors of LTFL.
10.	Depositors and deposit trustee	N.A.

(e) Other particulars of LTICL as per Rule 6(3) of the Merger Rules:

- (i) Summary of the main objects as per the Memorandum of Association and main business carried on by the Company:

The objects for which the Company has been established are set out in its Memorandum of Association. The relevant object clauses as set out in Clause III A of the Memorandum of Association are, inter alia, reproduced hereunder:

1. *To carry on the business of a Non-Banking Financial Company classified as an- NBFC - Investment and Credit Company ("NBFC-ICC") as per the provisions of the Reserve Bank of India and engage in providing and arranging financial assistance in all permitted forms including but not limited to refinancing, subscribing and investing in securities including but not limited to bonds and debentures, loans, liquidity support, undertake all permitted form of fee based activities including but not limited to underwriting, syndication, advisory, all form of credit enhancement, guarantee and takeout financing, denominated in rupee or such foreign currencies as may be permitted by Government policies/regulatory guidelines, whether independently or in association with any other entities, person(s), Government or any other agencies, whether incorporated or not, whether with or without security to persons (whether or not incorporated) engaged in or in connection with either directly or indirectly or wholly or in part, for the purpose of infrastructure projects and companies at such stage of development/operation and under such conditions as may be*

stipulated/permitted by regulatory guidelines from time to time with respect to NBFC-ICCs.

2. *To raise/mobilize funds from domestic and international investors/banks by way of equity and preference capital, hybrid capital instruments, convertible instruments, quasi-equity, loans, line of credit, issue of securities in domestic and international markets and any other form of equity and debt instruments, in such currencies as may be permitted by Government policies/regulatory guidelines from time to time and to enter into such contracts to avail risk management solutions in order to mitigate risks including but not limited to currency risk, interest rate risk, credit risk, in the manner permitted by law and Government policies/regulatory guidelines and to provide policy support and advisory to Government and private sector for development of infrastructure sector and corporate bond market in India and to take such actions to enable, create and deepen the corporate bond market in India including but not limited to origination, market making and trading in securities, in the manner permitted by law and Government policies/regulatory guidelines.*

Clauses B.24 of the Memorandum of Association of LTICL which contains provisions for amalgamations and arrangements, is reproduced herein below:

24. *Subject to the provisions of applicable laws in force for the time being, to merge, consolidate and amalgamate or enter into any arrangement for sharing profits, union of interest, co-operation, joint ventures or reciprocal concessions, or enter into partnership with any person or firm or entity carrying on or engaged in or about to carry on or engage in any business or transaction which the Company is authorised to carry on or engage in or which can be carried on in*

conjunction therewith or which is capable of being conducted so as to directly or indirectly benefit the Company.

- (ii) Details of change of name, Registered Office and objects of the Company during the last 5 (five) years:

- (a) Change of Name: The name of the Company was changed from L&T Infra Debt Fund Limited to L&T Infra Credit Limited vide Certificate of Incorporation dated August 18, 2021.
- (b) Change of Registered Office: The Registered Office of the Company has not changed during the last 5 (five) years.
- (c) Change of objects: The object clause of the Company was changed to align it with the change in its registration from a NBFC - IDF to a NBFC - ICC. The certificate of registration from MCA is dated August 6, 2021.

- (iii) Details of the capital structure of the Company including authorized, issued, subscribed and paid up share capital:

- A. The share capital structure of the Company as on March 31, 2023 is as under:

Particulars	Amount (in ₹)
Authorised Share Capital	
1,00,00,00,000 equity shares of ₹ 10 each	10,00,00,00,000
10,000 preference shares of ₹ 10,00,000 each	10,00,00,00,000
Total	20,00,00,00,000
Issued, Subscribed and Paid up Share Capital	
57,16,30,214 equity shares of ₹ 10 each	5,71,63,02,140
Total	5,71,63,02,140

- B. The expected post-Scheme capital structure of the Company - Upon the coming into effect of the Scheme, the Company shall stand dissolved without winding up and the equity shares of the Company shall stand cancelled without any further act or deed.

- (iv) Details of the promoters and directors of the Company along with their addresses:

- A. The details of the promoters of the Company are as follows:

Sr. No.	Name of Promoter	Address
1.	L&T Finance Holdings Limited	Brindavan, Plot No.177, CST Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra.

- B. The details of the directors of the Company are as follows:

Sr. No.	Name of Director	Designation	Address
1.	Ms. Nishi Vasudeva	Independent Director and Chairperson	21 - A, Land Breeze, 52 Pali Hill, Bandra, Mumbai 400050
2.	Mr. Dinanath Dubhashi	Non – Executive Director	9, Prabhat, PM Road, Vile Parle East, Mumbai 400057
3.	Mr. Thomas Mathew T.	Independent Director	19A011, Phase 2, Kohinoor City, Kirol Road, Off LBS Marg, Kurla (West), Mumbai 400070
4.	Dr. Rupa Rege Nitsure	Whole – time Director	C 1811, Maple Leaf Co-operative Housing Society Ltd, Plot no. 119F/1A of Tungwa Village, Raheja Vihar (opposite Chandivali studio) Powai, Andheri East, Mumbai 4000072

- (v) The date of the board meeting of the Company at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of the Company approved the Scheme at its meeting held on January 13, 2023. Details of the manner in which the directors of the Company voted at this meeting are as follows:

Sr. No.	Name of Director	Voted in favour/ against/ abstained
1.	Ms. Nishi Vasudeva	In favour
2.	Mr. Dinanath Dubhashi	In favour
3.	Mr. Thomas Mathew T.	In favour
4.	Dr. Rupa Rege Nitsure	In favour

The details of the shareholding of the directors and Key Managerial Personnel of LTICL as on May 31, 2023 is as follows:

Sr. No.	Name	Designation	No. of shares held in the Company	No. of shares held in Amalgamated Company
1.	Ms. Nishi Vasudeva	Independent Director and Chairperson	Nil	Nil
2.	Mr. Dinanath Dubhashi	Non-Executive Director	1*	5,00,975
3.	Mr. Thomas Mathew T.	Independent Director	Nil	Nil
4.	Dr. Rupa Rege Nitsure	Whole – time Director	1*	87,500
5.	Mr. Manish Jethwa	Chief Financial Officer	Nil	94,000
6.	Ms. Savita Kodain	Company Secretary and Compliance Officer	Nil	Nil

*Shares are held jointly with L&T Finance Limited to comply with the minimum shareholding requirement under the Act.

- (vi) Disclosure about the effect of the Scheme on the various stakeholders of the Company:

Sr. No.	Category of stakeholder	Effect of the Scheme on the stakeholders
1.	Shareholders	The effect of the Scheme on the shareholders, promoters non-promoter shareholders, key managerial personnel and debenture holders of the Company has been set out in the report adopted by the Board of Directors of LTICL pursuant to the provisions of Section 232(2)(c) of the Act which is attached as Annexure 2C to this Statement.
2.	Promoters	
3.	Non-Promoter Shareholders	
4.	Key Managerial Personnel	
5.	Debenture holders	
6.	Debenture Trustee	The debenture trustee appointed for the respective series of debentures shall continue to remain the debenture trustee and shall not be affected by the Scheme.
7.	Employees	The employees of the Company will be transferred to the Amalgamated Company in accordance with the Scheme.
8.	Creditors	All the liabilities of the Amalgamating Companies, immediately before the Amalgamations, shall become the liabilities of the Amalgamated Company, by virtue of the Amalgamations, with effect from the Appointed Date. The present Scheme inter alia includes the Amalgamations between the Amalgamating Companies and the Amalgamated Company and is in no manner prejudicial to the interests of the creditors of the Amalgamating Companies. No compromise is proposed with the creditors of the Company under the Scheme nor will the liability in respect of any creditor be reduced or extinguished under the Scheme.

Sr. No.	Category of stakeholder	Effect of the Scheme on the stakeholders
9.	Directors	The Company shall stand dissolved pursuant to the Scheme. The Scheme does not provide for any Directors of the Amalgamating Companies to become Directors of LTFH.
10.	Depositors and deposit trustee	N.A.

(f) Other particulars of LTMFTL as per Rule 6 of the Merger Rules:

- (i) Summary of the main objects as per the memorandum of association and main business carried on by LTMFTL:

The objects for which LTMFTL has been established are set out in its Memorandum of Association. The relevant object clauses as set out in Clause III A of the Memorandum of Association are, inter alia, reproduced hereunder:

- To act as trustee of / or for any mutual funds, unit schemes, trusts, individuals, companies, associates, registered schemes, off-shore funds, persons or bodies of persons whether incorporated or not and for that purpose to set up, promote, settle, and execute trusts and devise various schemes for raising funds in any manner from persons, bodies corporate, trusts, societies, association of persons in India and abroad and to deploy such funds in such manner as thought reasonable.*

Clauses B.41 of the Memorandum of Association of LTMFTL which contains provisions for amalgamations and arrangements, is reproduced herein below:

- To amalgamate, enter into any partnership with our acquire the whole or any part of the business, property and liabilities of, or acquire any interest in the business or undertaking of, or enter into partnership or any arrangement sharing profits or losses or for any union of interest, joint ownership, joint venture, reciprocal concession or co-operation with any person, association of persons, firm or*

company carrying on or engaged in or about to carry on or engaged in business or transaction, which the Company is or may be authorised to carry on or for mutual assistance, with any such person, association, firm or Company.

(ii) Details of change of name, Registered Office and objects of LTMFTL during the last 5 (five) years:

- Change of Name: There has been no change in the name of LTMFTL during the last 5 (five) years.
- Change of Registered Office: The Registered Office of LTMFTL has not changed during the last 5 (five) years.
- Change of objects: There has been no change in the objects as listed in the Memorandum of Association of LTMFTL during the last 5 (five) years.

(iii) Details of the capital structure of LTMFTL including authorized, issued, subscribed and paid up share capital:

A. The share capital structure of LTMFTL as on March 31, 2023 is as under:

Particulars	Amount (in ₹)
Authorised Share Capital	
250,000 equity shares of ₹ 10 each	2,500,000
Total	2,500,000
Issued, Subscribed and Paid up Share Capital	
150,000 equity shares of ₹ 10 each	1,500,000
Total	1,500,000

B. Upon the coming into effect of the Scheme, LTMFTL shall stand dissolved without winding up and the equity shares of LTMFTL shall stand cancelled without any further act or deed.

(iv) Details of the promoters and directors of LTMFTL along with their addresses:

A. The details of the promoters of LTMFTL are as follows:

Sr. No.	Name of Promoter	Address
1.	L&T Finance Holdings Limited	Brindavan, Plot No.177, CST Road, Kalina, Santacruz (East), Mumbai -400098

B. The details of the directors of LTMFTL are as follows:

Sr. No.	Name of Director	Designation	Address
1.	Mr. Raju Dodti	Non – Executive Director	Flat no. 303, CTS No 932, Mahant CHS Ltd., Opp Swapna Shilp Bldg, F P No. 59, Mahant Road, Vile Parle (East), Mumbai – 400057
2.	Mr. Santosh Parab	Non – Executive Director	G-502, Oberoi Splendor, Jogeshwari Vikhroli Link Road, Opp. Majas Depot, Jogeshwari East, Mumbai – 400060
3.	Mr. Abhishek Sharma	Non – Executive Director	1002, Tilia Apartments, Nahar Amrit Shakti, Near Jain Temple, Chandivali, Andheri East, Mumbai, Maharashtra

(v) The date of the board meeting of LTMFTL at which the Scheme was approved by the Board of Directors including the name of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Board of Directors of LTMFTL approved the Scheme at its meeting held on January 13, 2023. Details of the manner in which the directors of LTMFTL voted at this meeting are as follows:

Sr. No.	Name of Director	Voted in favour/ against/ abstained
1.	Mr. Raju Dodti	In favour
2.	Mr. Santosh Parab	In favour
3.	Mr. Abhishek Sharma	In favour

The details of the shareholding of the directors and Key Managerial Personnel of LTMFTL as on May 31, 2023 is as follows:

Sr. No.	Name	Designation	No. of shares held in LTMFTL	No. of shares held in Amalgamated Company
1.	Mr. Raju Dodti	Non – Executive Director	2* shares held jointly with LTFH	2,00,000

Sr. No.	Name	Designation	No. of shares held in LTMFTL	No. of shares held in Amalgamated Company
2.	Mr. Santosh Parab	Non – Executive Director	Nil	81,064
3.	Mr. Abhishek Sharma	Non – Executive Director	Nil	1,626

* Shares are held jointly with L&T Finance Holdings Limited to comply with the minimum shareholding requirement under the Act.

- (vi) Disclosure about the effect of the Scheme on the various stakeholders of LTMFTL:

Sr. No.	Category of stakeholder	Effect of the Scheme on the stakeholders
1.	Shareholders	The effect of the Scheme on the shareholders, promoters, non-promoter shareholders and key managerial personnel, of LTMFTL has been set out in the report adopted by the Board of Directors of LTMFTL pursuant to the provisions of Section 232(2) (c) of the Act which is attached as Annexure 2D to this Statement.
2.	Promoters	
3.	Non-Promoter Shareholders	
4.	Key Managerial Personnel	
5.	Debenture Holders & Debenture Trustees	N.A.
6.	Employees	There are no employees of LTMFTL as on date.
7.	Creditors	All the liabilities of the Amalgamating Companies, immediately before the Amalgamations, shall become the liabilities of the Amalgamated Company, by virtue of the Amalgamations, with effect from the Appointed Date. The present Scheme inter alia includes the Amalgamations between the Amalgamating Companies and the Amalgamated Company and is in no manner prejudicial to the interests of the creditors of the Amalgamating Companies. No compromise is proposed with the creditors of LTMFTL under the Scheme nor will the liability in respect of any creditor be reduced or extinguished under the Scheme.
8.	Directors	LTMFTL shall stand dissolved pursuant to the Scheme. The Scheme does not provide for any Directors of the Amalgamating Companies to become Directors of LTFH.
9.	Depositors and deposit trustee	N.A.

(g) Other details regarding the Scheme required as per Rule 6(3) of the Merger Rules:

(i) Relationship between the Companies:

The Company is an indirect wholly owned subsidiary of LTFH, wherein 76.64% of the equity shareholding is held by LTFH (which is a wholly owned subsidiary of LTFH) and 23.36% is held directly by the LTFH. LTMFTL is a wholly owned subsidiary of LTFH. Hence, LTFH and LTMFTL are direct wholly owned subsidiaries of LTFH and the Company is an indirect wholly owned subsidiary of LTFH.

(ii) Appointed Date, Effective Date, Record Date and Consideration for the Scheme:

“Appointed Date” means April 1, 2023, or such other date as may be mutually agreed by the Boards of the Companies and conveyed to the NCLT in writing.

“Effective Date” means the last of the dates on which all the conditions and matters referred to in Clause 49 of the Scheme occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to date of coming into effect of the Scheme effectiveness of the Scheme shall mean the Effective Date. Any reference in the Scheme to “On this Scheme becoming effective” or “Upon this Scheme becoming effective” or “Effectiveness of this Scheme” shall refer to the “Effective Date”.

“Record Date” means the date fixed by the respective Boards of the Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company for the purpose of determining the holders of Commercial Papers, NCDs and NCRPS of the respective Amalgamating Companies, if any, who will become holders of such Commercial Papers, NCDs and NCRPS in the Amalgamated Company pursuant to the Amalgamations under this Scheme, as may be required.

(iii) Consideration for the Amalgamation:

Since the Amalgamating Companies are direct and indirect wholly owned subsidiaries of the Amalgamated

Company, upon this Scheme becoming effective, the equity shares held by the Amalgamated Company in the Amalgamating Companies will stand cancelled and no consideration shall pass from the Amalgamated Company in lieu of equity shares held in the Amalgamating Companies.

(iv) Summary of the Valuation Report and Fairness Opinion:

- (a) Summary of Valuation Report dated January 12, 2023, prepared by Pawan Shivkumar Poddar provides, in relation to the equity shares:

The Amalgamating Companies are direct and indirect wholly owned subsidiaries of the Amalgamated Company, upon this Scheme becoming effective, the equity shares held by the Amalgamated Company in the Amalgamating Companies will stand cancelled and no consideration shall pass from the Amalgamated Company in lieu of equity shares held in the Amalgamating Companies.

- (b) Summary of Valuation Report dated January 12, 2023 prepared by Pawan Shivkumar Poddar in relation to the listed non-convertible debentures ("NCDs") of LTFL and the Company and fairness opinion dated January 12, 2023, prepared by Navigant Corporate Advisors Limited, in relation to the NCDs of LTFL and the Company:

Upon the Scheme becoming effective and necessary processes being carried out, the beneficial economic interest of the NCD holders of LTFL and the Company in the NCDs of LTFH would be same. All the NCD holders of LTFL and the Company would become the NCD holders of LTFH. The effect of amalgamation is that each NCD holder of LTFL and the Company as on the relevant record date/effective date would become NCDs holders in LTFH in the same proportion and

on same terms as in LTFL and the Company. The Registered Valuer's Report on NCDs has been enclosed as **Annexure 3**. The Fairness opinion issued by Merchant Banker has been enclosed as **Annexure 4**.

Based on above and considering that all the NCD holders of LTFL and the Company are and will upon merger, become NCD holders of LTFH holding economic interest in the same proportion as they hold in LTFL and the Company, the valuation done is fair to the NCD holders of LTFL and the Company.

(v) Details of capital restructuring:

As stated above, the Amalgamating Companies are direct and indirect wholly owned subsidiaries of the Amalgamated Company, upon this Scheme becoming effective, the equity shares held by the Amalgamated Company in the Amalgamating Companies will stand cancelled and no consideration shall pass from the Amalgamated Company in lieu of equity shares held in the Amalgamating Companies. No equity shares are proposed to be issued by the Amalgamated Company pursuant to the Scheme.

Further, the debit balance of capital reserve if any (including capital reserve arising on the Amalgamations) and debit balance of amalgamation adjustment reserve account in the books of Amalgamated Company post Amalgamations shall be set-off against the Securities Premium Account of the Amalgamated Company. The reduction of the balance in the capital reserve and amalgamation adjustment reserve account of the Amalgamated Company post Amalgamations by way of the adjustment set out in this Clause 44 against the amounts held in the Securities Premium Account of the Amalgamated Company does not involve the reduction of the issued, subscribed and paid up share capital of the Amalgamated Company. Hence, there will be no change in post Scheme paid up share capital of LTFH on account of the Scheme.

(vi) Details of debt restructuring:

There is no debt restructuring envisaged in the Scheme.

Existing debt structure

The non-convertible debentures of LTFL and the Company are listed on the Stock Exchanges, the details of which are set out in Schedule A and Schedule C to the Scheme respectively.

Expected debt structure

Since the Amalgamating Companies are direct and indirect wholly owned subsidiaries of the Amalgamated Company, upon the Scheme becoming effective, the equity shares held by the Amalgamated Company in the Amalgamating Companies will stand cancelled and no consideration shall pass from the Amalgamated Company in lieu of equity shares held in the Amalgamating Companies. With effect from the Appointed Date, all debts, liabilities, loans and obligations of the Amalgamating Companies shall without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and in the Amalgamated Company to the extent that they are outstanding on the Effective Date so as to become as and from the Appointed Date the debts, liabilities, loans and obligations of the Amalgamated Company on the same terms and conditions as were applicable to the Amalgamating Companies, and the Amalgamated Company shall meet, discharge and satisfy the same.

All borrowings in the form of debt securities, including Commercial Papers, NCDs, external commercial borrowings, bonds or other instruments of like nature of the Amalgamating Companies ("Debt Securities") shall, pursuant to the provisions of Sections 230 – 232 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Amalgamated Company on the same terms and conditions and without any change in structure. The Scheme envisages that the holders of NCDs of LTFL and the Company will become holders of NCDs of LTFH at exactly the same terms, including the

coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, respectively.

Further, in terms of Clause 51 of the Scheme, upon the coming into effect of the Scheme, the resolutions passed by the respective Board of Directors and/ or the shareholders of each of the Amalgamating Companies and which are valid and subsisting, shall continue to be valid and subsisting and be considered as resolutions of the Amalgamated Company and if any such resolutions have monetary limits or other limits approved under the provisions of the Act, or any other applicable statutory provisions, the said limits as are considered necessary by the Board of Directors of the Amalgamated Company shall be added to such limits of the Amalgamated Company, and the aggregate of the said two limits shall constitute the revised limit for LTFH, for the relevant purpose of the Act. Existing borrowing limits authorized by the Boards and/or shareholders of LTFL, the Company, LTMFTL and LTFH is ₹ 1,25,000 crores, ₹ 14,000 crores, ₹ 0.1 crores and ₹ 3,500 crores respectively. With effect from the Effective Date, the overall borrowing power of LTFH shall automatically stand increased to ₹ 1,42,500.1 crores without any further approvals. Further, the existing limit for borrowings through NCDs for FY24 authorised by the Board and shareholders of LTFL and the Company is not exceeding ₹ 20,000 crores and ₹ 2,000 crores respectively. With effect from the Effective Date, LTFH shall be authorised to borrow by issuance of NCDs an amount not exceeding ₹ 22,000 crores for FY24 without any further approvals.

(vii) Rationale & benefits of the Scheme:

LTFH, being a Core Investment Company (CIC) and the holding company for the financial services businesses of the L&T Group, namely L&T Finance ("LTF") which is currently undertaken through two lending entities (both having an NBFC – ICC registration pursuant to the corporate restructuring exercise undertaken within LTF in FY2021-2022 in accordance with its strategy of 'Right Structure'). LTFH also holds a few other financial / non-

financial services businesses /entities. With the objective of creation of a single large unified operational lending entity and mitigate potential operational and business inefficiencies of having two lending entities with the same NBFC-ICC registration, it is proposed to consolidate the businesses of the lending entities with the holding company. Further, it is also proposed to include a non-operating entity as part of this consolidation. This will help reduce the number of companies within the group (including NBFCs) to achieve optimal and efficient utilization of capital; enhance operational and management efficiencies and have a simplified organizational structure.

Thus, the Amalgamation pursuant to this Scheme would, inter alia, have the following benefits:

- (a) Achieve simplification of the holding structure of entities forming part of the group, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale.
- (b) Creation of a single large lending entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively.
- (c) Achieve greater transparency, operational efficiency and better utilization of management bandwidth by having one operating Non-Banking Financial Company (NBFC) to house all lending businesses.
- (d) Enable access to business relationships and other intangible benefits that the Amalgamating Companies have built over decades.
- (e) Companies have a proven track record in the respective businesses of credit consolidation which will lead to pooling of knowledge and expertise.
- (f) Ease of compliance with revised regulatory framework applicable to NBFC under Scale Based Regulations of RBI.

(viii) The pre-Scheme and post-Scheme shareholding patterns of the Companies, as applicable, are attached as **Annexures 5**.

(ix) The Board Reports of the Companies are attached as **Annexures 2A, 2B, 2C and 2D**, respectively.

(x) Details of (A) ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken, against the Company, its promoters and directors of the Company and (B) Investigation or proceedings, if any, pending against the Company under the Act are included at **Annexures 6**.

(xi) Certificates from the statutory auditor of LTFH to the effect that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act is included at **Annexure 7**.

(xii) Abridged prospectus dated June 19, 2023 is included at **Annexure 8**.

(xiii) As per the books of accounts (as on March 31, 2023) of LTFH, LTFL, the Company and LTMFTL, the amount due to the unsecured creditors are ₹ 95.08 crores, ₹ 17,843.19crores, ₹ 4.32 crores and ₹ 0.04 crores respectively.

(xiv) Details of availability of the documents for obtaining extracts from or making or obtaining copies:

Copies of the following documents will be available for obtaining extract from or for making or obtaining copies of or for inspection by the Secured Creditors of the Company, at the Registered Office of the Company during business hours on all working days from the date of dispatch of Notice upto the date of the Meeting. An advance Notice should be given by e-mail to the Company at accountspayable-merger@ltfs.com, if it is desired to obtain copies of this Notice from the Registered Office of the Company. Alternatively, a request for obtaining an electronic/ soft copy of this Notice may be made by writing an email to accountspayable-merger@ltfs.com. Additionally, a copy of the Notice and Explanatory Statement will also be hosted on the website of the

Company at www.ltfs.com and will also be available on the website of BSE and NSE at <https://www.bseindia.com/> and <https://www.nseindia.com/>

1. Certified copy of the order passed by the NCLT Mumbai Bench in Company Application No. C.A. (CAA) 124/MB/2024 pronounced on May 19, 2023, directing the Company, to convene a Tribunal Convened Meeting;
2. Copy of the Scheme;
3. Copies of the latest audited financial statements of the Companies including consolidated financial statements, wherever applicable;
4. Valuation Report dated January 12, 2023 issued by the independent registered valuer viz. Mr. Pawan Shivkumar Poddar as required under SEBI Scheme Circular - Equity;
5. Valuation Reports dated January 12, 2023 issued by the independent registered valuer viz. Mr. Pawan Shivkumar Poddar as required under SEBI Scheme Circular - Debt, in respect of the listed non-convertible debentures of LTFL and the Company;
6. Fairness opinion dated January 12, 2023 issued by SEBI registered independent merchant banker viz. Navigant Corporate Advisors Limited for the purpose of SEBI Scheme Circular – Debt in respect of listed non-convertible debentures of LTFL and the Company;
7. Certificates issued by the statutory auditor of LTFH to the effect that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act;
8. Copy of the resolution passed by the Board of Directors of the Company dated January 13, 2023, approving the Scheme;
9. Observation Letter dated April 26, 2023 issued by NSE to the Company;

10. Observation Letter dated April 26, 2023 issued by BSE to the Company;
11. Copy of Reports adopted by the Board of Directors of LTFL, the Company, LTMFTL and LTFH pursuant to Section 232(2)(c) of the Act.

- (xv) Details of approvals, sanctions or no-objection(s) from regulatory or any other governmental authorities required, received or pending for the purpose of the Scheme:
 - (a) Approval received from BSE dated April 26, 2023;
 - (b) Approval received from NSE dated April 26, 2023;
 - (c) Letter received from the Reserve Bank of India dated March 24, 2023 according its no objection for the Scheme;
 - (d) In-principle approval received from SEBI dated April 06, 2023 pertaining to AIF (Alternative Investment Fund);
 - (e) Certified copy of the order passed by the NCLT Mumbai Bench in Company Application No. C.A. (CAA) 124/MB/2024 pronounced on May 19, 2023.

The Amalgamating Company 1 i.e., LTFL has submitted the application in relation to the Scheme with the Hon'ble NCLT Kolkata Bench on May 18, 2023 and the matter is reserved for orders.

The Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble NCLT and such other approvals, permission, and sanctions of regulatory or other authorities, as may be necessary and as contemplated in the Scheme.

- (xvi) Brief background and salient features of the Scheme:
 - (a) The capitalised terms used herein below, shall have the meaning ascribed to such terms in the Scheme.
 - (b) The Scheme of Arrangement provides inter alia for:

- (i) The amalgamation of Amalgamating Company 1 and Amalgamating Company 3 into the Amalgamated Company, by way of merger by absorption and the dissolution of Amalgamating Company 1 and Amalgamating Company 3 without winding up and the consequent cancellation of the equity shares held by the Amalgamated Company in Amalgamating Company 1 and Amalgamating Company 3, in accordance with this Scheme (hereinafter referred to as "Amalgamation 1");
 - (ii) The amalgamation of Amalgamating Company 2 into the Amalgamated Company, by way of merger by absorption and the dissolution of Amalgamating Company 2 without winding up and the consequent cancellation of the equity shares held by the Amalgamated Company in Amalgamating Company 2, in accordance with this Scheme (hereinafter referred to as "Amalgamation 2") (Amalgamations 1 and Amalgamation 2 are hereinafter collectively referred to as, the "Amalgamations");
 - (iii) Adjustment of debit balance of capital reserve, if any (including capital reserve arising on the Amalgamations), and debit balance of amalgamation adjustment reserve account in the books of Amalgamations with Securities Premium Account (as defined in the Scheme) of Amalgamated Company; and
 - (iv) Various other matters incidental, consequential or otherwise integrally connected therewith, including change in name and changes to the share capital of the Amalgamated Company, pursuant to provisions of Sections 230 – 23 read with Section 52 and other applicable/relevant provisions of the Act in the manner provided for in this Scheme and in compliance with the provisions of the Income Tax Act, 1961 and other applicable regulatory requirements.
- (c) The relevant clauses of the Scheme are as under:
 - 12.(ix) **"Appointed Date"** shall mean April 1, 2023;
 - 12.(xii) **"Effective Date"** means the last of the dates on which all the conditions and matters referred to in Clause 49, (the conditions and matters provided in Clause 49 have been listed at **Annexure 1** herein) occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to 'date of coming into effect of the Scheme' or 'effectiveness of the Scheme' shall mean the Effective Date;
 - 40. Change in name of Amalgamated Company.
 - (i) As an integral part of this Scheme and pursuant to the Scheme becoming effective, subject to such compliances and requisite approvals of Governmental Authorities (including RBI, Ministry of Corporate Affairs and jurisdictional Registrar of Companies) as may be required under Applicable Laws to effect a change of name, the name of the Amalgamated Company shall stand changed to L&T Finance Limited or such other name as approved by the Board of the Amalgamated Company.
 - (ii) Consequently, upon the change in name of the Amalgamated Company, without any further act or instrument or deed, Clause I of the memorandum of association and Article 2 of the articles of association of the Amalgamated Company shall be altered to reflect the name as approved by the relevant Governmental Authorities.
 - (iii) Under the accepted principle of single window clearance, by virtue of the fact that the shareholders of the Amalgamated Company, while approving this Scheme as a whole, have approved and accorded the relevant consents as required under

the Act, for the amendment of the memorandum of association and articles of association of the Amalgamated Company to reflect the change of name of the Amalgamated Company and that the Amalgamated Company shall not be required to pass separate resolutions under the applicable provisions of Section 13, 14 and other applicable provisions of the Act, the name of the Amalgamated Company will be changed consequently. The Amalgamated Company undertakes to pay fees, if any, that may be required in relation to such change of name. The approval of the shareholders of LTFH and the approval of the NCLT to the Scheme shall be considered as the approval required under the provisions of the Act for such change of name.

41. Cancellation of Shares of the Amalgamating Companies Upon the Scheme coming into effect, all equity shares of the Amalgamating Companies held by the Amalgamated Company (directly, indirectly and/or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new equity shares shall be issued or payment made in cash or in kind whatsoever by the Amalgamated Company in lieu of such equity shares held in the Amalgamating Companies.

42. Consolidation of the authorised share capital of the Amalgamating Companies with the authorised capital of the Amalgamated Company.

As an integral part of the Scheme, and upon this Scheme becoming effective, the authorised share capital of the Amalgamated Company shall automatically stand increased, without any further act, instrument or deed on the part of the Amalgamated Company including payment of stamp duty and fees payable to the Registrar

of Companies, by an amount equal to the authorised share capital of respective Amalgamating Companies, such that upon the effectiveness of the Scheme, the authorised share capital of the Amalgamated Company shall be ₹ 1,68,86,55,96,100 comprising of 10,87,45,59,610 equity shares of ₹ 10 each, 50,12,00,000 preference shares of ₹ 100 and 10,000 preference shares of ₹ 10,00,000 each without any further act, deed, resolution or writing.

44. Pursuant to the Amalgamations upon this Scheme becoming effective and with effect from the Appointed Date:

- (i) The debit balance of capital reserve, if any (including capital reserve arising on the Amalgamations) and debit balance of amalgamation adjustment reserve account in the books of Amalgamated Company post Amalgamations shall be setoff against the Securities Premium Account of the Amalgamated Company.
- (ii) The reduction of the balance in the capital reserve and amalgamation adjustment reserve account of the Amalgamated Company post Amalgamations by way of the adjustment set out in this Clause 44 against the amounts held in the Securities Premium Account of the Amalgamated Company does not involve the reduction of the issued, subscribed and paid-up share capital of the Amalgamated Company. Further, the reduction does not envisage the transfer or vesting of any of the properties and/or liabilities of the Amalgamated Company to any person or entity.
- (iii) The approvals including approvals from the shareholders of the Amalgamated Company received pursuant to the provisions of the sections 230 to 232 of the Act under this Scheme shall deemed to be sufficient approval(s) for giving effect to the provisions

of this Clause 44 including under Section 52, Section 66 and the other related provisions of the Act. The Amalgamated Company shall not, nor shall be obliged to, (i) call for a separate meeting of its shareholders and creditors for obtaining their approval sanctioning the reduction of the Securities Premium Account of the Amalgamated Company; or (ii) obtain any additional approvals/compliances under Section 66 of the Act.

- (iv) The reduction in the Securities Premium Account of the Amalgamated Company in accordance with this Clause 44 is in accordance with the provisions of Section 230 to 232 read with Section 52 of the Act, as the same does not result in the extinguishment or diminution of any liability in respect of the unpaid share capital of the Amalgamated Company or payment to any shareholder of any paid-up share capital of the Amalgamated Company and the order of the NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 and Section 230 of the Act confirming such reduction of share capital of the Amalgamated Company. The reduction in the Securities Premium Account of the Amalgamated Company in the manner contemplated in this Scheme would not have any impact on the shareholding pattern of the Amalgamated Company nor would it have any adverse impact on the creditors or employees of the Amalgamated Company. The order of the NCLT sanctioning this Scheme shall also be deemed to be an order passed under Section 66 and 52 of the Act for the purpose of confirming the reduction.

- (v) Notwithstanding the reduction in the Securities Premium Account, the Amalgamated Company shall not be required to add 'And Reduced' as a suffix to its name. The reduction in the Securities Premium Account shall be effected as an integral part of the Scheme and in accordance with the applicable provisions of the Act without any further act or deed on the part of the Amalgamated Company.

A copy of the proposed Scheme is **Annexure 1** to this Company Application. The Scheme is not prejudicial to the interests of the shareholders and creditors of the Companies.

The features set out above being only the salient features of the Scheme, which are subject to details set out in the Scheme, the Secured Creditors are requested to read the entire text of the Scheme (annexed herewith) to get fully acquainted with the provisions thereof and the rationale and objectives of the Scheme.

Aditya Jain
Chairperson appointed for the Meeting

Date: June 19, 2023

Place: Chandigarh

Registered Office:

L&T Infra Credit Limited
Plot No.177, CTS No. 6970, 6971,
Vidyanagari Marg, CST Road, Kalina,
Santacruz (East), Mumbai – 400098,
Maharashtra.

Website: www.ltfs.com

Email: accountspayable-merger@ltfs.com

L&T Infra Credit Limited

(formerly known as L&T Infra Debt Fund Limited)

Registered Office: Plot No. 177, CTS No. 6970, 6971, Vidyanagari Marg, C.S.T Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India

CIN: L67100MH2013PLC241104; E-mail: accountspayable-merger@ltfs.com;

Website: www.ltfs.com;

Phone: +91 22 6212 5000; Fax: +91 22 6212 5553

ATTENDANCE SLIP

MEETING OF SECURED CREDITORS – THURSDAY, JULY 27, 2023 AT 10:30 A.M.

(Please fill in the Attendance Slip and hand it over at the entrance of the meeting hall)

Folio No.:

DP ID & Client ID:

Name:

Address:

.....

.....

I certify that I am a Secured Creditor/proxy for the Secured Creditor of the Company.

I hereby record my presence at the Meeting of Secured Creditors of the Company at Brindavan, Plot No. 177, C.S.T Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra on Thursday, July 27, 2023 at 10:30 a.m.

.....
First / Sole holder / Proxy

.....
Second holder / Proxy

.....
Third holder / Proxy

L&T Infra Credit Limited

(formerly known as L&T Infra Debt Fund Limited)

Registered Office: Plot No. 177, CTS No. 6970, 6971, Vidyanagari Marg, C.S.T Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India

CIN: L67100MH2013PLC241104; E-mail: accountspayable-merger@ltfs.com;

Website: www.ltfs.com;

Phone: +91 22 6212 5000; Fax: +91 22 6212 5553

PROXY FORM

Form No. MGT-11

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Secured Creditor(s) :

Registered address :

E-mail ID :

Folio No./DP ID & Client ID :

I/We, being the secured creditor(s) of securities of the above named company, hereby appoint:

(1) Name:

Address:

E-mail ID: Signature, or failing him / her

(2) Name:

Address:

E-mail ID: Signature, or failing him / her

(3) Name:

Address:

E-mail ID: Signature

as my/our proxy to attend and vote for me/us and on my/our behalf at the Secured Creditors Meeting of the Company, to be held on Thursday, July 27, 2023, at 10:30 a.m. at the registered office of the Company at Brindavan, Plot No. 177, C.S.T Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra and at any adjournment thereof in respect of such resolution as are indicated below:

1. Considering and if thought fit, approving the Scheme.

Signed this _____ day _____ of 2023.

.....

Signature of the Secured Creditor

Affix revenue
stamp of Re.1

.....

First / Sole holder / Proxy

.....

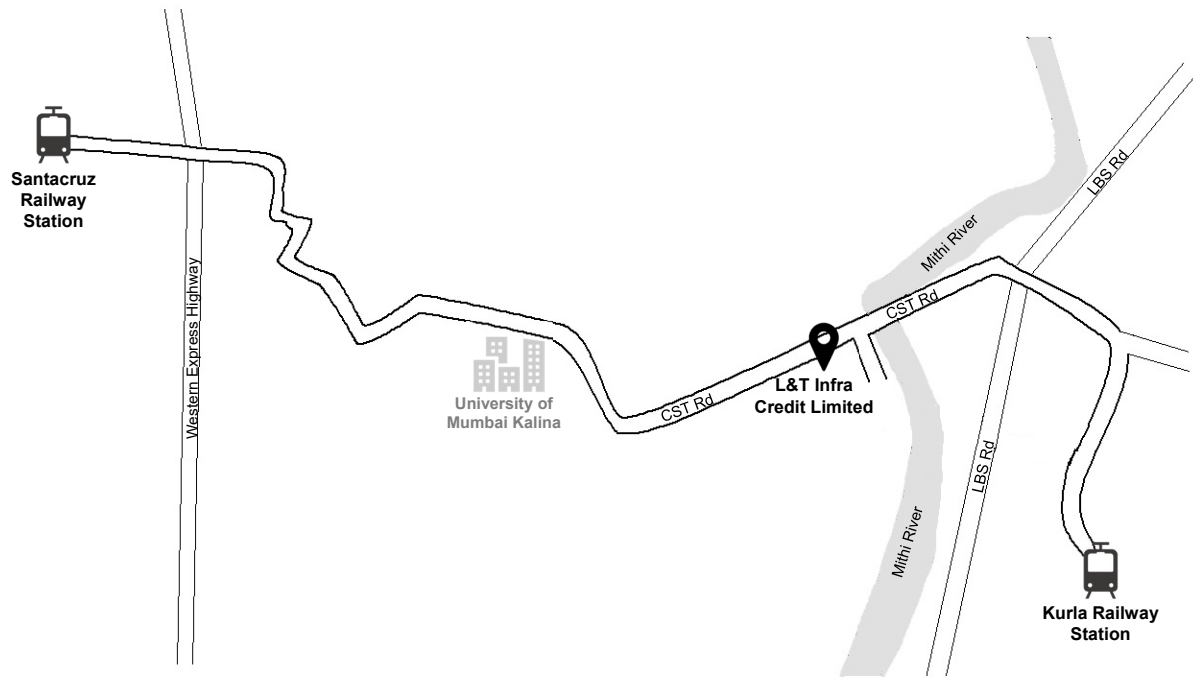
Second holder / Proxy

.....

Third holder / Proxy

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route Map to the Secured Creditors Meeting:



SCHEME OF AMALGAMATION

BY WAY OF MERGER BY ABSORPTION
AMONG

L&T FINANCE LIMITED	:	AMALGAMATING COMPANY 1 / TRANSFEROR COMPANY 1
L&T INFRA CREDIT LIMITED	:	AMALGAMATING COMPANY 2 / TRANSFEROR COMPANY 2
L&T MUTUAL FUND TRUSTEE LIMITED	:	AMALGAMATING COMPANY 3 / TRANSFEROR COMPANY 3
L&T FINANCE HOLDINGS LIMITED	:	AMALGAMATED COMPANY / TRANSFEREE COMPANY

AND ARRANGEMENT UNDER SECTIONS 230 – 232 READ WITH SECTION 52 AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

PART I : GENERAL

A. DESCRIPTION OF THE PARTIES

1. L&T FINANCE LIMITED (CIN:U65910WB1993FLC060810) is a public company, incorporated on November 24, 1993 under the Companies Act, 1956, having its registered office at 15th Floor, PS Srijan Tech Park, Plot No.52 DN, Sector – V, Salt Lake City, Kolkata, Parganas North – 700091 (West Bengal) (hereinafter referred to as **“Amalgamating Company 1”** or **“Transferor Company 1”** or **“LTF”**). LTF is registered with the Reserve Bank of India (**“RBI”**) as a non-banking financial company - investment and credit company (**“NBFC – ICC”**) in terms of the certificate of registration issued by the RBI, bearing registration no B-05.06200, dated May 4, 2017. LTF has also been classified as an Upper Layer NBFC (**“NBFC-UL”**) by the RBI, vide letter dated October 4, 2022. LTF is focused on becoming a retail finance company and its retail businesses comprise Rural Business Finance (includes Micro finance loans), Farmer Finance, Urban Finance (includes Consumer Loans, Two-Wheeler Loans, Retail Housing and LAP) and SME Finance. The wholesale business comprises Infrastructure Finance and Real Estate Finance. The non-convertible debentures of LTF are listed on the National Stock Exchange of India Limited (**“NSE”**) and BSE Limited (**“BSE”**), the details of which are set out in **Schedule A**.
2. L&T INFRA CREDIT LIMITED (formerly known as L&T Infra Debt Fund Limited) (CIN:L67100MH2013PLC241104) is a public company, incorporated on March 19, 2013 under the Companies Act, 1956, having its registered office at Plot No.177, CTS No. 6970, 6971, Vidyanagari Marg, CST Road, Kalina, Santacruz (East), Mumbai – 400098 (Maharashtra) (hereinafter referred to as **“Amalgamating Company 2”** or **“Transferor Company 2”** or **“LTICL”**). LTICL is registered with the RBI as an NBFC – ICC in terms of the certificate of registration issued by the RBI, bearing registration no. N-13.02055, dated June 22, 2022. LTICL has also been classified as a Middle Layer NBFC (**“NBFC-ML”**) as per the Scale Based Regulations. LTICL is currently engaged in Infrastructure Finance. The non-convertible redeemable preference shares (**“NCRPS”**) of LTICL are listed on the BSE, the details of which are set out in **Schedule B**. The non-convertible debentures of LTICL are listed on the Stock Exchanges (as defined hereunder), the details of which are set out in **Schedule C**.
3. L&T MUTUAL FUND TRUSTEE LIMITED (CIN:U65993MH1996PLC211198) is a public company, incorporated on April 30, 1996 under the Companies Act, 1956, and having its registered office at Brindavan, Plot No.177, CTS Road, Kalina, Santacruz (East), Mumbai – 400098 (Maharashtra) (hereinafter referred to as **“Amalgamating Company 3”** or **“Transferor Company 3”** or **“LTMFTL”**). LTMFTL's principal activity was to provide trusteeship services to a mutual fund, however with divestment of stake in the mutual fund business, it no longer acts as a trustee company for any mutual fund. Further, vide letter dated November 25, 2022, LTMFTL voluntarily surrendered the approvals held by it to act as a mutual fund trustee.

*(Amalgamating Company 1, Amalgamating Company 2 and Amalgamating Company 3 are hereinafter collectively referred to as **“Amalgamating Companies”** or **“Transferor Companies”**. Separately Amalgamating Company 1 and Amalgamating Company 3 are hereinafter collectively referred to as **“Amalgamation 1 Companies”** and individually as **“Amalgamation 1 Company”**).*

4. L&T FINANCE HOLDINGS LIMITED (CIN:L67120MH2008PLC181833) is a public company, incorporated on May 1, 2008 under the Companies Act, 1956, and having its registered office at Brindavan, Plot No.177, CTS Road, Kalina, Santacruz (East), Mumbai – 400098 (Maharashtra) (hereinafter referred to as **“Amalgamated Company”** or **“Transferee Company”** or **“LTFH”**) LTFH is a registered Systemically Important Non- Deposit Accepting Core Investment Company (**“NBFC-CIC”**) in terms of the certificate of registration issued by the RBI, bearing registration no. N-13.02052, dated September 11, 2013. LTFH has also been classified as an NBFC-ML as per the Scale Based Regulations. As a NBFC-CIC, LTFH is a primary holding company, holding investments in its subsidiaries. The equity shares of LTFH are listed on the Stock Exchanges.

*(Amalgamated Company together with the Amalgamating Companies are hereinafter collectively referred to as the **“Companies”**).*

LTF and LTMFTL are wholly owned subsidiaries of LTFH. LTICL is an indirect wholly owned subsidiary of LTFH, wherein 76.64% (seventy six point six four per cent) of the equity shareholding is held by LTF and 23.36% (twenty three point three six per cent) is directly held by LTFH.

B. DESCRIPTION OF THE SCHEME

5. This Scheme *(as defined hereunder)* provides, inter alia, for:
- (i) the amalgamation of the Amalgamation 1 Companies into the Amalgamated Company, by way of merger by absorption, the dissolution of the Amalgamation 1 Companies without winding up and the consequent cancellation of the equity shares held by the Amalgamated Company in the Amalgamation 1 Companies, in accordance with this Scheme (hereinafter referred to as **“Amalgamation 1”**);
 - (ii) the amalgamation of the Amalgamating Company 2 into the Amalgamated Company, by way of merger by absorption, the dissolution of the Amalgamating Company 2 without winding up and the consequent cancellation of the equity shares held by the Amalgamated Company in the Amalgamating Company 2, in accordance with this Scheme (hereinafter referred to as **“Amalgamation 2”**)
- (Amalgamations 1 and Amalgamation 2 are hereinafter collectively referred to as, the **“Amalgamation(s)”**)*
- (iii) Adjustment of debit balance of capital reserve, if any (including capital reserve arising on the Amalgamations), and debit balance of amalgamation adjustment reserve account in the books of Amalgamated Company post the Amalgamations with Securities Premium Account *(as defined hereunder)* of Amalgamated Company; and
 - (iv) various other matters incidental, consequential or otherwise integrally connected therewith, including change in name and changes to the share capital of the Amalgamated Company, pursuant to provisions of Sections 230 - 232 read with Section 52 and other applicable/relevant provisions of the Act (as defined hereunder) in the manner provided for in this Scheme and in compliance with the provisions of the IT Act *(as defined hereunder)* and other applicable regulatory requirements.
6. Pursuant to the Amalgamations, the Amalgamated Company will be required to obtain requisite registrations/licenses from the RBI to operate as an NBFC-ICC and also surrender its existing NBFC-CIC registration/license to the RBI in accordance with the applicable laws.
7. The Amalgamation of the Amalgamating Companies into the Amalgamated Company shall be in full compliance with the provisions of Section 2 (1B) of the IT Act. Since the Amalgamating Companies are direct and indirect wholly owned subsidiaries of the Amalgamated Company, upon this Scheme becoming effective, the equity shares held by the Amalgamated Company in the Amalgamating Companies will stand cancelled and no consideration shall pass from the Amalgamated Company in lieu of equity shares held in the Amalgamating Companies.
8. If any term or provision of the Scheme is found or interpreted to be inconsistent with the said provisions at a later date, including resulting from an amendment of law or for any other reason whatsoever, the Scheme shall stand modified to the extent determined necessary to comply with Section 2 (1B) of the Income Tax Act, 1961. Such modification will however not affect other parts of the Scheme.

C. RATIONALE FOR THE SCHEME

9. LTFH, being a Core Investment Company (CIC) and the holding company for the financial services businesses of the L&T Group, namely L&T Financial Services (**“LTFS”**) which is currently undertaken through two lending entities (both having an NBFC – ICC registration pursuant to the corporate restructuring exercise undertaken within LTFS in FY 2021-2022 in accordance with its strategy of ‘Right Structure’). LTFH also holds a few other financial / non-financial services businesses /entities. With the objective of creation of a single large unified operational lending entity and

mitigate potential operational and business inefficiencies of having two lending entities with the same NBFC-ICC registration, it is proposed to consolidate the businesses of the lending entities with the holding company. Further, it is also proposed to include a non-operating entity as part of this consolidation. This will help reduce the number of companies within the group (including NBFCs) to achieve optimal and efficient utilization of capital; enhance operational and management efficiencies and have a simplified organizational structure.

10. Thus, the Amalgamation pursuant to this Scheme would, inter alia, have the following benefits:
 - (i) Achieve simplification of the holding structure of entities forming part of the group, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale.
 - (ii) Creation of a single large lending entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively.
 - (iii) Achieve greater transparency, operational efficiency and better utilization of management bandwidth by having one operating Non-Banking Financial Company (NBFC) to house all lending businesses.
 - (iv) Enable access to business relationships and other intangible benefits that the Amalgamating Companies have built over decades.
 - (v) Companies have a proven track record in the respective businesses of credit consolidation which will lead to pooling of knowledge and expertise.
 - (vi) Ease of compliance with revised regulatory framework applicable to NBFC under Scale Based Regulations of RBI.
- 11 This Scheme is divided into the following parts:
 - (i) **Part I**, which deals with the introduction and definitions, and sets out the share capital of the Companies;
 - (ii) **Part II**, which deals with the Amalgamation 1 and dissolution without winding up pursuant thereto;
 - (iii) **Part III**, which deals with the Amalgamation 2 and dissolution without winding up pursuant thereto;
 - (iv) **Part IV**, which deals with the change of name and changes to the share capital;
 - (v) **Part V** which deals with the adjustment of the Securities Premium Account of the Amalgamated Company pursuant to the Amalgamations; and
 - (vi) **Part VI**, which deals with the general terms and conditions applicable to the Scheme.

D. DEFINITIONS

12. In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:
 - (i) **"Act"** shall mean the Companies Act, 2013 as amended from time to time, and shall include any other statutory re-enactment thereof, read with all surviving and applicable provisions of the Companies Act, 1956 and shall include all rules, regulations, circulars, notifications, guidelines made or issued in relation thereto, from time to time;
 - (ii) **"Amalgamation(s)"** shall have the meaning ascribed to it in Clause 5 above;
 - (iii) **"Amalgamated Company"** shall have the meaning ascribed to it in Clause 4 above;
 - (iv) **"Amalgamating Companies"** shall have the meaning ascribed to it in Clause 3 above and **"Amalgamating Company"** shall mean either Amalgamating Company 1 or Amalgamating Company 2, or Amalgamating Company 3 as the case may be;
 - (v) **"Amalgamating Company 1"** shall have the meaning ascribed to it in Clause 1 above;
 - (vi) **"Amalgamating Company 2"** shall have the meaning ascribed to it in Clause 2 above;
 - (vii) **"Amalgamating Company 3"** shall have the meaning ascribed to it in Clause 3 above;
 - (viii) **"Applicable Law"** shall mean any applicable law, statute, ordinance, rule, regulation, guideline or policy having the force of law;
 - (ix) **"Appointed Date"** shall mean April 1, 2023;

- (x) **"Board"** in relation to any of the Companies, means the board of directors of such company and shall, where applicable, include a duly authorized committee of the Board/ officials authorised by the Board;
- (xi) **"Commercial Papers"** means commercial papers issued by the Amalgamating Companies and listed on the relevant Stock Exchange(s) as on the Record Date;
- (xii) **"Effective Date"** means the last of the dates on which all the conditions and matters referred to in Clause 49 occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to 'date of coming into effect of the Scheme' or 'effectiveness of the Scheme' shall mean the Effective Date;
- (xiii) **"Encumbrance" or "Encumber"** means any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other agreement or arrangement the effect of which is the creation of security, or any other right to acquire, or option, or any right of first refusal or any right of pre-emption, or any agreement or arrangement to create any of the same;
- (xiv) **"Existing NBFC-ICC Registration"** shall mean the certificate of registration issued by the RBI to the Amalgamating Company 2, bearing registration no. N-13.02055 dated June 22, 2022;
- (xv) **"Existing NBFC Registration"** shall mean the certificate of registration issued by the RBI to the Amalgamating Company 1, bearing registration no. -05.06200 dated May 4, 2017;
- (xvi) **"Governmental Authority"** means: (a) any national, federal, provincial, state, city, municipal, county or local government, governmental authority or political subdivision thereof; (b) any agency or instrumentality of any of the authorities referred to in clause (a); (c) any non-governmental regulatory or administrative authority, body or other organization, to the extent that the rules, regulations, standards, requirements, procedures or orders of such authority, body or other organization have the force of law; or (d) any court or tribunal having jurisdiction and including, without limitation or prejudice to the generality of the foregoing, the RBI, the NCLT, SEBI, Stock Exchanges and any tax authority;
- (xvii) **"INR"** means Indian Rupees;
- (xviii) **"IT Act"** shall mean the Income Tax Act, 1961 or any modifications or re-enactments or amendments thereof from time to time;
- (xix) **"LTFH"** shall have the meaning ascribed to it in Clause 4 above;
- (xx) **"NCLT"** shall mean the National Company Law Tribunal, including the National Company Law Tribunal at Mumbai, Maharashtra or the National Company Law Tribunal at Kolkata, West Bengal, as the context may require;
- (xxi) **"Record Date"** means the date fixed by the respective Boards of the Amalgamating Company 1, Amalgamating Company 2 and Amalgamated Company for the purpose of determining the holders of Commercial Papers, NCDs and NCRPS of the respective Amalgamating Companies, if any, who will become holders of such Commercial Papers, NCDs and NCRPS in the Amalgamated Company pursuant to the Amalgamations under this Scheme, as may be required;
- (xxii) **"RBI"** shall mean the Reserve Bank of India;
- (xxiii) **"Scale Based Regulations"** means the Scale Based Regulations (SBR): A Revised Regulatory Framework for NBFCs, issued by RBI dated October 22, 2021 and as amended from time to time, including circulars specified by RBI from time to time;
- (xxiv) **"Scheme"** means this scheme of amalgamation by way of merger by absorption and arrangement under Sections 230 - 232 read with Section 52 of the Act, including any modification or amendment hereto, made in accordance with the terms hereof;
- (xxv) **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- (xxvi) **"SEBI Scheme Circular - Debt"** means circular no. SEBI/HO/DDHS/DDHSDiv1/P/ CIR/20 22/0000000103 dated July 29, 2022 issued by SEBI, as amended from time to time, on Schemes of Arrangement by entities who have listed their non-convertible debt securities/non-convertible redeemable preference shares;
- (xxvii) **"Securities Premium Account"** means the line item classified as securities premium as presented in the balance sheet of the Amalgamating Companies and Amalgamated Company, forming part of the reserves and surplus of the Amalgamating Companies (if any) and Amalgamated Company;
- (xxviii) **"Stock Exchanges"** means the BSE Limited and the National Stock Exchange of India Limited, collectively;

- (xxix) **"Tax" or "Taxes"** means any and all taxes (direct or indirect), surcharges, fees, levies, duties, tariffs, refund, credits, imposts and other charges of any kind in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties, excise, CENVAT, withholding tax, tax deducted at source, tax collected at source, self-assessment tax, advance tax, service tax, goods and services tax, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash transaction tax, securities transaction tax, taxes withheld or paid in a foreign country, customs duty and registration fees (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto).
- (xxx) **"Undertakings"** collectively refers to Undertaking 1, Undertaking 2 and Undertaking 3;
- (xxxi) **"Undertaking 1"** means all the undertakings and entire business of the Amalgamating Company 1, as a going concern, and shall include (without limitation):
- (a) all assets and properties, including rights and interests of every description, (whether movable or immovable, tangible or intangible, present or future, in possession or reversion, of whatsoever nature and wherever situated) of the Amalgamating Company 1, wherever situated, including without limitation, all lands (whether leasehold or freehold or leave and licenced or right of way and all documents of title, rights, easements in relation thereto including panchnamas, declarations, receipts) including the land parcels owned by the Amalgamating Company 1, structures, capital work-in-progress, capital advance, preliminary expenses, pre-operative expenses, estates, furniture, fixtures, office equipment, computers, appliances, water connections, utilities, all stocks, leasehold improvements, current assets (including inventories, sundry debtors, bills of exchange, loans and advances, credits), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, security receipts, units of mutual funds), earnest money, all cash and bank balances (including cash and bank balances deposited with any banks or entities), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Amalgamating Company 1, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending/financial contracts, security documents with respect to lending/financial contracts, approvals attached to the security documents, rights and benefits under any agreement, rights, claims, title and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature whosoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Amalgamating Company 1 or in connection with or relating to the Amalgamating Company 1 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Amalgamating Company 1, whether in India or abroad;
 - (b) all assets, as are movable in nature whether present or future or contingent, tangible or intangible, in possession or reversion, including inventory, actionable claims, current assets, earnest monies and sundry debtors, financial assets, margin money deposits, securitization receivables, capital advances, security deposits, rental deposits, telephone deposits, investments in shares (including investments in subsidiaries, associates, joint ventures, whether in India or abroad), scrips, mutual funds, bonds, security receipts, debentures, pass through certificates, and other securities (whether in dematerialized form or physical form), including actionable claims, earnest monies, prepaid expenses, staff advances, rebates, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, goods and services tax credits or set-offs, advance tax, self-assessment tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds, contingent rights or benefits, receivables, including dividend declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates;
 - (c) all rights to use and avail telephones, telexes, facsimile, e-mail, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties

or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by Amalgamating Company 1 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by Amalgamating Company 1;

- (d) rights to any claim not preferred or made by Amalgamating Company 1 in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by Amalgamating Company 1 and any interest thereon, with regard to any Applicable Law, act or rule or scheme made by the Appropriate Authority, and in respect of set-off, carry forward of unabsorbed losses and unabsorbed tax depreciation, deferred revenue expenditures, deductions, exemptions, rebates, allowances, amortization benefits, incentives, benefits, credits, etc. under the IT Act, sales tax, value added tax, service tax, custom duties and goods and services tax or any other or like benefits under the said acts or under and in accordance with the Applicable Law;
- (e) all permits (except the Existing NBFC Registration), quotas, rights, entitlements, development rights (whether vested or potential and whether under agreements or otherwise), approvals, consents, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts), allotments, approvals, consents, concessions, clearances, credits, exemptions, subsidies, registrations, no objection certificate, permits, quotas, entitlements, authorization, application made for obtaining all or any of the aforesaid, awards, pre-qualifications, bid acceptances, tender, certificates, service mark, logos, domain names, sales tax credit, service tax input credit, GST input credit, income tax credit, sanctions as required under Applicable Law, including tenancy rights, incentives, concessions, grants, subsidies, privileges, income Tax benefits, deferrals and exemptions, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Amalgamating Company 1;
- (f) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expressions of interest, letters of intent, hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with suppliers/manufacturers of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes (including but not limited to the ESOP schemes, as applicable), insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;
- (g) all intellectual property rights including patents, copyrights, trade and service names, service marks, trademarks, domain names and other intellectual property of any nature whatsoever, goodwill, receivables, belonging to or utilized for the business and activities of the Amalgamating Company 1;
- (h) any of its present, and contingent future liabilities of the Amalgamating Company 1 including all debts, loans (whether denominated in rupees or a foreign currency and whether secured or unsecured), all guarantees, assurances, commitments, term deposits, time and demand liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, known or unknown, due or become due, whenever or however rising (including, without limitation whether arising out of contract or tort based on negligence or strict liability) (including any postdated cheque or guarantees, letters of credit, letters of comfort or other instruments which may give rise to a contingent liability in whatever form);
- (i) all deposits and balances with government, quasi – government, local and other authorities and bodies, customers, and other persons, earnest monies and/or security deposits paid or received by the Amalgamating Company 1, directly or indirectly;
- (j) all book, records, files, papers, engineering and process information, application, software, software

licenses (whether proprietary or otherwise), test reports, computer programmes, drawing manuals, data, databases including databases for procurement, commercial or management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, list of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;

- (k) all insurance policies;
- (l) all legal, taxation and other proceedings of whatsoever nature viz. both existing and future proceedings including all pending direct tax and indirect tax litigations; and
- (m) the employees of the Amalgamating Company 1 on the payroll of Amalgamating Company 1 as on the Effective Date.

For the avoidance of any doubt, it is clarified that the Existing NBFC Registration, shall be surrendered and shall not be transferred to or vested in the Amalgamated Company pursuant to the Scheme, in accordance with applicable regulatory requirements of the RBI.

(xxxii) **“Undertaking 2”** means all the undertakings and entire business of the Amalgamating Company 2, as a going concern, and shall include (without limitation):

- (a) all assets and properties, including rights and interests of every description, (whether movable or immovable, tangible or intangible, present or future, in possession or reversion, of whatsoever nature and wherever situate) of the Amalgamating Company 2, wherever situated including, without limitation, all lands (whether leasehold or freehold or leave and licenced or right of way and all documents of title, rights, easements in relation thereto including panchnamas, declarations, receipts) including the land parcels owned by the Amalgamating Company 2, land parcels acquired by Amalgamating Company 2 in settlement of claims, structures, capital work-in-progress, capital advance, preliminary expenses, pre-operative expenses, estates, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, water connections, utilities, all stocks, leasehold improvements, current assets (including inventories, sundry debtors, bills of exchange, loans and advances, credits), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, units of mutual funds), earnest money all cash and bank balances (including cash and bank balances deposited with any banks or entities), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Amalgamating Company 2, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending/financial contracts, security documents with respect to lending/financial contracts, approvals attached to the security documents, rights and benefits under any agreement, rights, claims, title and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature whosoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Amalgamating Company 2 or in connection with or relating to the Amalgamating Company 2 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Amalgamating Company 2, whether in India or abroad;
- (b) all assets, as are movable in nature whether present or future or contingent, tangible or intangible, in possession or reversion, including inventory, actionable claims, current assets, earnest monies and sundry debtors, financial assets, margin money deposits, securitization receivables, capital advances, security deposits, rental deposits, telephone deposits, investments in shares (including investments in subsidiaries, associates, joint ventures, whether in India or abroad), scrips, mutual funds, bonds, security receipts, debentures, pass through certificates, security receipts and other securities (whether in dematerialized form or physical form), including actionable claims, earnest monies, prepaid expenses, staff advances, rebates, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets, including but not limited to service tax input credits, goods and services tax credits or set-offs, advance tax, self-assessment tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds, contingent rights or benefits, receivables, including dividend declared or interest accrued

thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates;

- (c) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by Amalgamating Company 2 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by Amalgamating Company 2;
- (d) rights to any claim not preferred or made by Amalgamating Company 2 in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by Amalgamating Company 2 and any interest thereon, with regard to any Applicable Law, act or rule or scheme made by the Appropriate Authority, and in respect of set-off, carry forward of unabsorbed losses and unabsorbed tax depreciation, deferred revenue expenditures, deductions, exemptions, rebates, allowances, amortization benefits, incentives, benefits, credits, etc. under the IT Act, sales tax, value added tax, service tax, custom duties and goods and services tax or any other or like benefits under the said acts or under and in accordance with the Applicable Law;
- (e) all permits (except the Existing NBFC- ICC Registration), quotas, rights, entitlements, development rights (whether vested or potential and whether under agreements or otherwise), approvals, consents, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts), allotments, approvals, consents, concessions, clearances, credits, exemptions, subsidies, registrations, no objection certificate, permits, quotas, entitlements, authorization, application made for obtaining all or any of the aforesaid, awards, pre-qualifications, bid acceptances, tender, certificates, service makes, logos, domain names, sales tax credit, income tax credit, sanctions as required under Applicable Law, including tenancy rights, incentives, concessions, grants, subsidies, privileges, income tax benefits, deferrals and exemptions, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Amalgamating Company 2;
- (f) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expressions of interest, letters of intent, hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with suppliers/manufacturers of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes (including but not limited to the ESOP schemes, as applicable), insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;
- (g) all intellectual property rights including patents, copyrights, trade and service names, service marks, trademarks, domain names and other intellectual property of any nature whatsoever, goodwill, receivables, belonging to or utilized for the business and activities of the Amalgamating Company 2;
- (h) any or any of its present, and contingent future liabilities of the Amalgamating Company 2 including all debts, loans (whether denominated in rupees or a foreign currency and whether secured or unsecured), all guarantees, assurances, commitments, term deposits, time and demand liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, known or unknown, due or become due, whenever or however rising (including, without limitation whether arising out of contract or tort based on negligence or strict liability) (including any postdated cheque or guarantees, letters of credit, letters of comfort or other instruments which may give rise to a contingent liability in whatever form);
- (i) all deposits and balances with government, quasi-government, local and other authorities and bodies,

customers, and other persons, earnest monies and/or security deposits paid or received by the Amalgamating Company 2, directly or indirectly;

- (j) all book, records, files, papers, engineering and process information, application, software, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawing manuals, data, databases including databases for procurement, commercial or management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, list of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;
- (k) all insurance policies;
- (l) all legal, taxation and other proceedings of whatsoever nature viz. both existing and future proceedings including all pending direct and indirect tax litigations; and
- (m) the employees of the Amalgamating Company 2 on the pay roll of the Amalgamating Company 2 as on the Effective Date.

For the avoidance of any doubt, it is clarified that the Existing NBFC- ICC Registration, shall be surrendered and shall not be transferred to or vested in the Amalgamated Company pursuant to the Scheme, in accordance with applicable regulatory requirements of the RBI.

(xxiii) **“Undertaking 3”** means all the undertakings and entire business of the Amalgamating Company 3, as a going concern, and shall include (without limitation):

- (a) all assets and properties, including rights and interests of every description, (whether movable or immovable, tangible or intangible, present or future, in possession or reversion, of whatsoever nature and wherever situate) of the Amalgamating Company 3, wherever situated including, without limitation, all lands (whether leasehold or freehold or leave and licenced or right of way and all documents of title, rights, easements in relation thereto including panchnamas, declarations, receipts) including the land parcels owned by the Amalgamating Company 3, land parcels acquired by Amalgamating Company 3 in settlement of claims, structures, capital work-in-progress, capital advance, preliminary expenses, pre-operative expenses, estates, furniture, fixtures, office equipment, computers, appliances, accessories, power lines, water connections, utilities, all stocks, leasehold improvements, current assets (including inventories, sundry debtors, bills of exchange, loans and advances, credits), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, units of mutual funds), earnest money all cash and bank balances (including cash and bank balances deposited with any banks or entities), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Amalgamating Company 3, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending/ financial contracts, security documents with respect to lending/financial contracts, approvals attached to the security documents, rights and benefits under any agreement, rights, claims, title and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature whosoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Amalgamating Company 3 or in connection with or relating to the Amalgamating Company 3 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Amalgamating Company 3, whether in India or abroad;
- (b) all assets, as are movable in nature whether present or future or contingent, tangible or intangible, in possession or reversion, including inventory, actionable claims, current assets, earnest monies and sundry debtors, financial assets, margin money deposits, securitization receivables, capital advances, security deposits, rental deposits, telephone deposits, investments in shares (including investments in subsidiaries, associates, joint ventures, whether in India or abroad), scrips, mutual funds, bonds, security receipts, debentures, pass through certificates, security receipts and other securities (whether in dematerialized form or physical form), including actionable claims, earnest monies, prepaid expenses, staff advances, rebates, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit, and tax related assets,

including but not limited to service tax input credits, goods and services tax credits or set-offs, advance tax, self-assessment tax, minimum alternate tax credit, deferred tax assets/liabilities, tax deducted at source and tax refunds, contingent rights or benefits, receivables, including dividend declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates;

- (c) all rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by Amalgamating Company 3 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by Amalgamating Company 3;
- (d) rights to any claim not preferred or made by Amalgamating Company 3 in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by Amalgamating Company 3 and any interest thereon, with regard to any Applicable Law, act or rule or scheme made by the Appropriate Authority, and in respect of set-off, carry forward of unabsorbed losses and unabsorbed tax depreciation, deferred revenue expenditures, deductions, exemptions, rebates, allowances, amortization benefits, incentives, benefits, credits, etc. under the IT Act, sales tax, value added tax, service tax, custom duties and goods and services tax or any other or like benefits under the said acts or under and in accordance with the Applicable Law;
- (e) all permits, quotas, rights, entitlements, development rights (whether vested or potential and whether under agreements or otherwise), approvals, consents, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business therewith), permissions (including not limited to permissions granted in relation to launch futures and options contracts), allotments, approvals, consents, concessions, clearances, credits, exemptions, subsidies, registrations, no objection certificate, permits, quotas, entitlements, authorization, application made for obtaining all or any of the aforesaid, awards, pre- qualifications, bid acceptances, tender, certificates, service makes, logos, domain names, sales tax credit, income tax credit, sanctions as required under Applicable Law, including tenancy rights, incentives, concessions, grants, subsidies, privileges, income tax benefits, deferrals and exemptions, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Amalgamating Company 3;
- (f) all contracts, agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expressions of interest, letters of intent, hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with suppliers/manufacturers of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes (including but not limited to the ESOP schemes, as applicable), insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;
- (g) all intellectual property rights including patents, copyrights, trade and service names, service marks, trademarks, domain names and other intellectual property of any nature whatsoever, goodwill, receivables, belonging to or utilized for the business and activities of the Amalgamating Company 3;
- (h) any or any of its present, and contingent future liabilities of the Amalgamating Company 3 including all debts, loans (whether denominated in rupees or a foreign currency and whether secured or unsecured), all guarantees, assurances, commitments, term deposits, time and demand liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, known or unknown, due or become due, whenever or however rising (including, without limitation whether arising out of contract or tort based

on negligence or strict liability) (including any postdated cheque or guarantees, letters of credit, letters of comfort or other instruments which may give rise to a contingent liability in whatever form);

- (i) all deposits and balances with government, quasi – government, local and other authorities and bodies, customers, and other persons, earnest monies and/or security deposits paid or received by the Amalgamating Company 3, directly or indirectly;
- (j) all book, records, files, papers, engineering and process information, application, software, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawing manuals, data, databases including databases for procurement, commercial or management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, list of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form;
- (k) all insurance policies;
- (l) all legal, taxation and other proceedings of whatsoever nature viz. both existing and future proceedings including all pending direct and indirect tax litigations; and
- (m) the employees of the Amalgamating Company 3 on the pay roll of the Amalgamating Company 3 as on the Effective Date, if any.

For the avoidance of any doubt, it is clarified that the Amalgamating Company 3 has *vide* letter dated November 25, 2022, voluntarily surrendered the approvals held by it to act as a mutual fund trustee and no longer acts as a trustee company for any mutual fund, and hence any such approvals do not form part of the Undertaking 3.

13. Share Capital

- (i) The share capital structure of the Amalgamating Company 1 as on January 12, 2023 is as follows:

Particulars	Amount (in INR)
Authorized Share Capital	
4,87,43,09,610 equity shares of INR 10 each	48,74,30,96,100
12,00,000 Preference shares of INR100 each	12,00,00,000
Total	48,86,30,96,100
Issued, Subscribed and Paid up Share Capital	
2,86,41,72,360 equity shares of INR 10 each	28,64,17,23,600
Total	28,64,17,23,600

- (ii) The share capital structure of the Amalgamating Company 2 as on January 12, 2023 is as follows:

Particulars	Amount (in INR)
Authorized Share Capital	
1,00,00,00,000 equity shares of INR 10 each	10,00,00,00,000
10,000 preference shares of INR 10,00,000 each	10,00,00,00,000
Total	20,00,00,00,000
Issued, Subscribed and Paid up Share Capital	
57,16,30,214 equity shares of INR10 each	5,71,63,02,140
2,148 preference shares of INR 10,00,000	2,14,80,00,000
50 preference shares of INR 6,70,000	3,35,00,000
Total	7,89,78,02,140

- (iii) The share capital structure of the Amalgamating Company 3 as on January 12, 2023 is as follows:

Particulars	Amount (in INR)
Authorized Share Capital	
250,000 equity shares of INR 10 each	2,500,000
Total	2,500,000
Issued, Subscribed and Paid up Share Capital	
150,000 equity shares of INR 10 each	1,500,000
Total	1,500,000

- (iv) The share capital structure of the Amalgamated Company as on January 12, 2023 is as follows:

Particulars	Amount (in INR)
Authorized Share Capital	
5,00,00,00,000 equity shares of INR 10 each	50,00,00,00,000
50,00,00,000 preference shares of INR 100 each	50,00,00,00,000
Total	100,00,00,00,000
Issued, Subscribed and Paid up Share Capital	
2,47,96,71,117 equity shares of INR 10 each	24,79,67,11,170
Total	24,79,67,11,170

PART II: AMALGAMATION OF THE AMALGAMATION 1 COMPANIES INTO THE AMALGAMATED COMPANY

14. Transfer & Vesting

With effect from the Appointed Date, the Amalgamation 1 Companies shall stand amalgamated into the Amalgamated Company and their respective Undertakings shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in the Amalgamated Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, the undertaking of the Amalgamated Company by virtue of and in the manner provided in the Scheme.

15. Transfer of Assets

- (i) Without prejudice to the generality of Clause 14 above, with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances of the Undertakings, of whatsoever nature and wherever situate, whether or not included in the books of the Amalgamation 1 Companies shall, subject to the provisions of this Clause 15 in relation to the mode of vesting and pursuant to provisions of Sections 230 to 232 of the Act and without any further act, deed, matter or thing, be and stand transferred to and vested in or shall be deemed to have been transferred to and vested in the Amalgamated Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest authorities of the Amalgamated Company.
- (ii) In respect of such assets of the Amalgamation 1 Companies as are movable in nature or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery, the same may be so transferred by the Amalgamation 1 Companies, and shall become the property of the Amalgamated Company with effect from the Appointed Date pursuant to the provisions of Section 230 to 232 of the Act without requiring any deed or instrument of conveyance for transfer of the same.
- (iii) In respect of such of the assets belonging to the Amalgamation 1 Companies other than those referred to in sub-clause (ii) above, including sundry debtors, receivables, bills, credits (including Tax credits pertaining to direct and indirect tax), loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Amalgamated Company and/or deemed to have been transferred to and vested in the Amalgamated Company, the same shall, as more particularly provided in sub-clause (i) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Amalgamated Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act. All cheques or negotiable instruments, payment orders etc., received in the name of the Amalgamation 1 Companies on or after the Effective Date shall be accepted by the bankers of the Amalgamated Company and credited to the account of the Amalgamated Company. All cheques or negotiable instruments, payment orders, etc., issued by any of the Amalgamation 1 Companies prior to the Effective Date, shall be, on or after the Effective Date, dealt with by the bankers of the Amalgamated Company and debited from the account of the Amalgamated Company. Similarly, the banker to the Amalgamation 1 Companies shall honour and accept cheques and all requests issued by the Amalgamated Company for payment or otherwise on or after the Effective Date.
- (iv) All assets, rights, title, interest, investments and properties of the Amalgamation 1 Companies as on the Appointed Date, whether or not included in the books of the Amalgamation 1 Companies, and all assets, rights, title, interest, investments and properties, which are acquired by the Amalgamation 1 Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Amalgamated Company, and shall under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Amalgamated Company upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- (v) All the licenses, permits, entitlements, approvals, permissions, registrations (except for the Existing NBFC Registration), incentives, Tax deferrals, exemptions (including Tax exemptions) and benefits (including goods and service Tax, sales Tax and service Tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Amalgamation 1 Companies and all rights and benefits that have accrued or which may accrue to the Amalgamation 1 Companies, whether on, before or after the Appointed Date, including income tax benefits, deductions and exemptions, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of applicable law, if any, without any further act, instrument or deed, cost or charge

be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Amalgamated Company so as to become licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, tax deferrals, exemptions, deductions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Amalgamated Company and shall remain valid, effective and enforceable on the same terms and conditions.

- (vi) In so far as various incentives, subsidies, exemptions, remissions, reductions, export benefits, all indirect tax related benefits, including GST benefits, service tax benefits, all indirect tax related assets / credits, including but not limited to goods and service tax input credits, service tax input credits, value added/ sales tax/ entry tax credits or set-off, income tax holiday/ benefit/ losses / minimum alternative tax and other benefits or exemptions or privileges enjoyed, granted by any Government Authority or by any other person, or availed of by each of the Amalgamation 1 Companies are concerned, the same shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, without any further act or deed, in so far as they relate to their respective Undertakings, vest with and be available to the Amalgamated Company on the same terms and conditions as were available with the Amalgamation 1 Companies and as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Amalgamated Company.

16. Contracts, Deeds, Licenses etc.

- (i) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all commitment, sanctions, contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which any of the Amalgamation 1 Companies is a party or to the benefit of which the Amalgamation 1 Companies may be eligible or for the obligations of which the Amalgamation 1 Companies may be liable, and which are subsisting or have effect as on the Effective Date, shall continue in full force and have effect on or against or in favour, as the case may be, of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamation 1 Companies, the Amalgamated Company had been a party or beneficiary or obligee thereto.
- (ii) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertakings occurs by virtue of this Scheme itself, the Amalgamated Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which any of the Amalgamation 1 Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of Part II of this Scheme, be deemed to be authorised to execute any such writings as a successor of the Amalgamation 1 Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamation 1 Companies to be carried out or performed.
- (iii) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and subject to Applicable Law, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Amalgamation 1 Companies shall (except for the Existing NBFC Registration) stand transferred to the Amalgamated Company as if the same were originally given by, issued to or executed in favour of the Amalgamated Company, and the Amalgamated Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Amalgamated Company. The Amalgamated Company shall make applications to any Governmental Authority as may be necessary in this behalf.
- (iv) Without prejudice to the provisions of Clauses 14 to 16, with effect from the Appointed Date, all transactions between (a) any of the Amalgamation 1 Companies and the Amalgamated Company; or (b) between the Amalgamation 1 Companies if any, that have not been completed as on Effective Date, shall stand cancelled.

17. Transfer of Liabilities

- (i) With effect from the Appointed Date, all debts, liabilities, loans raised and used, duties and obligations of the Amalgamation 1 Companies, whether or not recorded in its books and records shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to be transferred to and vested in the Amalgamated Company to the extent that they are outstanding on the Effective Date so as to become as and from the Appointed Date the debts, liabilities, loans, obligations and duties of the Amalgamated Company on the same terms and conditions as were applicable to the Amalgamation 1 Companies, and the Amalgamated Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts or liabilities have arisen in order to give effect to the provisions of this Clause 17.

- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Amalgamation 1 Companies and the Amalgamated Company shall ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Amalgamated Company.
 - (iii) Without prejudice to the foregoing provisions of this Clause, upon the coming into effect of the Scheme, all borrowings in the form of debt securities, including Commercial Papers, non – convertible debentures (“**NCDs**”), external commercial borrowings, bonds or other instruments of like nature (whether secured or unsecured, convertible into equity shares or not) of the Amalgamation 1 Companies (“**Debt Securities**”) shall, pursuant to the provisions of Sections 230 – 232 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Amalgamated Company on the same terms and conditions and without any change in structure, except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Amalgamated Company as if it was the issuer of such Debt Securities, so transferred and vested.
 - (iv) Any reference in any security documents or arrangements (to which the relevant Amalgamation 1 Company is a party) to the Amalgamation 1 Companies and its assets and properties, shall be construed as a reference to the Amalgamated Company and the assets and properties of the Amalgamation 1 Companies transferred to the Amalgamated Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Amalgamated Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge (whether in the name of or on behalf of any of the Amalgamation 1 Companies or the Amalgamated Company), with the Registrar of Companies to give formal effect to the above provisions, if required.
 - (v) The NCDs and Commercial Papers of the Amalgamation 1 Companies (if any) which are listed on BSE and/or NSE shall, upon transfer to and vesting in the Amalgamated Company in terms of this Scheme, subject to applicable regulations and prior approval requirements, if any, continue to be listed and/or admitted to trading on the relevant Stock Exchange(s) where the NCDs and Commercial Papers are listed. The Board of the Amalgamated Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing.
 - (vi) Upon the coming into effect of this Scheme, the Amalgamated Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
 - (vii) It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Amalgamated Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
 - (viii) The provisions of this Clause 17 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.
 - (ix) Without prejudice to the provisions of the foregoing clauses, the Amalgamated Company shall execute any instrument/s and/or document/s and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the jurisdictional registrar of companies to give formal effect to the above provisions, if required.
 - (x) It is hereby clarified that, unless expressly provided for in this Scheme, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts and liabilities, have arisen, in order to give effect to the provisions of this Clause 17.
 - (xi) Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause 17 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.
18. Pursuant to Clause 17 above, the holders of NCDs and Commercial Papers of the Amalgamating Company 1 whose names are recorded in the relevant registers of the Amalgamating Company 1 on the Record Date, if any, or their legal heirs, executors or administrators or (in case of a corporate entity) its successors, shall continue holding the same number of NCDs and Commercial Papers in the Amalgamated Company as held by such NCD or Commercial Paper holder respectively in the Amalgamating Company 1 and on the same terms and conditions.

19. Encumbrances

- (i) The transfer and vesting of the assets comprised in the Amalgamation 1 Companies to and in the Amalgamated Company under Clause 14 and Clause 15 of this Scheme shall be subject to the Encumbrances, if any, affecting the same.
- (ii) All Encumbrances, if any, existing prior to the Effective Date over the assets of the Amalgamation 1 Companies which secure or relate to the Liabilities shall, on or after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Amalgamated Company. Provided that if any of the assets of the Amalgamation 1 Companies have not been Encumbered in respect of the Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Amalgamated Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- (iii) The existing Encumbrances over the other assets and properties of the Amalgamated Company or any part thereof which relate to the liabilities and obligations of the Amalgamated Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Amalgamation 1 Companies transferred to and vested in the Amalgamated Company by virtue of the Scheme.

20. Legal, taxation and other proceedings

- (i) Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal or courts), by or against the Amalgamation 1 Companies, under any statute, pending on the Appointed Date, shall be continued and enforced by or against the Amalgamated Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against, as the case may be, the Amalgamated Company.
- (ii) The Amalgamated Company shall have all legal, taxation or other proceedings initiated by or against the Amalgamation 1 Companies referred to in sub-clause (i) above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Amalgamated Company, as a successor of the Amalgamating Companies.

21. Employees

- (i) Upon the coming into effect of this Scheme, all the employees of Amalgamating Company 1 and Amalgamating Company 3 (if any) (collectively referred to as **"Amalgamating Companies Employees"**) shall become the employees of the Amalgamated Company, subject to the provisions hereof without any break in their service and on the basis of continuity of service and, on terms and conditions no less favourable than those on which they are engaged by the Amalgamation 1 Companies and without any interruption of service as a result of the Amalgamation 1. For the purpose of payment of any compensation, employee stock options, gratuity and other terminal benefits, the uninterrupted past services of such Amalgamating Companies Employees with the Amalgamation 1 Companies shall also be taken into account and paid (as and when payable) by the Amalgamated Company.
- (ii) It is expressly provided that, on the Scheme becoming effective, insofar as the provident fund, gratuity fund, superannuation fund, employee stock options, or any other special fund or trusts, if any, created or existing for the benefit of the staff and employees of the Amalgamation 1 Companies are concerned, such proportion of the investments made in the funds and liabilities which are attributable/referable to the transferred employees engaged by Amalgamation 1 Companies (collectively referred to as the **"Funds"**) shall be transferred to the similar funds created and/or nominated by the Amalgamated Company and shall be held for their benefit pursuant to this Scheme, or at the sole discretion of the Amalgamated Company, maintained as separate funds by the Amalgamated Company. Pending the transfer as aforesaid, the funds of the Amalgamating Companies Employees may be continued to be deposited in the existing relevant Funds of the Amalgamation 1 Companies. Without prejudice to the aforesaid, the Board of the Amalgamated Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (a) retain separate trusts or funds within the Amalgamated Company for the erstwhile Fund(s) of the Amalgamating Companies; or (b) merge the pre-existing Funds of the Amalgamation 1 Companies with other similar funds of the Amalgamated Company.
- (iii) In relation to any other fund (including any funds set up by the government for employee benefits) created or existing for the benefit of the employees, the Amalgamated Company shall stand substituted for each of the Amalgamation 1 Companies, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such transferred employees.

- (iv) In relation to those Amalgamating Companies Employees who are not covered under the provident fund trust of the Amalgamating Company or who do not enjoy the benefit of any other provident fund trust, and for whom the Amalgamation 1 Companies are making contributions to the government provident fund, the Amalgamated Company shall stand substituted for the respective Amalgamation 1 Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees, such that all the rights, duties, powers and obligations of the respective Amalgamating Company in relation to such provident fund trust shall become those of the Amalgamated Company.

22. Treatment of Taxes

- (i) The Amalgamated Company shall be entitled to, amongst others, file/or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for/in respect of all Taxes paid (including but not limited to value-added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Amalgamation 1 Companies) including receipt of refund, credit, etc., if any, pertaining to the Amalgamation 1 Companies as may be required consequent to implementation of this Scheme. The Amalgamated Company shall be entitled to file modified tax returns in accordance with the provisions of IT Act on or after the Appointed Date.
- (ii) The Amalgamated Company shall be entitled to: (a) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of Amalgamation 1 Companies, which may be allowable in accordance with the provisions of the IT Act on or after the Appointed Date; and (b) exclude items such as provisions, reversals, etc. for which no deduction or Tax benefit has been claimed by Amalgamation 1 Companies prior to the Appointed Date in accordance with the provisions of IT Act.
- (iii) Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, carry forward tax losses, unabsorbed tax depreciation, minimum alternate tax credit, if any, of the Amalgamation 1 Companies as on the Appointed Date, shall, for all purposes, be treated as tax losses, unabsorbed tax depreciation, minimum alternate tax credit of the Amalgamated Company in accordance with the provisions of IT Act. It is further clarified that any book losses and/or unabsorbed depreciation of the Amalgamation 1 Companies as specified in their respective books of accounts shall be included as book losses and/or unabsorbed depreciation of the Amalgamated Company for the purposes of computation of minimum alternate tax.
- (iv) Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by the Amalgamation 1 Companies shall stand transferred to and vested in or deemed to be transferred to and vested in the Amalgamated Company and be entitled to/enjoyed/availed/utilized by the Amalgamated Company on and from the Appointed Date in the same manner as would have been entitled to/enjoyed/availed/utilized by the Amalgamated Company before implementation of this Scheme in accordance with the provisions of IT Act.
- (v) The Amalgamated Company shall be allowed as deduction in accordance with Section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which Amalgamation takes place. Further, the Amalgamated Company shall be allowed to claim as deduction of any unclaimed deduction (including Chapter VIA and Section 35DD deductions) of previous financial years of the Amalgamation 1 Companies, as it would have been entitled to claim in the event Amalgamation would not have taken place by the Amalgamation 1 Companies in accordance with the provisions of IT Act.

23. Accounting treatment for Amalgamation 1 in the books of Amalgamated Company:

On the Scheme taking effect, the Amalgamated Company shall account for amalgamation of the Amalgamation 1 Companies with the Amalgamated Company in its books of account with effect from the Appointed Date as under:

- (i) Amalgamation of the Amalgamation 1 Companies with the Amalgamated Company shall be accounted for in accordance with accounting prescribed under "pooling of interest" method in Appendix C of Indian Accounting Standard (IND AS) 103 as specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 or any other relevant or related requirement under the Act, as may be applicable.
- (ii) All assets, reserves and liabilities recorded in the books of the Amalgamation 1 Companies as on the Appointed Date and transferred to and vested in the Amalgamated Company pursuant to the Scheme shall be recorded by the Amalgamated Company at their respective book values and in the same form.

- (iii) The identity of the reserves of Amalgamation 1 Companies, if any, shall be preserved and they shall appear in the financial statements of Amalgamated Company in the same form and manner, in which they appeared in the financial statements of the Amalgamation 1 Companies.
- (iv) The inter-corporate investments / deposits / loans and advances or any receivables and payables between and amongst the Amalgamated Company and the Amalgamation 1 Companies will stand eliminated by set-off against each other and be cancelled.
- (v) The difference between the equity share capital of the Amalgamation 1 Companies and the value of investment in the Amalgamation 1 Companies by the Amalgamated Company shall be debited / credited (as the case may be) to capital reserve.
- (vi) In case of any differences in accounting policy between the Amalgamated Company and the Amalgamation 1 Companies, accounting policies followed by the Amalgamated Company shall prevail and impact of the same shall be quantified and appropriately adjusted in accordance with the accounting policies followed by the Amalgamated Company to ensure the financial statements reflect the financial position on the basis of consistent accounting policy.

24. Conduct

During the period between the approval of the Scheme by the Board of the Amalgamation 1 Companies and the Effective Date, with effect from the Appointed Date and up to and including the Effective Date:

- (i) The Amalgamation 1 Companies shall carry on and be deemed to have carried on all its business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of the Undertakings for and on account of, and in trust for, the Amalgamated Company;
- (ii) all profits and income accruing or arising to the Amalgamation 1 Companies, and losses and expenditure arising or incurred by it for such period shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Amalgamated Company;
- (iii) any of the rights, powers, authorities or privileges exercised by the Amalgamation 1 Companies shall be deemed to have been exercised by the Amalgamation 1 Companies, for and on behalf of, and in trust for and as an agent of the Amalgamated Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Amalgamation 1 Companies shall be deemed to have been undertaken for and on behalf of and as an agent of the Amalgamated Company;
- (iv) all Taxes, where applicable, (including but not limited to advance income Tax, Tax deducted at source, Taxes withheld/ paid in a foreign country, indirect Taxes, VAT, custom duty, service Tax, goods and service Tax, income-Tax refunds, service Tax refunds, goods and service Tax refunds), stamp duty, registration charges, paid or payable by the Amalgamation 1 Companies, including all or any Tax refunds or Tax liabilities or Tax claims arising from pending Tax proceedings, under any law, before the Appointed Date, shall be on account of the Amalgamation 1 Companies, and, insofar as it relates to the Tax payment (including, without limitation, income Tax, stamp duty, sales Tax, service Tax, goods and service Tax refunds, VAT, etc.), whether by way of deduction at source, advance Tax or otherwise howsoever, by the Amalgamation 1 Company in respect of the profits or activities or operation of Amalgamation 1 Company, with effect from the Appointed Date, shall be treated as or deemed to be treated as the Tax liability or Tax refunds/ Tax claims as the case may be (whether or not recorded in the books of Amalgamation 1 Companies), of the Amalgamated Company, and any advance income Tax, Tax deducted at source, income-Tax refunds, service Tax refunds, goods and service Tax refunds, deferred Tax assets, etc., as would have been available to the Amalgamation 1 Companies on or before the Effective Date, shall be available to the Amalgamated Company upon the Scheme coming into effect.

25. Saving of concluded transactions

The transfer and vesting of the Undertakings as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Amalgamation 1 Companies on or before the Appointed Date, and the Amalgamated Company accepts and adopts all acts, deeds and things made, done and executed by the Amalgamation 1 Companies.

26. Dissolution

Upon the coming into effect of the Scheme, the Amalgamation 1 Companies shall stand dissolved without winding up.

PART III: AMALGAMATION OF THE AMALGAMATING COMPANY 2 INTO THE AMALGAMATED COMPANY

27. Transfer & Vesting

With effect from the Appointed Date, the Amalgamating Company 2 shall stand amalgamated into the Amalgamated Company and the Undertaking 2 shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in the Amalgamated Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, the undertaking of the Amalgamated Company by virtue of and in the manner provided in the Scheme.

28. Transfer of Assets

- (i) Without prejudice to the generality of Clause 27 above, with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances of the Undertaking 2, of whatsoever nature and wherever situate, whether or not included in the books of the Amalgamating Company 2 shall, subject to the provisions of this Clause 28 in relation to the mode of vesting and pursuant to provisions of Sections 230 to 232 of the Act and without any further act, deed, matter or thing, be and stand transferred to and vested in or shall be deemed to have been transferred to and vested in the Amalgamated Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest authorities of the Amalgamated Company.
- (ii) In respect of such of the assets of the Amalgamating Company 2 as are movable in nature or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery, the same may be so transferred by the Amalgamating Company 2, and shall become the property of the Amalgamated Company with effect from the Appointed Date pursuant to the provisions of Section 230 to 232 of the Act without requiring any deed or instrument of conveyance for transfer of the same.
- (iii) In respect of such of the assets belonging to the Amalgamating Company 2 other than those referred to in sub-clause (ii) above, including sundry debtors, receivables, bills, credits (including Tax credits pertaining to direct and indirect tax), loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Amalgamated Company and/or deemed to have been transferred to and vested in the Amalgamated Company, the same shall, as more particularly provided in sub-clause (i) above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Amalgamated Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act. All cheques or negotiable instruments, payment orders etc., received in the name of the Amalgamating Company 2 on or after the Effective Date shall be accepted by the bankers of the Amalgamated Company and credited to the account of the Amalgamated Company. All cheques or negotiable instruments, payment orders, etc., issued by any of the Amalgamating Company 2 prior to the Effective Date, shall be, on or after the Effective Date, dealt with by the bankers of the Amalgamated Company and debited from the account of the Amalgamated Company. Similarly, the banker to the Amalgamating Company 2 shall honour and accept cheques and all requests issued by the Amalgamated Company for payment or otherwise on or after the Effective Date.
- (iv) All assets, rights, title, interest, investments and properties of the Amalgamating Company 2 as on the Appointed Date, whether or not included in the books of the Amalgamating Company 2, and all assets, rights, title, interest, investments and properties, which are acquired by the Amalgamating Company 2 on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Amalgamated Company, and shall under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Amalgamated Company upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- (v) All the licenses, permits, entitlements, approvals, permissions, registrations (except for the Existing NBFC-ICC Registration), incentives, Tax deferrals, exemptions (including Tax exemptions) and benefits (including goods and service Tax, sales Tax and service Tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Amalgamating Company 2 and all rights and benefits that have accrued or which may accrue to the Amalgamating Company 2, whether on, before or after the Appointed Date, including income tax benefits, deductions and exemptions, shall, under the provisions of Sections 230 to 232 of the Act and

all other applicable provisions of applicable law, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Amalgamated Company so as to become licenses, permits, entitlements, quotas, approvals, permissions, registrations, incentives, tax deferrals, exemptions, deductions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Amalgamated Company and shall remain valid, effective and enforceable on the same terms and conditions.

- (vi) In so far as various incentives, subsidies, exemptions, remissions, reductions, export benefits, all indirect tax related benefits, including GST benefits, service tax benefits, all indirect tax related assets / credits, including but not limited to goods and service tax input credits, service tax input credits, value added/ sales tax/ entry tax credits or set-off, income tax holiday/ benefit/ losses / minimum alternative tax and other benefits or exemptions or privileges enjoyed, granted by any Government Authority or by any other person, or availed of by the Amalgamating Company 2 are concerned, the same shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, without any further act or deed, in so far as they relate to the Undertaking 2, vest with and be available to the Amalgamated Company on the same terms and conditions as were available with the Amalgamating Company 2 and as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Amalgamated Company.

29. Contracts, Deeds, Licenses etc.

- (i) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all commitment, sanctions, contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Amalgamating Company 2 is a party or to the benefit of which the Amalgamating Company 2 may be eligible or for the obligations of which the Amalgamating Company 2 may be liable, and which are subsisting or have effect as on the Effective Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company 2, the Amalgamated Company had been a party or beneficiary or obligee thereto.
- (ii) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking 2 occurs by virtue of this Scheme itself, the Amalgamated Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which any of the Amalgamating Company 2 is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of Part III of this Scheme, be deemed to be authorised to execute any such writings as a successor of the Amalgamating Company 2 and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company 2 to be carried out or performed.
- (iii) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and subject to Applicable Law, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Amalgamating Company 2 shall registrations (except for the Existing NBFC-ICC Registration) stand transferred to the Amalgamated Company as if the same were originally given by, issued to or executed in favour of the Amalgamated Company, and the Amalgamated Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Amalgamated Company. The Amalgamated Company shall make applications to any Governmental Authority as may be necessary in this behalf.
- (iv) Without prejudice to the provisions of Clauses 27 to 29, with effect from the Appointed Date, all transactions between: (a) any of the Amalgamating Company 2 and the Amalgamated Company; or (b) between the Amalgamating Companies, if any, that have not been completed as on Effective Date, shall stand cancelled.

30. Transfer of Liabilities

- (i) With effect from the Appointed Date, all debts, liabilities, loans raised and used, duties and obligations of the Amalgamating Company 2, whether or not recorded in its books and records shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to be transferred to and vested in the Amalgamated Company to the extent that they are outstanding on the Effective Date so as to become as and from the Appointed Date the debts, liabilities, loans, obligations and duties of the Amalgamated Company on the same terms and conditions as were applicable to the Amalgamating Company 2, and the Amalgamated Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party

to any contract or arrangement by virtue of which such debts or liabilities have arisen in order to give effect to the provisions of this Clause 30.

- (ii) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Amalgamating Company 2 and the Amalgamated Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Amalgamated Company.
 - (iii) Without prejudice to the foregoing provisions of this Clause, upon the coming into effect of the Scheme, all borrowings in the form of debt securities, including NCDs, NCRPS, Commercial Papers, external commercial borrowings, bonds or other instruments of like nature (whether secured or unsecured, convertible into equity shares or not) of the Amalgamating Company 2 ("**Debt Securities 2**") shall, pursuant to the provisions of Sections 230 – 232 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities 2 of the Amalgamated Company on the same terms and conditions and without any change in structure, except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Amalgamated Company as if it was the issuer of such Debt Securities 2, so transferred and vested.
 - (iv) Any reference in any security documents or arrangements (to which the Amalgamating Company 2 is a party) to the Amalgamating Company 2 and its assets and properties, shall be construed as a reference to the Amalgamated Company and the assets and properties of the Amalgamating Company 2 transferred to the Amalgamated Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Amalgamated Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge (whether in the name of or on behalf of any of the Amalgamating Company 2 or the Amalgamated Company), with the Registrar of Companies to give formal effect to the above provisions, if required.
 - (v) The NCDs, Commercial Papers and NCRPS of the Amalgamating Company 2 (if any) which are listed on BSE and/or NSE shall, upon transfer to and vesting in the Amalgamated Company in terms of this Scheme, subject to applicable regulations and prior approval / intimation requirements, if any, continue to be listed and/or admitted to trading on the relevant Stock Exchange(s) where the NCDs, Commercial Papers and NCRPS are listed. The Board of the Amalgamated Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing.
 - (vi) Upon the coming into effect of this Scheme, the Amalgamated Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
 - (vii) It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Amalgamated Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
 - (viii) The provisions of this Clause 30 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.
 - (ix) Without prejudice to the provisions of the foregoing clauses, the Amalgamated Company shall execute any instrument/s and/or document/s and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the jurisdictional registrar of companies to give formal effect to the above provisions, if required.
 - (x) It is hereby clarified that, unless expressly provided for in this Scheme, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts and liabilities, have arisen, in order to give effect to the provisions of this Clause 30.
 - (xi) Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause 30 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.
31. Pursuant to Clause 30 above, the holders of NCDs, Commercial Papers and NCRPS of the Amalgamating Company 2 whose names are recorded in the relevant registers of the Amalgamating Company 2 on the Record Date, if any, or their legal heirs, executors or administrators or (in case of a corporate entity) its successors, shall continue holding the

same number of NCDs, Commercial Papers and NCRPS and on the same terms and conditions in the Amalgamated Company as held by such NCD or Commercial Paper or NCRPS holder respectively in the Amalgamating Company 2.

32. Encumbrances

- (i) The transfer and vesting of the assets comprised in the Amalgamating Company 2 to and in the Amalgamated Company under Clause 27 and Clause 28 of this Scheme shall be subject to the Encumbrances, if any, affecting the same.
- (ii) All Encumbrances, if any, existing prior to the Effective Date over the assets of the Amalgamating Company 2 which secure or relate to the Liabilities shall, on or after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Amalgamated Company. Provided that if any of the assets of the Amalgamating Company 2 have not been Encumbered in respect of the Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Amalgamated Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- (iii) The existing Encumbrances over the other assets and properties of the Amalgamated Company or any part thereof which relate to the liabilities and obligations of the Amalgamated Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Amalgamating Company 2 transferred to and vested in the Amalgamated Company by virtue of the Scheme.

33. Legal, taxation and other proceedings

- (i) Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal or courts), by or against the Amalgamating Company 2, under any statute, pending on the Appointed Date, shall be continued and enforced by or against the Amalgamated Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against, as the case may be, the Amalgamated Company.
- (ii) The Amalgamated Company shall have all legal, taxation or other proceedings initiated by or against the Amalgamating Company 2 referred to in sub-clause (i) above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Amalgamated Company, as a successor of the Amalgamating Company 2.

34. Employees

- (i) Upon the coming into effect of this Scheme, all the employees of Amalgamating Company 2 (collectively referred to as **"Amalgamating Company 2 Employees"**) shall become the employees of the Amalgamated Company, subject to the provisions hereof without any break in their service and on the basis of continuity of service and, on terms and conditions no less favourable than those on which they are engaged by the Amalgamating Company 2 and without any interruption of service as a result of the Amalgamation. For the purpose of payment of any compensation, employee stock options, gratuity and other terminal benefits, the uninterrupted past services of such Amalgamating Company 2 Employees with the Amalgamating Company 2 shall also be taken into account and paid (as and when payable) by the Amalgamated Company.
- (ii) It is expressly provided that, on the Scheme becoming effective, insofar as the provident fund, gratuity fund, superannuation fund, employee stock options, or any other special fund or trusts, if any, created or existing for the benefit of the staff and employees of the Amalgamating Company 2 are concerned, such proportion of the investments made in the funds and liabilities which are attributable/referable to the transferred employees engaged by Amalgamating Company 2 (collectively referred to as the **"Funds 2"**) shall be transferred to the similar funds created and/or nominated by the Amalgamated Company and shall be held for their benefit pursuant to this Scheme, or at the sole discretion of the Amalgamated Company, maintained as separate funds by the Amalgamated Company. Pending the transfer as aforesaid, the funds of the Amalgamating Company 2 Employees may be continued to be deposited in the existing relevant Funds 2 of the Amalgamating Company 2. Without prejudice to the aforesaid, the Board of the Amalgamated Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (a) retain separate trusts or funds within the Amalgamated Company for the erstwhile Funds(s) 2 of the Amalgamating Company 2; or (b) merge the pre-existing Funds 2 of the Amalgamating Company 2 with other similar funds of the Amalgamated Company.
- (iii) In relation to any other fund (including any funds set up by the government for employee benefits) created or existing for the benefit of the employees, the Amalgamated Company shall stand substituted for each of the Amalgamating

Company 2, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such transferred employees.

- (iv) In relation to those Amalgamating Company 2 Employees who are not covered under the provident fund trust of the Amalgamating Company 2 or who do not enjoy the benefit of any other provident fund trust, and for whom the Amalgamating Company 2 are making contributions to the government provident fund, the Amalgamated Company shall stand substituted for the Amalgamating Company 2, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees, such that all the rights, duties, powers and obligations of the Amalgamating Company 2 in relation to such provident fund trust shall become those of the Amalgamated Company.

35. Treatment of Taxes

- (i) The Amalgamated Company shall be entitled to, amongst others, file/ or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for / in respect of all Taxes paid (including but not limited to value- added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Amalgamating Company 2) including receipt of refund, credit, etc., if any, pertaining to the Amalgamating Company 2 as may be required consequent to implementation of this Scheme. The Amalgamated Company shall be entitled to file modified tax returns in accordance with the provisions of IT Act.
- (ii) The Amalgamated Company shall be entitled to: (a) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of Amalgamating Company 2, which may be allowable in accordance with the provisions of the IT Act on or after the Appointed Date and (b) exclude items such as provisions, reversals, etc. for which no deduction or Tax benefit has been claimed by Amalgamating Company 2 prior to the Appointed Date in accordance with the provisions of IT Act.
- (iii) Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, carry forward tax losses, unabsorbed tax depreciation, minimum alternate tax credit, if any, of Amalgamating Company 2 as on the Appointed Date, shall, for all purposes, be treated as tax losses, unabsorbed tax depreciation, minimum alternate tax credit of the Amalgamated Company in accordance with the provisions of IT Act. It is further clarified that any book losses and/ or unabsorbed depreciation of Amalgamating Company 2 as specified in their respective books of accounts shall be included as book losses and/or unabsorbed depreciation of the Amalgamated Company for the purposes of computation of minimum alternate tax
- (iv) Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by Amalgamating Company 2 shall stand transferred to and vested in or deemed to be transferred to and vested in the Amalgamated Company and be entitled to/enjoyed/availed/utilized by the Amalgamated Company on and from the Appointed Date in the same manner as would have been entitled to/enjoyed/availed/utilized by the Amalgamated Company before implementation of this Scheme in accordance with the provisions of IT Act.
- (v) The Amalgamated Company shall be allowed as deduction in accordance with Section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which Amalgamation takes place. Further, the Amalgamated Company shall be allowed to claim as deduction of any unclaimed deduction (including Chapter VIA and Section 35DD deductions) of previous financial years of the Amalgamating Company 2, as it would have been entitled to claim in the event Amalgamation would not have taken place by the Amalgamating Company 2 in accordance with the provisions of IT Act.

36. Accounting treatment for Amalgamation 2 in the books of Amalgamated Company:

Immediately after Part II of this Scheme becoming effective, the Amalgamated Company shall account for amalgamation of the Amalgamating Company 2 with the Amalgamated Company in its books of account with effect from the Appointed Date as under:

- (i) Amalgamation of the Amalgamating Company 2 with the Amalgamated Company shall be accounted for in accordance with accounting prescribed under "pooling of interest" method in Appendix C of Indian Accounting Standard (IND AS) 103 as specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 or any other relevant or related requirement under the Act, as may be applicable.
- (ii) All assets, reserves and liabilities recorded in the books of the Amalgamating Company 2 as on the Appointed Date and transferred to and vested in the Amalgamated Company pursuant to the Scheme shall be recorded by the

Amalgamated Company at their respective book values and in the same form.

- (iii) The identity of the reserves of Amalgamating Company 2, if any, shall be preserved and they shall appear in the financial statements of Amalgamated Company in the same form and manner, in which they appeared in the financial statements of the Amalgamating Company 2.
- (iv) The inter-corporate investments / deposits / loans and advances or any receivables and payables between the Amalgamated Company and the Amalgamating Company 2 will stand eliminated by set-off against each other and be cancelled.
- (v) The difference between the equity share capital of the Amalgamating Company 2 and the value of investment in the Amalgamating Company 2 by the Amalgamated Company shall be debited / credited (as the case may be) to capital reserve.
- (vi) In case of any differences in accounting policy between the Amalgamated Company and the Amalgamating Company 2, accounting policies followed by the Amalgamated Company shall prevail and impact of the same shall be quantified and appropriately adjusted in accordance with the accounting policies followed by the Amalgamated Company to ensure the financial statements reflect the financial position on the basis of consistent accounting policy.

37. Conduct

During the period between the approval of the Scheme by the Board of the Amalgamating Company 2 and the Effective Date, with effect from the Appointed Date and up to and including the Effective Date:

- (i) The Amalgamating Company 2 shall carry on and be deemed to have carried on all its business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of the Undertaking 2 for and on account of, and in trust for, the Amalgamated Company;
- (ii) all profits and income accruing or arising to the Amalgamating Company 2, and losses and expenditure arising or incurred by it for such period shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Amalgamated Company;
- (iii) any of the rights, powers, authorities or privileges exercised by the Amalgamating Company 2 shall be deemed to have been exercised by the Amalgamating Company 2, for and on behalf of, and in trust for and as an agent of the Amalgamated Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Amalgamating Company 2 shall be deemed to have been undertaken for and on behalf of and as an agent of the Amalgamated Company;
- (iv) all Taxes, where applicable, (including but not limited to advance income Tax, Tax deducted at source, Taxes withheld/ paid in a foreign country, indirect Taxes, VAT, custom duty, service Tax, goods and service Tax, income-Tax refunds, service Tax refunds, goods and service Tax refunds), stamp duty, registration charges, paid or payable by the Amalgamating Company 2, including all or any Tax refunds or Tax liabilities or Tax claims arising from pending Tax proceedings, under any law, before the Appointed Date, shall be on account of the Amalgamating Company 2, and, insofar as it relates to the Tax payment (including, without limitation, income Tax, stamp duty, sales Tax, service Tax, goods and service Tax refunds, VAT, etc.), whether by way of deduction at source, advance Tax or otherwise howsoever, by the Amalgamating Company 2 in respect of the profits or activities or operation of Amalgamating Company 2, with effect from the Appointed Date, shall be treated as or deemed to be treated as the Tax liability or Tax refunds/ Tax claims as the case may be (whether or not recorded in the books of Amalgamating Company 2), of the Amalgamated Company, and any advance income Tax, Tax deducted at source, income-Tax refunds, service Tax refunds, goods and service Tax refunds, deferred Tax assets, etc., as would have been available to the Amalgamating Company 2 on or before the Effective Date, shall be available to the Amalgamated Company upon the Scheme coming into effect.

38. Saving of concluded transactions

The transfer and vesting of the Undertaking 2 as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Amalgamating Company 2 on or before the Appointed Date, and the Amalgamated Company accepts and adopts all acts, deeds and things made, done and executed by the Amalgamating Company 2.

39. Dissolution

Upon the coming into effect of the Scheme, the Amalgamating Company 2 shall stand dissolved without winding up.

PART IV: CHANGE OF NAME AND CHANGES TO THE SHARE CAPITAL OF THE COMPANIES

40. Change in name of Amalgamated Company

- (i) As an integral part of this Scheme and pursuant to the Scheme becoming effective, subject to such compliances and requisite approvals of Governmental Authorities (including RBI, Ministry of Corporate Affairs and jurisdictional Registrar of Companies) as may be required under Applicable Laws to effect a change of name, the name of the Amalgamated Company shall stand changed to L&T Finance Limited or such other name as approved by the Board of the Amalgamated Company.
- (ii) Consequently, upon the change in name of the Amalgamated Company, without any further act or instrument or deed, Clause I of the memorandum of association and Article 2 of the articles of association of the Amalgamated Company shall be altered to reflect the name as approved by the relevant Governmental Authorities.
- (iii) Under the accepted principle of single window clearance, by virtue of the fact that the shareholders of the Amalgamated Company, while approving this Scheme as a whole, have approved and accorded the relevant consents as required under the Act, for the amendment of the memorandum of association and articles of association of the Amalgamated Company to reflect the change of name of the Amalgamated Company and that the Amalgamated Company shall not be required to pass separate resolutions under the applicable provisions of Section 13, 14 and other applicable provisions of the Act, the name of the Amalgamated Company will be changed consequently. The Amalgamated Company undertakes to pay fees, if any, that may be required in relation to such change of name. The approval of the shareholders of LTFH and the approval of the NCLT to the Scheme shall be considered as the approval required under the provisions of the Act for such change of name.

41. Cancellation of Shares of the Amalgamating Companies

Upon the Scheme coming into effect, all equity shares of the Amalgamating Companies held by the Amalgamated Company (directly, indirectly and/or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new equity shares shall be issued or payment made in cash or in kind whatsoever by the Amalgamated Company in lieu of such equity shares held in the Amalgamating Companies.

42. Consolidation of the authorised share capital of the Amalgamating Companies with the authorised capital of the Amalgamated Company

As an integral part of the Scheme, and upon this Scheme becoming effective, the authorised share capital of the Amalgamated Company shall automatically stand increased, without any further act, instrument or deed on the part of the Amalgamated Company including payment of stamp duty and fees payable to the Registrar of Companies, by an amount equal to the authorised share capital of respective Amalgamating Companies, such that upon the effectiveness of the Scheme, the authorised share capital of the Amalgamated Company shall be INR 1,68,86,55,96,100 comprising of 10,87,45,59,610 equity shares of INR 10 each, 50,12,00,000 preference shares of INR 100 and 10,000 preference shares of INR 10,00,000 each without any further act, deed, resolution or writing.

43. Amendment of the memorandum of association of the Amalgamated Company

- (i) Pursuant to the consolidation and increase of authorised capital pursuant to Clause 42 above, the memorandum of association and articles of association of the Amalgamated Company (relating to the authorized share capital) shall, without any requirement of a further act, instrument or deed, be and stand altered, modified and amended, such that Clause V.A. of the memorandum of association of the Amalgamated Company shall be replaced by the following:

"The Authorised Share Capital of the Company is Rs. 1,68,86,55,96,100/- (Rupees Sixteen Thousand Eight Hundred and Eighty Six Crore Fifty Five Lakh Ninety Six Thousand One Hundred only) divided into 10,87,45,59,610 equity shares (One Thousand and Eighty Seven Crore Forty Five Lakh Fifty Nine Thousand Six Hundred and Ten only) of Rs. 10/- (Rupees Ten only) each, 50,12,00,000 (Fifty Crore Twelve Lakh only) preference shares of Rs. 100/- (Rupees Hundred only) each and 10,000 (Ten Thousand only) preference shares of Rs. 10,00,000/- (Rupees Ten Lakh only) each."

- (ii) It is clarified that the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendments and the increase of authorised capital of the Amalgamated Company pursuant to Clauses 42 and 43 and no further resolution(s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Act, if any, would be required to be separately passed.

- (iii) In accordance with Section 232(3)(i) of the Act and Applicable Law, the stamp duties and/ or fees (including registration fee) paid on the authorised share capital of the Amalgamating Companies shall be utilized and applied to the increased authorised share capital of the Amalgamated Company pursuant to Clause 42 above and no stamp duties and/or fees would be payable for the increase in the authorised share capital of the Amalgamated Company to the extent of the authorised share capital of the Amalgamating Companies.
- (iv) Upon the Scheme becoming effective, the issued, subscribed and paid-up share capital of the Amalgamated Company shall stand suitably increased consequent upon the issuance of any shares/securities, as applicable, in accordance with the Scheme. It is clarified that no further process under Sections 62 and 42 or any other applicable provisions of the Act shall be required in this regard, including requirement of special resolution to be passed by the Amalgamated Company separately in a general meeting for issue of any shares/securities to the members of the Amalgamating Companies under this Scheme and for the members of the Amalgamated Company approving this Scheme, it shall be deemed compliance with the relevant provisions and that they have given their consent to the issue of the any shares/securities to the members of the Amalgamating Companies in terms of the Scheme, as applicable.

PART V: REDUCTION OF THE SECURITIES PREMIUM ACCOUNT OF THE AMALGAMATED COMPANY

44. Pursuant to the Amalgamations upon this Scheme becoming effective and with effect from the Appointed Date:

- (i) The debit balance of capital reserve if any (including capital reserve arising on the Amalgamations) and debit balance of amalgamation adjustment reserve account in the books of Amalgamated Company post Amalgamations shall be set-off against the Securities Premium Account of the Amalgamated Company
- (ii) The reduction of the balance in the capital reserve and amalgamation adjustment reserve account of the Amalgamated Company post Amalgamations by way of the adjustment set out in this Clause 44 against the amounts held in the Securities Premium Account of the Amalgamated Company does not involve the reduction of the issued, subscribed and paid-up share capital of the Amalgamated Company. Further, the reduction does not envisage the transfer or vesting of any of the properties and/or liabilities of the Amalgamated Company to any person or entity.
- (iii) The approvals including approvals from the shareholders of the Amalgamated Company received pursuant to the provisions of the sections 230 to 232 of the Act under this Scheme shall be deemed to be sufficient approval(s) for giving effect to the provisions of this Clause 44 including under Section 52, Section 66 and the other related provisions of the Act. The Amalgamated Company shall not, nor shall be obliged to, (i) call for a separate meeting of its shareholders and creditors for obtaining their approval sanctioning the reduction of the Securities Premium Account of the Amalgamated Company; or (ii) obtain any additional approvals / compliances under Section 66 of the Act.
- (iv) The reduction in the Securities Premium Account of the Amalgamated Company in accordance with this Clause 44 is in accordance with the provisions of Section 230 to 232 read with Section 52 of the Act, as the same does not result in the extinguishment or diminution of any liability in respect of the unpaid share capital of the Amalgamated Company or payment to any shareholder of any paid-up share capital of the Amalgamated Company and the order of the NCLT sanctioning the Scheme shall be deemed to be an order under Section 66 and Section 230 of the Act confirming such reduction of share capital of the Amalgamated Company. The reduction in the Securities Premium Account of the Amalgamated Company in the manner contemplated in this Scheme would not have any impact on the shareholding pattern of the Amalgamated Company nor would it have any adverse impact on the creditors or employees of the Amalgamated Company. The order of the NCLT sanctioning this Scheme shall also be deemed to be an order passed under Section 66 and 52 of the Act for the purpose of confirming the reduction.
- (v) Notwithstanding the reduction in the Securities Premium Account, the Amalgamated Company shall not be required to add 'And Reduced' as a suffix to its name. The reduction in the Securities Premium Account shall be effected as an integral part of the Scheme and in accordance with the applicable provisions of the Act without any further act or deed on the part of the Amalgamated Company.

PART VI: GENERAL TERMS AND CONDITIONS

The provisions of this Part shall be applicable to Part II, Part III, Part IV and Part V of the Scheme.

45. The Companies shall make necessary applications before the NCLT for the sanction of this Scheme under Sections 230 and 232 of the Act. The Companies shall be entitled, pending the effectiveness of the Scheme, to apply to any Governmental Authority, if required, under any Applicable Law for such consents and approvals, as agreed between the Companies, which the Companies may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed between the Companies.
46. The Amalgamated Company shall make requisite applications to obtain requisite registrations/licenses from the RBI to operate as an NBFC-ICC and also surrender its existing NBFC-CIC registration/license to the RBI in accordance with the applicable laws.

47. Modifications or Amendments to the Scheme

The Companies (through their respective Boards) may, in their full and absolute discretion, jointly and as mutually agreed:

- (i) assent from time to time to any alteration(s) or modification(s) to this Scheme as may be deemed necessary or which the NCLT and/or any other Governmental Authority may deem fit to approve or impose and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;
- (ii) give such directions (acting jointly) as they may consider necessary to settle any question or difficulty arising under this Scheme, or in regard to, and of the meaning or interpretation of this Scheme or implementation thereof, or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those (to the extent permissible under Applicable Law);
- (iii) jointly modify or vary this Scheme, or any application / petition filed before the NCLT in this regard, prior to the Effective Date, in any manner at any time;
- (iv) determine jointly whether any asset, liability, legal or other proceedings pertains to the Undertakings of the Amalgamating Companies or not, on the basis of any evidence that they may deem relevant for this purpose;
- (v) make any modification to the Scheme, after receipt of sanction by the NCLT only with the prior approval of the NCLT; and
- (vi) agree that if, at any time, either the NCLT or any Governmental Authority directs or requires any modification or amendment of the Scheme, such modification or amendment shall not, to the extent it adversely affects the interests of any of the Companies, be binding on each of the Companies, as the case may be, except where the prior written consent of the affected party as the case may be, has been obtained for such modification or amendment.

48. Withdrawal of the Scheme

The Companies acting through their respective Board of Directors shall each be at liberty to withdraw this Scheme in case any condition or alteration imposed by the NCLT or any Governmental Authority or otherwise is unacceptable to them.

49. The coming into effect of this Scheme is conditional upon and subject to:
- (i) this Scheme being approved by the respective requisite majorities of the members and creditors (where applicable) of the Companies, as required under the Act, subject to any dispensation that may be granted by the NCLT;
 - (ii) sanctions and order under the provisions of Sections 230 to 232 of the Act being obtained from the NCLT;
 - (iii) the certified copies of the order of the NCLT approving this Scheme having been filed with the Registrar of Companies in Maharashtra and Kolkata;
 - (iv) either, the receipt of necessary certificate of registration /license by the Amalgamated Company from the RBI or appropriate intimation (in any form) from the RBI to the Amalgamated Company permitting carrying out of business activities of the Amalgamating Company 1 and Amalgamating Company 2, pending receipt of the necessary certificate of registration/license;
 - (v) requisite approval of SEBI under the SEBI (Alternative Investment Funds) Regulations, 2012;
 - (vi) In the event of this Scheme failing to take effect by March 31, 2025 or such later date as may be agreed by the respective

Boards of Directors of the Companies, this Scheme shall stand revoked, cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to or be incurred inter se between the Companies or their shareholders or creditors or employees or any other person. In such case, each of the Amalgamating Companies and Amalgamated Company shall bear its own costs and expenses or as may be otherwise mutually agreed.

50. The Scheme shall be operative from the Effective Date, but with effect from the Appointed Date and Amalgamation 1 shall be deemed to have been given effect immediately prior to Amalgamation 2.
51. Upon the coming into effect of this Scheme, the resolutions passed by the respective Board of Directors and/ or the shareholders of each of the Amalgamating Companies and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Amalgamated Company and if any such resolutions have monetary limits or other limits approved under the provisions of the Act, or any other applicable statutory provisions, the said limits as are considered necessary by the Board of Directors of the Amalgamated Company shall be added to the limits, if any, under resolutions passed by the Board of Directors and/or the Shareholders of the Amalgamated Company and the aggregate of the said two limits shall constitute the revised limit for the Amalgamated Company, for the relevant purpose and/or under the relevant provisions of the Act.

52. Severability

- (i) The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if the Scheme is approved in its entirety in accordance with the terms of the Scheme, unless specifically agreed otherwise by the respective Boards of each Company.
- (ii) Subject to sub clause (i) above, if any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Amalgamating Companies and the Amalgamated Company, affect the validity or implementation of the other parts and/or provisions of this Scheme. In the event the deletion of such part of the Scheme shall cause this Scheme to become materially adverse to the Companies, the Companies acting through their respective Boards of Directors, shall attempt to bring about a modification in this Scheme, as will best preserve for the Companies, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected by the NCLT or any court of competent jurisdiction, or unenforceable under present or future Applicable Laws.

53. Post Scheme Conduct of Operations

- (i) Even after the Scheme becomes effective, the Amalgamated Company shall be entitled to operate all bank accounts of the Amalgamating Companies and realize all monies and complete and enforce all pending contracts and transactions in respect of the Amalgamating Companies in the name of the Amalgamated Company in so far as may be necessary until the transfer of rights and obligations of the Amalgamating Companies to the Amalgamated Company under this Scheme is formally accepted by the Amalgamating Companies and the Amalgamated Company concerned. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date and until such time that the name of the bank accounts of the Amalgamating Companies have been replaced with that of the Amalgamated Company, the Amalgamated Company shall be entitled to operate the bank accounts of the Amalgamating Companies in the name of the relevant Amalgamating Company in so far as may be necessary.
- (ii) Pursuant to the Scheme becoming effective, the Amalgamated Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including for minimum alternate Tax purposes and Tax benefits), service Tax law, goods & service Tax and other Tax laws, and to claim refunds and/or credits for Taxes paid (including minimum alternate Tax, Goods & Service Tax), and to claim Tax benefits under the applicable Tax laws, and for matters incidental thereto, if required to give effect to the provisions of this Scheme.
- (iii) The Amalgamated Company, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Law or otherwise, do all such acts or things as may be necessary to either surrender/convert or transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Amalgamating Companies. It is hereby clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Amalgamated Company shall file applications/documents, as applicable, with relevant authorities concerned for information and record purposes.

- (iv) Without prejudice to the other provisions of the Scheme, in order to ensure implementation of the provisions of the Scheme and continued vesting of the benefits in favour of the Amalgamated Company, the Amalgamated Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Applicable Law or otherwise, unilaterally take all such actions, including execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Amalgamating Companies have been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Companies.
- (v) It is hereby clarified that any actions required to be taken by the Amalgamating Companies under the Scheme, pursuant to the Amalgamations and dissolution of the Amalgamating Companies shall be discharged by the Amalgamated Company as its successor.

54. Costs

All costs, charges and expenses (including, but not limited to, any Taxes and duties, stamp duty, registration charges, etc.) of /payable by the Companies in relation to or in connection with the Scheme and incidental to the completion of the amalgamation of the Amalgamating Companies with the Amalgamated Company in pursuance of the Scheme shall be borne and paid by the Amalgamated Company.

SCHEDULE A

Disclosures as per SEBI Scheme Circular - Debt in relation to the non-convertible debentures of the Amalgamating Company 1

Sr. No.	ISIN	Face value	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption Date	Terms of redemption	Redemption amount	Rate of dividend/ coupon	Coupon Frequency	Call date	Call notification time	CARE	ICRA	INDIA RATINGS	CRISIL
1	INE691I07240	8,57,143	18-10-2011	18-10-2028	6,210	18-10-2023	7 equal annual installments commencing from 11th Year	71,42,85,715	9.7000	Quarterly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
	INE691I07240	8,57,143	18-10-2011	18-10-2028	6,210	18-10-2024	7 equal annual installments commencing from 11th Year	71,42,85,715	9.7000	Quarterly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
	INE691I07240	8,57,143	18-10-2011	18-10-2028	6,210	17-10-2025	7 equal annual installments commencing from 11th Year	71,42,85,715	9.7000	Quarterly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
	INE691I07240	8,57,143	18-10-2011	18-10-2028	6,210	16-10-2026	7 equal annual installments commencing from 11th Year	71,42,85,715	9.7000	Quarterly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
	INE691I07240	8,57,143	18-10-2011	18-10-2028	6,210	18-10-2027	7 equal annual installments commencing from 11th Year	71,42,85,715	9.7000	Quarterly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
	INE691I07240	8,57,143	18-10-2011	18-10-2028	6,210	18-10-2028	7 equal annual installments commencing from 11th Year	71,42,85,710	9.7000	Quarterly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
2	INE691I07356	10,00,000	11-01-2013	11-01-2023	3,652	11-01-2023	Bullet	4,50,00,00,000	9.0000	Quarterly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
3	INE691I07398	10,00,000	29-05-2013	29-05-2023	3,652	29-05-2023	Bullet	1,10,00,00,000	8.3500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
4	INE691I08255	10,00,000	29-01-2014	29-01-2024	3,652	29-01-2024	Bullet	50,00,00,000	10.3500	Annually	Call option may be exercised after 10 years from the deemed date of allotment and only with the prior approval of the RBI	Written notice for exercise of Call Option to be on receipt of approval from RBI 3 days prior to the exercise date. The Notification time can however be altered subject to receipt of the approval from RBI	CARE AA+/ Stable	ICRA AA+/ Stable	-	-
5	INE691I08263	10,00,000	31-01-2014	31-01-2024	3,652	31-01-2024	Bullet	25,00,00,000	9.7300	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
6	INE691I08271	10,00,000	10-02-2014	09-02-2024	3,651	09-02-2024	Bullet	20,00,00,000	9.7300	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
7	INE691I08289	10,00,000	18-02-2014	16-02-2024	3,650	16-02-2024	Bullet	20,00,00,000	9.7300	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
8	INE027E08012	10,00,000	28-02-2014	28-02-2024	3,652	28-02-2024	Bullet	25,00,00,000	10.9000	Annually		NA	CARE AAA/ Stable	-	-	-
9	INE691I08305	10,00,000	04-03-2014	04-03-2024	3,653	04-03-2024	Bullet	5,00,00,000	9.7300	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-

Sr. No.	ISIN	Face value	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption Date	Terms of redemption	Redemption amount	Rate of dividend/ coupon	Coupon Frequency	Call date	Call notification time	CARE	ICRA	INDIA RATINGS	CRISIL
10	INE691I08297	10,00,000	14-03-2014	14-03-2024	3,653	14-03-2024	Bullet	30,00,00,000	9.7300	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
11	INE027E08020	10,00,000	27-03-2014	27-03-2024	3,653	27-03-2024	Bullet	50,00,00,000	10.9000	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
12	INE523E08NI6	10,00,000	27-03-2014	27-03-2024	3,653	27-03-2024	Bullet	50,00,00,000	10.3500	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
13	INE027E08038	10,00,000	30-06-2014	28-06-2024	3,651	28-06-2024	Bullet	40,00,00,000	10.4000	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
14	INE691I08313	10,00,000	13-11-2014	13-11-2024	3,653	13-11-2024	Bullet	1,00,00,00,000	9.1000	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
15	INE759E08010	10,00,000	31-12-2014	31-12-2024	3,653	31-12-2024	Bullet	50,00,00,000	9.9500	Annually		NA	CARE AAA/ Stable	-	-	-
16	INE691I08321	10,00,000	19-01-2015	17-01-2025	3,651	17-01-2025	Bullet	1,25,00,00,000	8.7500	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
17	INE476M08014	10,00,000	29-01-2015	29-01-2025	3,653	29-01-2025	Bullet	1,00,00,00,000	9.3500	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
18	INE691I08339	10,00,000	18-02-2015	18-02-2025	3,653	18-02-2025	Bullet	2,25,00,00,000	8.7500	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
19	INE759E08028	10,00,000	30-03-2015	28-03-2025	3,651	28-03-2025	Bullet	50,00,00,000	9.9500	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
20	INE691I08347	10,00,000	17-04-2015	17-04-2025	3,653	17-04-2025	Bullet	1,00,00,00,000	8.9000	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
21	INE691I08354	10,00,000	21-04-2015	21-04-2025	3,653	21-04-2025	Bullet	79,50,00,000	8.9000	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
22	INE691I08362	10,00,000	22-04-2015	22-04-2025	3,653	22-04-2025	Bullet	45,00,00,000	8.9000	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
23	INE691I08370	10,00,000	29-04-2015	29-04-2025	3,653	29-04-2025	Bullet	75,00,00,000	8.9000	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
24	INE691I08388	10,00,000	15-05-2015	15-05-2025	3,653	15-05-2025	Bullet	43,00,00,000	8.9000	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
25	INE691I07AL5	25,00,000	19-05-2015	19-05-2025	3,653	19-05-2025	Bullet	44,50,00,000	8.8400	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
26	INE476M07578	25,00,000	26-05-2015	26-05-2025	3,653	26-05-2025	Bullet	30,00,00,000	8.9000	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
27	INE691I07AR2	25,00,000	26-05-2015	26-05-2025	3,653	26-05-2025	Bullet	20,00,00,000	8.8500	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
28	INE691I08396	10,00,000	03-06-2015	03-06-2025	3,653	03-06-2025	Bullet	60,00,00,000	8.8700	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
29	INE476M07636	25,00,000	05-06-2015	05-06-2025	3,653	05-06-2025	Bullet	25,00,00,000	8.9000	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
30	INE691I07AX0	25,00,000	05-06-2015	05-06-2025	3,653	05-06-2025	Bullet	50,00,00,000	8.8400	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
31	INE476M08030	10,00,000	14-07-2015	14-07-2025	3,653	14-07-2025	Bullet	14,00,00,000	9.3200	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
32	INE476M07719	25,00,000	17-07-2015	17-07-2025	3,653	17-07-2025	Bullet	10,00,00,000	8.9500	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
33	INE476M08048	10,00,000	25-07-2015	24-07-2025	3,652	24-07-2025	Bullet	50,00,00,000	9.3000	Annually		NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
34	INE691I08404	10,00,000	27-08-2015	27-08-2025	3,653	27-08-2025	Bullet	1,50,00,00,000	9.9000	Annually	Call option may be exercised after 10 years from the deemed date of allotment and only with the prior approval of the RBI	Not specified in the IM	CARE AA+/ Stable	ICRA AA+/ Stable	-	-
35	INE759E08036	10,00,000	09-09-2015	09-09-2025	3,653	09-09-2025	Bullet	1,00,00,00,000	9.2500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-

Sr. No.	ISIN	Face value	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption Date	Terms of redemption	Redemption amount	Rate of dividend/ coupon	Coupon Frequency	Call date	Call notification time	CARE	ICRA	INDIA RATINGS	CRISIL
36	INE691108412	10,00,000	15-09-2015	15-09-2025	3,653	15-09-2025	Bullet	20,00,00,000	8.9000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
37	INE027E08046	10,00,000	30-01-2016	29-01-2026	3,652	29-01-2026	Bullet	32,00,00,000	9.3500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
38	INE691107CM9	25,00,000	08-02-2016	06-02-2026	3,651	06-02-2026	Bullet	52,00,00,000	8.7500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
39	INE027E08053	10,00,000	09-02-2016	09-02-2026	3,653	09-02-2026	Bullet	18,00,00,000	9.3500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
40	INE027E08061	10,00,000	04-03-2016	04-03-2026	3,652	04-03-2026	Bullet	50,00,00,000	9.4800	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
41	INE691107CN7	25,00,000	16-03-2016	16-03-2023	2,556	16-03-2023	Bullet	10,00,00,000	8.8000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
42	INE691108420	10,00,000	18-03-2016	18-03-2026	3,652	18-03-2026	Bullet	50,00,00,000	9.5000	Annually	Call option may be exercised after 10 years from the deemed date of allotment and only with the prior approval of the RBI	Written notice for exercise of Call Option to be on receipt of approval from RBI 3 days prior to the exercise date. The Notification time can however be altered subject to receipt of the approval from RBI	CARE AA+/ Stable	ICRA AA+/ Stable	-	-
43	INE759E08044	10,00,000	23-03-2016	23-03-2026	3,652	23-03-2026	Bullet	1,00,00,00,000	9.3000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
44	INE027E08079	10,00,000	30-03-2016	30-03-2026	3,652	30-03-2026	Bullet	50,00,00,000	10.1000	Annually	Call option may be exercised after 10 years from the deemed date of allotment and only with the prior approval of the RBI	Written notice for exercise of Call Option to be on receipt of approval from RBI 3 days prior to the exercise date. The Notification time can however be altered subject to receipt of the approval from RBI	CARE AA+/ Stable	ICRA AA+/ Stable	-	-
45	INE476M08055	10,00,000	30-03-2016	30-03-2026	3,652	30-03-2026	Bullet	50,00,00,000	9.9000	Annually	Call option may be exercised after 10 years from the deemed date of allotment and only with the prior approval of the RBI	Written notice for exercise of Call Option to be on receipt of approval from RBI 3 days prior to the exercise date. The Notification time can however be altered subject to receipt of the approval from RBI	CARE AA+/ Stable	ICRA AA+/ Stable	-	-

Sr. No.	ISIN	Face value	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption Date	Terms of redemption	Redemption amount	Rate of dividend/ coupon	Coupon Frequency	Call date	Call notification time	CARE	ICRA	INDIA RATINGS	CRISIL
46	INE691108438	10,00,000	30-03-2016	30-03-2026	3,652	30-03-2026	Bullet	30,00,00,000	9.5000	Annually	Call option may be exercised after 10 years from the deemed date of allotment and only with the prior approval of the RBI	Notice for exercise of Call Option to be issued by the Company three (3) days prior to the exercise date, subject to approval from RBI. Further, the Notification time can however be altered subject to receipt of the approval from RBI.	CARE AA+/ Stable	ICRA AA+/ Stable	-	-
47	INE476M07925	25,00,000	20-04-2016	20-04-2026	3,652	20-04-2026	Bullet	5,00,00,000	8.6500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
48	INE476M08063	10,00,000	03-06-2016	03-06-2026	3,652	03-06-2026	Bullet	15,00,00,000	9.6000	Annually	Call option may be exercised after 10 years from the deemed date of allotment and only with the prior approval of the RBI	Written notice for exercise of Call Option to be on receipt of approval from RBI 3 days prior to the exercise date. The Notification time can however be altered subject to receipt of the approval from RBI	CARE AA+/ Stable	ICRA AA+/ Stable	-	-
49	INE476M07AA6	25,00,000	01-07-2016	30-06-2023	2,555	30-06-2023	Bullet	10,00,00,000	8.7500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
50	INE691108446	10,00,000	21-07-2016	21-07-2026	3,652	21-07-2026	Bullet	80,00,00,000	8.7800	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
51	INE476M07AD0	25,00,000	22-07-2016	21-07-2023	2,555	21-07-2023	Bullet	16,00,00,000	8.7000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
52	INE691108453	10,00,000	09-08-2016	08-08-2031	5,477	08-08-2031	Bullet	25,00,00,000	8.6500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
53	INE691108461	10,00,000	12-08-2016	12-08-2031	5,478	12-08-2031	Bullet	25,00,00,000	8.6300	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
54	INE691108479	10,00,000	07-09-2016	05-09-2031	5,476	05-09-2031	Bullet	20,00,00,000	8.5500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
55	INE476M07A58	25,00,000	25-10-2016	23-10-2026	3,650	23-10-2026	Bullet	10,00,00,000	7.9000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
56	INE691107DW6	25,00,000	16-11-2016	16-11-2026	3,652	16-11-2026	Bullet	47,00,00,000	7.9500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
57	INE691108487	10,00,000	04-01-2017	04-01-2027	3,652	04-01-2027	Bullet	1,25,00,00,000	8.0500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
58	INE691108495	10,00,000	30-01-2017	29-01-2027	3,651	29-01-2027	Bullet	15,00,00,000	8.0500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
59	INE691107DZ9	10,00,000	29-06-2017	18-11-2024	2,699	18-11-2024	Bullet	6,67,00,00,000	7.5900	Semi Annually	NA	NA	-	ICRA AAA/ Stable	-	-
60	INE691108511	10,00,000	14-07-2017	13-07-2029	4,382	13-07-2029	Bullet	60,00,00,000	7.8000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
61	INE027E07717	10,00,000	02-08-2018	02-08-2023	1,826	02-08-2023	Bullet	35,00,00,000	8.8600	Annually	NA	NA	CARE AAA/ Stable	-	IND AAA/ Stable	-
62	INE476M07BN7	10,00,000	29-08-2018	18-05-2023	1,723	18-05-2023	Bullet	4,85,00,00,000	8.4400	Annually	NA	NA	CARE AAA/ Stable	-	-	-

Sr. No.	ISIN	Face value	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption Date	Terms of redemption	Redemption amount	Rate of dividend/ coupon	Coupon Frequency	Call date	Call notification time	CARE	ICRA	INDIA RATINGS	CRISIL
63	INE691I08529	10,00,000	31-10-2018	31-10-2028	3,653	31-10-2028	Bullet	45,00,00,000	9.1000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
64	INE027E07774	10,00,000	04-01-2019	04-01-2024	1,826	04-01-2024	Bullet	8,00,00,00,000	9.0000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
65	INE027E07790	10,00,000	11-01-2019	09-02-2024	1,855	09-02-2024	Bullet	25,00,00,000	9.0000	Annually	NA	NA	CARE AAA/ Stable	-	IND AAA/ Stable	-
66	INE476M07B56	10,00,000	11-01-2019	11-01-2024	1,826	11-01-2024	Bullet	27,00,00,000	8.9000	Annually	NA	NA	-	ICRA AAA/ Stable	IND AAA/ Stable	-
67	INE027E07865	10,00,000	01-02-2019	11-03-2024	1,865	11-03-2024	Bullet	25,00,00,000	9.0199	Annually	NA	NA	CARE AAA/ Stable	-	IND AAA/ Stable	-
68	INE027E07923	1,000	13-03-2019	13-03-2024	1,827	13-03-2024	Bullet	30,31,10,000	9.1000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
69	INE027E07931	1,000	13-03-2019	13-03-2024	1,827	13-03-2024	Bullet	2,35,61,89,000	9.2500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
70	INE027E07949	1,000	13-03-2019	13-03-2024	1,827	13-03-2024	Bullet	1,76,12,000	8.7500	Monthly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
71	INE027E07956	1,000	13-03-2019	13-03-2024	1,827	13-03-2024	Bullet	60,06,91,000	8.8900	Monthly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
72	INE027E07964	1,000	13-03-2019	13-03-2029	3,653	13-03-2029	Bullet	8,00,80,000	9.2000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
73	INE027E07972	1,000	13-03-2019	13-03-2029	3,653	13-03-2029	Bullet	1,10,91,48,000	9.3500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
74	INE027E07980	1,000	13-03-2019	13-03-2029	3,653	13-03-2029	Bullet	70,25,000	8.8400	Monthly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
75	INE027E07998	1,000	13-03-2019	13-03-2029	3,653	13-03-2029	Bullet	1,01,74,56,000	8.9800	Monthly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
76	INE027E07AE6	1,000	15-04-2019	15-04-2024	1,827	15-04-2024	Bullet	72,85,26,000	8.8000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
77	INE027E07AF3	1,000	15-04-2019	15-04-2024	1,827	15-04-2024	Bullet	1,85,97,31,000	9.0000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
78	INE027E07AG1	1,000	15-04-2019	15-04-2024	1,827	15-04-2024	Bullet	1,55,27,000	8.4800	Monthly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
79	INE027E07AH9	1,000	15-04-2019	15-04-2024	1,827	15-04-2024	Bullet	21,90,08,000	8.6600	Monthly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
80	INE027E07AK3	1,000	15-04-2019	15-04-2027	2,922	15-04-2027	Bullet	10,52,11,000	8.8500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
81	INE027E07AL1	1,000	15-04-2019	15-04-2027	2,922	15-04-2027	Bullet	3,51,99,47,000	9.0500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
82	INE027E07AM9	1,000	15-04-2019	15-04-2027	2,922	15-04-2027	Bullet	45,47,000	8.5200	Monthly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
83	INE027E07AN7	1,000	15-04-2019	15-04-2027	2,922	15-04-2027	Bullet	17,48,48,000	8.7000	Monthly	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
84	INE027E07AI7	1,000	15-04-2019	15-04-2024	1,827	15-04-2024	Bullet	23,11,000	8.8101	On Maturity	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
85	INE027E07AJ5	1,000	15-04-2019	15-04-2024	1,827	15-04-2024	Bullet	18,33,75,000	9.0104	On Maturity	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
86	INE027E07AP2	10,00,000	28-05-2019	28-05-2026	2,557	28-05-2026	Bullet	8,50,00,00,000	8.8000	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	IND AAA/ Stable	-
87	INE027E07AQ0	10,00,000	31-07-2019	31-07-2026	2,557	31-07-2026	Bullet	15,00,00,000	8.5500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
88	INE027E08087	10,00,000	13-09-2019	13-09-2029	3,653	13-09-2029	Bullet	26,00,00,000	8.9000	Annually	NA	NA	CARE AAA/ Stable	-	IND AAA/ Stable	-
89	INE027E07AX6	1,000	23-12-2019	23-12-2024	1,827	23-12-2024	Bullet	23,23,35,000	8.4500	Monthly	NA	NA	CARE AAA/ Stable	-	IND AAA/ Stable	CRISIL AAA/ Stable
90	INE027E07AY4	1,000	23-12-2019	23-12-2024	1,827	23-12-2024	Bullet	3,25,52,70,000	8.6000	Monthly	NA	NA	CARE AAA/ Stable	-	IND AAA/ Stable	CRISIL AAA/ Stable

Sr. No.	ISIN	Face value	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption Date	Terms of redemption	Redemption amount	Rate of dividend/ coupon	Coupon Frequency	Call date	Call notification time	CARE	ICRA	INDIA RATINGS	CRISIL
91	INE027E07AZ1	1,000	23-12-2019	23-12-2024	1,827	23-12-2024	Bullet	79,46,000	8.1500	Monthly	NA	NA	CARE AAA/ Stable	-	IND AAA/ Stable	CRISIL AAA/ Stable
92	INE027E07BA2	1,000	23-12-2019	23-12-2024	1,827	23-12-2024	Bullet	75,30,86,000	8.2900	Monthly	NA	NA	CARE AAA/ Stable	-	IND AAA/ Stable	CRISIL AAA/ Stable
93	INE027E07BB0	1,000	23-12-2019	23-12-2026	2,557	23-12-2026	Bullet	25,02,40,000	8.5000	Annually	NA	NA	CARE AAA/ Stable	-	IND AAA/ Stable	CRISIL AAA/ Stable
94	INE027E07BC8	1,000	23-12-2019	23-12-2026	2,557	23-12-2026	Bullet	3,98,18,48,000	8.6500	Annually	NA	NA	CARE AAA/ Stable	-	IND AAA/ Stable	CRISIL AAA/ Stable
95	INE027E07BD6	10,00,000	24-01-2020	24-01-2023	1,096	24-01-2023	Bullet	4,05,00,00,000	8.2500	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
96	INE691I07EI3	10,00,000	28-01-2020	17-02-2025	1,847	17-02-2025	Bullet	1,00,00,00,000	8.4500	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
97	INE691I07EJ1	10,00,000	11-02-2020	28-01-2030	3,639	28-01-2030	Bullet	2,75,00,00,000	8.5500	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
98	INE691I07EK9	10,00,000	17-02-2020	17-01-2023	1,065	17-01-2023	Bullet	8,00,00,00,000	8.5000	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
99	INE691I07EL7	10,00,000	17-02-2020	17-02-2023	1,096	17-02-2023	Bullet	8,00,00,00,000	8.5000	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
100	INE691I07EM5	10,00,000	17-02-2020	17-03-2023	1,124	17-03-2023	Bullet	9,00,00,00,000	8.5000	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
101	INE476M07BV0	10,00,000	28-02-2020	28-02-2023	1,096	28-02-2023	Bullet	2,50,00,00,000	7.7500	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
102	INE027E07BE4	10,00,000	04-03-2020	03-03-2023	1,094	03-03-2023	Bullet	75,00,00,000	7.6800	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
103	INE476M07BW8	10,00,000	04-03-2020	15-03-2023	1,106	15-03-2023	Bullet	20,00,00,000	7.7500	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
104	INE027E07BF1	10,00,000	28-04-2020	28-04-2023	1,095	28-04-2023	Bullet	10,75,00,00,000	7.8000	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
105	INE691I08537	10,00,000	10-06-2020	10-06-2030	3,652	10-06-2030	Bullet	86,00,00,000	8.3000	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
106	INE027E07BH7	10,00,000	12-06-2020	12-06-2023	1,095	12-06-2023	Bullet	3,00,00,00,000	7.7000	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
107	INE476M07BX6	10,00,000	03-07-2020	03-07-2023	1,095	03-07-2023	Bullet	1,25,00,00,000	7.0000	On Maturity	NA	NA	CARE PP-MLD AAA/ Stable	-	-	-
108	INE476M07BY4	10,00,000	09-07-2020	09-07-2025	1,826	09-07-2025	Bullet	2,79,00,00,000	7.8500	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
109	INE027E07BI5	10,00,000	10-07-2020	10-07-2025	1,826	10-07-2025	Bullet	3,45,00,00,000	7.7500	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
110	INE691I07EO1	10,00,000	13-07-2020	28-06-2030	3,637	28-06-2030	Bullet	3,70,60,00,000	8.1000	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
111	INE691I07ER4	10,00,000	13-07-2020	28-07-2025	1,841	28-07-2025	Bullet	5,00,00,00,000	7.9500	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
112	INE691I07ES2	10,00,000	13-07-2020	12-07-2024	1,460	12-07-2024	Bullet	2,44,90,00,000	7.9000	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
113	INE691I08545	10,00,000	20-07-2020	19-07-2030	3,651	19-07-2030	Bullet	1,00,00,00,000	8.1500	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
114	INE476M07BX6	10,00,000	20-07-2020	03-07-2023	1,078	03-07-2023	Bullet	75,00,00,000	7.0000	On Maturity	NA	NA	CARE PP-MLD AAA/ Stable	-	-	-
115	INE691I07ET0	10,00,000	09-09-2020	08-09-2023	1,094	08-09-2023	Bullet	5,00,00,00,000	7.3000	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
116	INE691I07EU8	10,00,000	09-09-2020	09-09-2030	3,652	09-09-2030	Bullet	1,00,00,00,000	7.6600	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
117	INE691I07EU8	10,00,000	16-09-2020	09-09-2030	3,645	09-09-2030	Bullet	50,00,00,000	7.6600	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable

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118	INE691107EV6	10,00,000	16-09-2020	16-09-2024	1,461	16-09-2024	Bullet	1,75,00,00,000	7.1500	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
119	INE476M07BZ1	10,00,000	03-11-2020	01-11-2024	1,459	01-11-2024	Bullet	3,00,00,00,000	6.5500	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
120	INE691107EW4	10,00,000	03-11-2020	01-11-2024	1,459	01-11-2024	Bullet	2,00,00,00,000	6.7500	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
121	INE027E07BK1	10,00,000	02-12-2020	01-12-2023	1,094	01-12-2023	Bullet	6,00,00,00,000	5.8500	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
122	INE691107EX2	10,00,000	30-12-2020	30-12-2030	3,652	30-12-2030	Bullet	15,00,00,00,000	7.6200	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
123	INE027E07BL9	10,00,000	03-03-2021	01-03-2024	1,094	01-03-2024	Bullet	4,50,00,00,000	6.4000	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
124	INE027E07BM7	10,00,000	10-03-2021	10-05-2024	1,157	10-05-2024	Bullet	50,00,00,000	6.4500	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
125	INE027E07BE4	10,00,000	17-03-2021	03-03-2023	716	03-03-2023	Bullet	25,00,00,000	7.6800	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
126	INE027E07BN5	10,00,000	17-03-2021	17-05-2023	791	17-05-2023	Bullet	3,00,00,00,000	6.1500	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
127	INE027E07BM7	10,00,000	30-04-2021	10-05-2024	1,106	10-05-2024	Bullet	3,00,00,00,000	6.4500	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
128	INE027E07BO3	10,00,000	19-05-2021	19-05-2031	3,652	19-05-2027	At the end of 6th year - 25%, At the end of 7th year - 25%, At the end of 8th year - 25%, At the end of 9th year - 15%, At the end of 10th year - 10%	2,50,00,00,000	7.4000	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
	INE027E07BO3	10,00,000	19-05-2021	19-05-2031	3,652	19-05-2028	At the end of 6th year - 25%, At the end of 7th year - 25%, At the end of 8th year - 25%, At the end of 9th year - 15%, At the end of 10th year - 10%	2,50,00,00,000	7.4000	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
	INE027E07BO3	10,00,000	19-05-2021	19-05-2031	3,652	18-05-2029	At the end of 6th year - 25%, At the end of 7th year - 25%, At the end of 8th year - 25%, At the end of 9th year - 15%, At the end of 10th year - 10%	2,50,00,00,000	7.4000	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
	INE027E07BO3	10,00,000	19-05-2021	19-05-2031	3,652	17-05-2030	At the end of 6th year - 25%, At the end of 7th year - 25%, At the end of 8th year - 25%, At the end of 9th year - 15%, At the end of 10th year - 10%	1,50,00,00,000	7.4000	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable

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	INE027E07B03	10,00,000	19-05-2021	19-05-2031	3,652	19-05-2031	At the end of 6th year - 25%, At the end of 7th year - 25%, At the end of 8th year - 25%, At the end of 9th year - 15%, At the end of 10th year - 10%	1,00,00,00,000	7.4000	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
129	INE027E07BM7	10,00,000	27-05-2021	10-05-2024	1,079	10-05-2024	Bullet	2,00,00,00,000	6.4500	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
130	INE027E07BE4	10,00,000	30-07-2021	03-03-2023	581	03-03-2023	Bullet	5,00,00,00,000	7.6800	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
131	INE027E07BE4	10,00,000	10-08-2021	03-03-2023	570	03-03-2023	Bullet	2,50,00,00,000	7.6800	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
132	INE027E07BE4	10,00,000	31-08-2021	03-03-2023	549	03-03-2023	Bullet	5,00,00,00,000	7.6800	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
133	INE027E07BP0	10,00,000	31-08-2021	30-08-2024	1,095	30-08-2024	Bullet	5,00,00,00,000	5.9000	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
134	INE027E07BQ8	10,00,000	08-09-2021	08-09-2023	730	08-09-2023	Bullet	30,00,00,000	5.1200	On Maturity	NA	NA	-	PP-MLD ICRA AAA/ Stable	-	-
135	INE027E07BR6	10,00,000	15-09-2021	15-03-2023	546	15-03-2023	Bullet	50,00,00,000	5.6236	On Maturity	NA	NA	-	PP-MLD ICRA AAA/ Stable	-	-
136	INE027E07BH7	10,00,000	30-09-2021	12-06-2023	620	12-06-2023	Bullet	55,00,00,000	7.7000	Annually	NA	NA	-	-	-	CRISIL AAA/ Stable
137	INE027E07BS4	10,00,000	16-11-2021	15-11-2024	1,095	15-11-2024	Bullet	2,15,00,00,000	6.2500	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
138	INE027E07790	10,00,000	03-12-2021	09-02-2024	798	09-02-2024	Bullet	50,00,00,000	9.0000	Annually	NA	NA	-	ICRA AAA/ Stable	IND AAA/ Stable	-
139	INE027E07BT2	10,00,000	03-12-2021	03-12-2024	1,096	03-12-2024	Bullet	1,50,00,00,000	6.2500	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
140	INE027E07BU0	10,00,000	23-12-2021	23-01-2025	1,127	23-01-2025	Bullet	3,00,00,00,000	6.1500	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
141	INE027E07BV8	10,00,000	01-02-2022	26-09-2025	1,333	26-09-2025	Bullet	5,65,00,00,000	6.4500	Annually	NA	NA	-	ICRA AAA/ Stable	IND AAA/ Stable	-
142	INE027E07BW6	10,00,000	01-07-2022	01-07-2024	731	01-07-2024	Bullet	1,75,00,00,000	7.5500	Annually	NA	NA	-	ICRA AAA/ Stable	IND AAA/ Stable	-
143	INE027E07BX4	10,00,000	15-07-2022	14-08-2025	1,126	14-08-2025	Bullet	2,00,00,00,000	7.7500	Annually	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
144	INE027E07BY2	10,00,000	15-07-2022	15-09-2025	1,158	15-09-2025	Bullet	3,00,00,00,000	7.7434	On Maturity	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
145	INE027E07BZ9	10,00,000	27-07-2022	27-08-2024	762	27-08-2024	Bullet	2,04,00,00,000	7.1999	On Maturity	NA	NA	-	PP-MLD ICRA AAA/ Stable	-	-
146	INE027E07BY2	10,00,000	02-08-2022	15-09-2025	1,140	15-09-2025	Bullet	2,18,80,00,000	7.8735	On Maturity	NA	NA	CARE AAA/ Stable	-	-	CRISIL AAA/ Stable
147	INE027E07BZ9	10,00,000	08-08-2022	27-08-2024	750	27-08-2024	Bullet	72,00,00,000	7.1999	On Maturity	NA	NA	-	PP-MLD ICRA AAA/ Stable	-	-
148	INE027E07BZ9	10,00,000	19-08-2022	27-08-2024	739	27-08-2024	Bullet	1,19,00,00,000	7.1999	On Maturity	NA	NA	-	PP-MLD ICRA AAA/ Stable	-	-
149	INE027E07CA0	10,00,000	29-08-2022	28-11-2025	1,187	28-11-2025	Bullet	5,80,00,00,000	7.5300	Annually	NA	NA	CARE AAA/ Stable	-	IND AAA/ Stable	CRISIL AAA/ Stable
150	INE027E07CB8	10,00,000	19-10-2022	31-10-2025	1,108	31-10-2025	Bullet	5,00,00,00,000	7.9500	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-

Sr. No.	ISIN	Face value	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption Date	Terms of redemption	Redemption amount	Rate of dividend/ coupon	Coupon Frequency	Call date	Call notification time	CARE	ICRA	INDIA RATINGS	CRISIL
151	INE027E07CC6	10,00,000	09-11-2022	10-11-2025	1,097	10-11-2025	Bullet	1,71,00,00,000	7.8077	On Maturity	NA	NA	-	PP-MLD ICRA AAA/ Stable	-	-
152	INE027E07CD4	10,00,000	17-11-2022	11-03-2025	845	11-03-2025	Bullet	65,00,00,000	7.8806	Annually	NA	NA	CARE AAA/ Stable	ICRA AAA/ Stable	-	-
153	INE027E07CE2	10,00,000	24-11-2022	27-12-2024	764	27-12-2024	Bullet	1,59,50,00,000	7.7485	On Maturity	NA	NA	-	PP-MLD ICRA AAA/ Stable	-	-
154	INE027E07CE2	10,00,000	07-12-2022	27-12-2024	751	27-12-2024	Bullet	1,04,00,00,000	7.7485	On Maturity	NA	NA	-	PP-MLD ICRA AAA/ Stable	-	-
155	INE027E07CF9	10,00,000	07-12-2022	10-02-2026	1,161	10-02-2026	Bullet	3,00,00,00,000	7.8426	On Maturity	NA	NA	-	PP-MLD ICRA AAA/ Stable	-	-
156	INE027E07CG7	10,00,000	20-12-2022	20-06-2025	913	20-06-2025	Bullet	1,71,00,00,000	7.7289	On Maturity	NA	NA	-	PP-MLD ICRA AAA/ Stable	-	-
157	INE027E07CH5	10,00,000	29-12-2022	27-02-2026	1,156	27-02-2026	Bullet	5,00,00,00,000	7.9500	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
158	INE027E07CH5	10,00,000	29-12-2022	27-02-2026	1,156	27-02-2026	Bullet	3,85,50,00,000	7.9500	Annually	NA	NA	-	-	IND AAA/ Stable	CRISIL AAA/ Stable
Redemption premium/discount – NA Early redemption scenario details – NA Call price – NA Put notification time- NA Put Date – NA Put Price - NA		<p>Latest audited financials along with notes to accounts and any audit qualifications - please refer to following URL on the website of the Company: https://www.ltf.com/content/dam/Int-financial-services/home-page/investors/documents/reports-and-filings/governance/scheme-of-arrangement/Annual-Audited-Financials.pdf</p> <p>An auditors' certificate certifying the payment/ repayment capability of the resultant entity - please refer to following URL on the website of the Company: https://www.ltf.com/content/dam/Int-financial-services/home-page/investors/documents/reports-and-filings/governance/scheme-of-arrangement/Auditors-Certificate-Repayment-capacity.pdf</p> <p>Fairness report - Please refer to following URL on the website of the Company: https://www.ltf.com/content/dam/Int-financial-services/home-page/investors/documents/reports-and-filings/governance/scheme-of-arrangement/Fairness-opinion_Final.pdf</p> <p>Safeguards for the protection of holder of NCDs</p> <p>Taking into consideration (i) the report submitted by the Audit Committee recommending the draft Scheme, (ii) the Valuation Reports issued by the independent registered valuer viz Mr. Pawan Shivkumar Poddar ("Registered Valuer"); and (iii) the Fairness Opinions issued by SEBI registered independent merchant banker viz. Navigant Corporate Advisors Limited ("Merchant Banker"), the proposed entitlement ratio as recommended by the Registered Valuer and certified as fair by the Merchant Banker was approved by the Board and the holders of NCDs whose names are recorded in the relevant registers of the Company on the Record Date shall continue holding the same number of NCDs in LTFH as held by such NCD holder in the Company and on the same terms and conditions.</p> <p>Thus, the Scheme envisages that the holders of NCDs of LTF will become holders of NCDs of LTFH at exactly the same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, respectively, as NCDs of LTF.</p> <p>Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and thus adequately safeguards interests of the holders of the NCDs.</p> <p>Exit offer to the dissenting holders of NCDs, if any</p> <p>Since the Scheme is between the wholly-owned subsidiaries and the holding company and envisages that the holders of NCDs of LTF will become holders of NCDs of LTFH on the same terms and as such, no exit offer is required.</p>														

SCHEDULE B

Disclosures as per SEBI Scheme Circular - Debt in relation to the NCRPS of the Amalgamating Company 2

Sr. No.	ISIN	Face value	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption Price	Redemption Date	Terms of redemption	Redemption premium/ discount	Redemption amount	Rate of dividend	Coupon Frequency	CRISIL
1.	INE235P04040	10,00,000	29-08-2016	29-08-2024	2,922	At Par	29-08-2023	At the end of 6th year - 33%	Premium	1,65,00,000	5	Annually	CRISIL AAA/ Stable
						At Par	29-08-2024	At the end of 7th year -33% At the end of 8th year -34%	Premium	1,70,00,000			
2.	INE235P04057	10,00,000	23-05-2019	21-05-2027	2,920	At Par	23-05-2025	At the end of 6th year - 33%	Premium	21,38,40,000	5	Annually	CRISIL AAA/ Stable
						At Par	25-05-2026	At the end of 7th year -33%	Premium	21,38,40,000			
						At Par	21-05-2027	At the end of 8th year -34%	Premium	22,03,20,000			
3.	INE235P04065	10,00,000	27-12-2019	27-12-2027	2,922	At Par	27-12-2025	At the end of 6th year - 33%	Premium	49,50,00,000	5.25	Annually	CRISIL AAA/ Stable
						At Par	27-12-2026	At the end of 7th year -33%	Premium	49,50,00,000			
						At Par	27-12-2027	At the end of 8th year -34%	Premium	51,00,00,000			
Early redemption scenario details - NA Call price – NA Put Date - NA Put Price - NA Call date - NA Put notification time - NA Call notification time - NA						Latest audited financials along with notes to accounts and any audit qualifications - please refer to following URL on the website of the Company: https://www.ltf.com/content/dam/Int-financial-services/home-page/investors/documents/reports-and-filings/governance/scheme-of-arrangement/Annual-Audited-Financials.pdf An auditors’ certificate certifying the payment/ repayment capability of the resultant entity - please refer to following URL on the website of the Company: https://lft.com/content/dam/Int-financial-services/home-page/investors/documents/reports-and-filings/governance/scheme-of-arrangement/Auditors-Certificate-Repayment-capacity.pdf Fairness report - Please refer to following URL on the website of the Company: https://www.ltf.com/content/dam/Int-financial-services/home-page/investors/documents/reports-and-filings/governance/scheme-of-arrangement/Fairness-opinion_Final.pdf Safeguards for the protection of holder of NCRPS Taking into consideration (i) the report submitted by the Audit Committee recommending the draft Scheme, (ii) the Valuation Reports issued by the independent registered valuer viz Mr. Pawan Shivkumar Poddar (“Registered Valuer”); and (iii) the Fairness Opinions issued by SEBI registered independent merchant banker viz. Navigant Corporate Advisors Limited (“Merchant Banker”), the proposed entitlement ratio as recommended by the Registered Valuer and certified as fair by the Merchant Banker was approved by the Board and the holders of NCDs and NCRPS whose names are recorded in the relevant registers of the Company on the Record Date shall continue holding the same number of NCDs and NCRPS in LTFH as held by such holders of NCD and NCRPS in the Company and on the same terms and conditions. Thus, the Scheme envisages that the holders of NCD and NCRPS of LTICL will become holders of NCD and NCRPS of LTFH at exactly the same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, respectively, as NCDs and NCRPS of LTICL. Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and NCRPS and thus adequately safeguards interests of the holders of the NCDs and NCRPS. Exit offer to the dissenting holders of NCRPS, if any Since the Scheme is between the wholly owned subsidiaries and the holding company and envisages that the NCD and NCRPS holders of LTICL will become holders of NCD and NCRPS of LTFH, no exit offer is required.							

SCHEDULE C

Disclosures as per SEBI Scheme Circular - Debt in relation to the non-convertible debentures of the Amalgamating Company 2

Sr. No.	ISIN	Face value	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption Date	Redemption amount	Rate of dividend	CRISIL	CARE	ICRA
1	INE235P07035	25,00,000	10-06-2014	10-06-2024	3,653	10-06-2024	95,00,00,000	9.7	CRISIL AAA /Stable	CARE AAA /Stable	-
2	INE235P07043	25,00,000	28-01-2015	28-01-2025	3,653	28-01-2025	1,00,00,00,000	8.49	CRISIL AAA /Stable	CARE AAA /Stable	-
3	INE235P07050	25,00,000	28-01-2015	28-01-2030	5,479	28-01-2030	1,00,00,00,000	8.51	CRISIL AAA /Stable	CARE AAA /Stable	-
4	INE235P07100	25,00,000	04-12-2015	04-12-2025	3,653	04-12-2025	15,00,00,000	8.55	CRISIL AAA /Stable	CARE AAA /Stable	-
5	INE235P07126	25,00,000	07-01-2016	06-01-2023	2,556	06-01-2023	47,00,00,000	8.6	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
6	INE235P07134	25,00,000	07-01-2016	07-01-2026	3,653	07-01-2026	1,53,00,00,000	8.63	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
7	INE235P07142	25,00,000	07-01-2016	07-01-2031	5,479	07-01-2031	15,00,00,000	8.63	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
8	INE235P07159	25,00,000	07-01-2016	07-01-2036	7,305	07-01-2036	10,00,00,000	8.63	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
9	INE235P07175	25,00,000	24-02-2016	24-02-2023	2,557	24-02-2023	55,00,00,000	8.7	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
10	INE235P07183	25,00,000	24-02-2016	24-02-2026	3,653	24-02-2026	1,35,00,00,000	8.73	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
11	INE235P07191	25,00,000	24-02-2016	24-02-2031	5,479	24-02-2031	5,00,00,000	8.73	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
12	INE235P07209	25,00,000	24-02-2016	22-02-2036	7,303	22-02-2036	5,00,00,000	8.73	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
13	INE235P07233	25,00,000	22-03-2016	22-03-2023	2,556	22-03-2023	20,00,00,000	8.75	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
14	INE235P07241	25,00,000	22-03-2016	20-03-2026	3,650	20-03-2026	90,00,00,000	8.75	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
15	INE235P07274	25,00,000	29-03-2016	27-03-2026	3,650	27-03-2026	3,00,00,00,000	8.72	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
16	INE235P07308	25,00,000	06-05-2016	05-05-2023	2,555	05-05-2023	1,00,00,000	8.67	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
17	INE235P07316	25,00,000	06-05-2016	06-05-2026	3,652	06-05-2026	20,00,00,000	8.67	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
18	INE235P07399	25,00,000	10-06-2016	10-06-2026	3,652	10-06-2026	10,00,00,000	8.75	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
19	INE235P07431	25,00,000	17-06-2016	17-06-2026	3,652	17-06-2026	50,00,00,000	8.8	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
20	INE235P07456	25,00,000	23-06-2016	23-06-2026	3,652	23-06-2026	1,05,00,00,000	8.8	CRISIL AAA /Stable	CARE AAA /Stable	ICRA AAA /Stable
21	INE235P07464	25,00,000	13-07-2016	13-07-2026	3,652	13-07-2026	15,00,00,000	8.77	CRISIL AAA /Stable	CARE AAA /Stable	-
22	INE235P07472	25,00,000	01-09-2016	01-09-2023	2,556	01-09-2023	25,00,00,000	8.45	CRISIL AAA /Stable	CARE AAA /Stable	-
23	INE235P07498	25,00,000	28-09-2016	28-09-2026	3,652	28-09-2026	72,75,00,000	8.43	CRISIL AAA /Stable	CARE AAA /Stable	-
24	INE235P07506	25,00,000	03-10-2016	01-10-2026	3,650	01-10-2026	1,02,25,00,000	8.43	CRISIL AAA /Stable	-	ICRA AAA /Stable
25	INE235P07514	25,00,000	03-10-2016	03-10-2031	5,478	03-10-2031	25,00,00,000	8.43	CRISIL AAA /Stable	-	ICRA AAA /Stable
26	INE235P07522	25,00,000	10-10-2016	10-10-2023	2,556	10-10-2023	1,50,00,00,000	8.36	CRISIL AAA /Stable	CARE AAA /Stable	-
27	INE235P07530	25,00,000	13-10-2016	13-10-2023	2,556	13-10-2023	75,00,00,000	8.25	CRISIL AAA /Stable	-	ICRA AAA /Stable
28	INE235P07548	25,00,000	13-10-2016	13-10-2026	3,652	13-10-2026	75,00,00,000	8.3	CRISIL AAA /Stable	-	ICRA AAA /Stable
29	INE235P07555	25,00,000	20-10-2016	20-10-2026	3,652	20-10-2026	1,30,00,00,000	8.3	CRISIL AAA /Stable	CARE AAA /Stable	-
30	INE235P07571	25,00,000	15-11-2016	13-11-2026	3,650	13-11-2026	25,00,00,000	8.15	CRISIL AAA /Stable	-	ICRA AAA /Stable

Sr. No.	ISIN	Face value	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption Date	Redemption amount	Rate of dividend	CRISIL	CARE	ICRA
31	INE235P07605	25,00,000	15-12-2016	15-12-2023	2,556	15-12-2023	25,00,00,000	8.05	CRISIL AAA /Stable	-	ICRA AAA /Stable
32	INE235P07688	25,00,000	04-05-2017	03-05-2024	2,556	03-05-2024	1,25,00,00,000	8.08	CRISIL AAA /Stable	-	ICRA AAA /Stable
33	INE235P07704	25,00,000	16-05-2017	16-05-2024	2,557	16-05-2024	40,00,00,000	8.08	CRISIL AAA /Stable	-	ICRA AAA /Stable
34	INE235P07720	25,00,000	31-05-2017	31-05-2024	2,557	31-05-2024	35,00,00,000	8.07	CRISIL AAA /Stable	-	ICRA AAA /Stable
35	INE235P07738	25,00,000	31-05-2017	31-05-2032	5,479	31-05-2032	1,05,00,00,000	8.2	CRISIL AAA /Stable	-	ICRA AAA /Stable
36	INE235P07753	25,00,000	08-06-2017	10-06-2024	2,559	10-06-2024	1,00,00,00,000	8.08	CRISIL AAA /Stable	-	ICRA AAA /Stable
37	INE235P07779	25,00,000	14-06-2017	14-06-2024	2,557	14-06-2024	25,00,00,000	8.07	CRISIL AAA /Stable	-	ICRA AAA /Stable
38	INE235P07795	25,00,000	16-06-2017	14-06-2024	2,555	14-06-2024	50,00,00,000	8.07	CRISIL AAA /Stable	-	ICRA AAA /Stable
39	INE235P07811	25,00,000	21-12-2017	16-01-2023	1,852	16-01-2023	3,91,00,00,000	8.15	CRISIL AAA /Stable	-	ICRA AAA /Stable
40	INE235P07837	25,00,000	28-12-2017	10-03-2023	1,898	10-03-2023	1,85,00,00,000	8.15	CRISIL AAA /Stable	-	ICRA AAA /Stable
41	INE235P07845	25,00,000	30-01-2018	30-05-2023	1,946	30-05-2023	82,00,00,000	8.1932	CRISIL AAA /Stable	-	ICRA AAA /Stable
42	INE235P07845	25,00,000	26-02-2018	30-05-2023	1,919	30-05-2023	58,00,00,000	8.1932	CRISIL AAA /Stable	-	ICRA AAA /Stable
43	INE235P07845	25,00,000	27-03-2018	30-05-2023	1,890	30-05-2023	25,00,00,000	8.1932	CRISIL AAA /Stable	-	ICRA AAA /Stable
44	INE235P07845	25,00,000	28-03-2018	30-05-2023	1,889	30-05-2023	23,00,00,000	8.1932	CRISIL AAA /Stable	-	ICRA AAA /Stable
45	INE235P07852	10,00,000	09-05-2018	23-06-2023	1,871	23-06-2023	58,00,00,000	8.45	CRISIL AAA /Stable	-	ICRA AAA /Stable
46	INE235P07860	10,00,000	19-06-2018	18-08-2023	1,886	18-08-2023	3,08,00,00,000	9.3	CRISIL AAA /Stable	-	ICRA AAA /Stable
47	INE235P07878	10,00,000	26-06-2018	25-08-2023	1,886	25-08-2023	2,32,20,00,000	9.3	CRISIL AAA /Stable	-	ICRA AAA /Stable
48	INE235P07886	10,00,000	26-06-2018	26-06-2024	2,192	26-06-2024	2,47,70,00,000	9.3	CRISIL AAA /Stable	-	ICRA AAA /Stable
49	INE235P07894	10,00,000	06-07-2018	05-07-2024	2,191	05-07-2024	1,60,00,00,000	9.3	CRISIL AAA /Stable	-	ICRA AAA /Stable
50	INE235P07902	10,00,000	23-07-2018	23-07-2025	2,557	23-07-2025	15,00,00,000	9.05	CRISIL AAA /Stable	-	ICRA AAA /Stable
51	INE235P07936	10,00,000	01-02-2019	11-03-2024	1,865	11-03-2024	25,00,00,000	9.1499	CRISIL AAA /Stable	-	ICRA AAA /Stable
52	INE235P07944	10,00,000	20-02-2019	20-02-2034	5,479	20-02-2034	20,00,00,000	9.2171	CRISIL AAA /Stable	-	ICRA AAA /Stable
53	INE235P07951	10,00,000	24-09-2019	24-09-2029	3,653	24-09-2029	7,00,00,00,000	8.42	CRISIL AAA /Stable	-	ICRA AAA /Stable
54	INE235P07969	10,00,000	25-10-2019	25-10-2029	3,653	25-10-2029	12,00,00,000	8.8	CRISIL AAA /Stable	-	ICRA AAA /Stable
55	INE235P07977	10,00,000	08-01-2020	08-01-2027	2,557	08-01-2027	15,60,00,000	8.75	CRISIL AAA /Stable	CARE AAA /Stable	-
56	INE235P07AA9	10,00,000	29-05-2020	29-05-2023	1,095	29-05-2023	1,20,00,00,000	8.4	CRISIL AAA /Stable	CARE AAA /Stable	-
57	INE235P07AC5	2,00,000	21-10-2020	21-10-2031	4,017	21-10-2031	26,00,00,000	8.1	CRISIL AAA /Stable	CARE AAA /Stable	-
58	INE235P07AD3	2,00,000	21-10-2020	21-10-2032	4,383	21-10-2032	26,00,00,000	8.1	CRISIL AAA /Stable	CARE AAA /Stable	-
59	INE235P07AE1	2,00,000	21-10-2020	21-10-2033	4,748	21-10-2033	26,00,00,000	8.1	CRISIL AAA /Stable	CARE AAA /Stable	-
60	INE235P07AF8	2,00,000	21-10-2020	20-10-2034	5,112	20-10-2034	26,00,00,000	8.1	CRISIL AAA /Stable	CARE AAA /Stable	-
61	INE235P07AG6	2,00,000	21-10-2020	19-10-2035	5,476	19-10-2035	26,00,00,000	8.1	CRISIL AAA /Stable	CARE AAA /Stable	-
62	INE235P07AH4	2,00,000	25-11-2020	25-11-2031	4,017	25-11-2031	10,00,00,000	7.95	CRISIL AAA /Stable	CARE AAA /Stable	-
63	INE235P07AI2	2,00,000	25-11-2020	25-11-2032	4,383	25-11-2032	10,00,00,000	7.95	CRISIL AAA /Stable	CARE AAA /Stable	-
64	INE235P07AJ0	2,00,000	25-11-2020	25-11-2033	4,748	25-11-2033	10,00,00,000	7.95	CRISIL AAA /Stable	CARE AAA /Stable	-
65	INE235P07AK8	2,00,000	25-11-2020	24-11-2034	5,112	24-11-2034	10,00,00,000	7.95	CRISIL AAA /Stable	CARE AAA /Stable	-

Sr. No.	ISIN	Face value	Start date	End date	Tenure/ Maturity (in no. of days)	Redemption Date	Redemption amount	Rate of dividend	CRISIL	CARE	ICRA
66	INE235P07AL6	2,00,000	25-11-2020	23-11-2035	5,476	23-11-2035	10,00,00,000	7.95	CRISIL AAA /Stable	CARE AAA /Stable	-
67	INE235P07910	10,00,000	18-09-2018	18-10-2023	1,856	18-10-2023	50,00,00,000	8.3993947	CRISIL PP-MLD AAAr /Stable	-	PP-MLD ICRA AAA / Stable
68	INE235P07928	10,00,000	21-09-2018	21-11-2023	1,887	21-11-2023	35,00,00,000	8.4947947	CRISIL PP-MLD AAAr /Stable	-	PP-MLD ICRA AAA / Stable
69	INE235P07985	10,00,000	31-01-2020	28-02-2025	1,855	28-02-2025	50,00,00,000	8.1744089	CRISIL PP-MLD AAAr /Stable	-	PP-MLD ICRA AAA / Stable
70	INE235P07993	10,00,000	25-02-2020	25-03-2025	1,855	25-03-2025	2,50,00,00,000	8.704386	CRISIL PP-MLD AAAr /Stable	-	PP-MLD ICRA AAA / Stable
71	INE235P07AB7	10,00,000	07-07-2020	06-10-2023	1,186	06-10-2023	1,01,20,00,000	7.9714772	CRISIL PP-MLD AAAr /Stable	CARE PP-MLD AAA / Stable	-
Redemption Price – at par Coupon Frequency - Annually Terms of redemption - Bullet Redemption premium / discount – NA Early redemption scenario details - NA Put Date - NA Put Price - NA Call price – NA Call date - NA Put notification time - NA Call notification time - NA			<p>Latest audited financials along with notes to accounts and any audit qualifications - please refer to following URL on the website of the Company: https://www.ltfs.com/content/dam/ltf-financial-services/home-page/investors/documents/reports-and-filings/governance/scheme-of-arrangement/Annual-Audited-Financials.pdf</p> <p>An auditors' certificate certifying the payment/ repayment capability of the resultant entity - please refer to following URL on the website of the Company: https://ltfs.com/content/dam/ltf-financial-services/home-page/investors/documents/reports-and-filings/governance/scheme-of-arrangement/Auditors-Certificate-Repayment-capacity.pdf</p> <p>Fairness report - Please refer to following URL on the website of the Company: https://www.ltfs.com/content/dam/ltf-financial-services/home-page/investors/documents/reports-and-filings/governance/scheme-of-arrangement/Fairness-opinion_Final.pdf</p> <p>Safeguards for the protection of holder of NCD Taking into consideration (i) the report submitted by the Audit Committee recommending the draft Scheme, (ii) the Valuation Reports issued by the independent registered valuer viz Mr. Pawan Shivkumar Poddar ("Registered Valuer"); and (iii) the Fairness Opinions issued by SEBI registered independent merchant banker viz. Navigant Corporate Advisors Limited ("Merchant Banker"), the proposed entitlement ratio as recommended by the Registered Valuer and certified as fair by the Merchant Banker was approved by the Board and the holders of NCDs and NCRPS whose names are recorded in the relevant registers of the Company on the Record Date shall continue holding the same number of NCDs and NCRPS in LTFH as held by such holders of NCD and NCRPS in the Company and on the same terms and conditions. Thus, the Scheme envisages that the holders of NCD and NCRPS of LTICL will become holders of NCD and NCRPS of LTFH at exactly the same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, respectively, as NCDs and NCRPS of LTICL.</p> <p>Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and NCRPS and thus adequately safeguards interests of the holders of the NCDs and NCRPS.</p> <p>Exit offer to the dissenting holders of NCD, if any Since the Scheme is between the wholly owned subsidiaries and the holding company and envisages that the NCD and NCRPS holders of LTICL will become holders of NCD and NCRPS of LTFH, no exit offer is required.</p>								

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF L&T FINANCE LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 AND CIRCULAR NO. SEBI/HO/DDHS/DDHSDIV1/P/CIR/2022/0000000103 DATED JULY 29, 2022 AS AMENDED FROM TIME TO TIME, ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI SCHEME CIRCULAR – DEBT"), AT ITS MEETING HELD ON JANUARY 13, 2023

1. The Board of Directors of the Company ("**Board**") considered the proposal involving amalgamation of L&T Finance Limited ("**Company**" / "**LTF**"), L&T Infra Credit Limited ("**LTICL**") and L&T Mutual Fund Trustee Limited ("**LTMFTL**") (LTF, LTICL and LTMFTL are collectively referred to as "**Amalgamating Companies**") with L&T Finance Holdings Limited ("**Amalgamated Company**" / "**LTFH**"), by way of merger by absorption pursuant to a scheme of arrangement, under the provisions of Sections 230 - 232 read with Section 52 of the Companies Act, 2013, including the rules thereunder and other relevant provisions, ("**Act**") as applicable and other applicable regulatory requirements (the "**Scheme**"), resulting in the transfer and vesting of the assets, liabilities and the entire undertaking of the Amalgamating Companies into the Amalgamated Company, followed by the dissolution, without winding up, of each of the Amalgamating Companies, the consequent cancellation of the equity shares held by the Amalgamated Company in the Amalgamating Companies, certain adjustments to the securities premium account of Amalgamated Company and various other matters consequential to or otherwise integrally connected with the above. *(The Amalgamating Companies and the Amalgamated Company are collectively referred to as "**Companies**").*
2. Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
3. LTF and LTMFTL are wholly owned subsidiaries of LTFH. LTICL is an indirect wholly owned subsidiary of LTFH, wherein 76.64% of the equity shareholding is held by LTF and 23.36% is directly held by LTFH.
4. LTF has its registered office in Kolkata and LTFH, LTICL and LTMFTL have their registered office in Mumbai. Accordingly, the Scheme is proposed to be filed with the Mumbai and Kolkata benches of the National Company Law Tribunal.
5. The draft of the Scheme was approved by the Audit Committee and the Board at the meetings held on January 12, 2023 and January 13, 2023 respectively.
6. As per Section 232(2)(c) of the Companies Act, 2013, a report is required to be adopted by the Board explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio, specifying any special valuation difficulties.

Further, pursuant to the requirements of the SEBI Scheme Circular - Debt, the Board is required to also comment on impact of the scheme on the holders of non-convertible debentures ("**NCDs**") / non-convertible preference shares ("**NCRPS**"), safeguards for the protection of the holders of NCDs/NCRPS and exit offer to the dissenting shareholders of NCD/ NCRPS, if any.

Accordingly, this report is being prepared to comply with the requirements of the Companies Act, 2013 read with the SEBI Scheme Circular – Debt ("**the Report**") and for adoption by the Board.

7. The following documents / draft documents were placed before /circulated to the Board at its Meeting held on January 13, 2023:
 - (a) Valuation reports issue by an independent registered valuer viz Mr. Pawan Shivkumar Poddar as:
 - (i) The valuation report dated January 12, 2023;
 - (ii) The valuation report dated January 12, 2023 for the purpose of SEBI Scheme Circular – Debt in respect of the listed non-convertible debentures;
 - (b) Fairness opinion issued by SEBI registered independent merchant banker viz. Navigant Corporate Advisors Limited for the purpose of SEBI Scheme Circular – Debt providing opinion in respect of the valuations of listed non-convertible debentures;

- (c) A certificate issued by KKC & Associates LLP, the statutory auditors of LTFH, to the effect that the accounting treatment contained in the Scheme is in compliance with all the accounting standards prescribed under Section 133 of the Act and as required under SEBI's circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022, as amended from time to time ("**SEBI Scheme Circular – Debt**");
- (d) Other presentations, reports, documents and information pertaining to the draft Scheme made available to/ circulated to the Board.

8. Rationale of the Scheme:

LTFH, being a Core Investment Company (CIC) and the holding company for the financial services businesses of the L&T Group, namely L&T Financial Services ("**LTFs**") which is currently undertaken through two lending entities (both having an non-banking financial company - investment and credit company ("**NBFC – ICC**") registration pursuant to the corporate restructuring exercise undertaken within LTFs in FY 2021-2022 in accordance with its strategy of 'Right Structure'). LTFH also holds a few other financial / non-financial services businesses /entities. With the objective of creation of a single large unified operational lending entity and mitigate potential operational and business inefficiencies of having two lending entities with the same NBFC-ICC registration, it is proposed to consolidate the businesses of the lending entities with the holding company. Further, it is also proposed to include a non-operating entity as part of this consolidation. This will help reduce the number of companies within the group (including Non-Banking Financial Company's ("**NBFCs**") to achieve optimal and efficient utilization of capital; enhance operational and management efficiencies and have a simplified organizational structure.

Thus, the Amalgamation pursuant to this Scheme would, *inter alia*, have the following benefits:

- (i) Achieve simplification of holding structure of entities forming part of the group, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale.
- (ii) Creation of a single large lending entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively.
- (iii) Achieve greater transparency, operational efficiency and better utilization of management bandwidth by having one operating NBFC to house all businesses.
- (iv) Enable access to business relationships and other intangible benefits that the Amalgamating Companies have built over decades.
- (v) Companies have a proven track record in the respective businesses of credit and consolidation which will lead to pooling of knowledge and expertise.
- (vi) Ease of compliance with revised regulatory framework applicable to NBFC under Scale Based Regulations (SBR): A Revised Regulatory Framework for NBFCs, issued by RBI dated October 22, 2021 and as amended from time to time, including the circulars specified by RBI from time to time.

9. Effect of Scheme on stakeholders:

Sr. No.	Category of stakeholder	Effect of the Scheme on the stakeholders
1.	Shareholders (Promoter and Non-Promoter Shareholders)	LTF is a wholly-owned subsidiary of LTFH. Hence, there will be no adverse effect on the shareholders of the Company.
2.	Key Managerial Personnel ("KMPs")	The Scheme will not have any adverse effect on the KMPs of the Company.
3.	Impact of the scheme on the holder of the NCDs of the Company	Taking into consideration (i) the report submitted by the Audit Committee recommending the draft Scheme, (ii) the Valuation Reports issued by the independent registered valuer viz Mr. Pawan Shivkumar Poddar ("Registered Valuer"); and (iii) the Fairness Opinions issued by SEBI registered independent merchant banker viz. Navigant Corporate Advisors Limited ("Merchant Banker"), the proposed entitlement ratio as recommended by the Registered Valuer and certified as fair by the Merchant Banker was approved by the Board and the holders of NCDs whose names are recorded in the relevant registers of the Company on the Record Date shall continue holding the same number of NCDs in LTFH as held by such NCD holder in the Company and on the same terms and conditions.
4.	Safeguards for the protection of holder of NCDs	

Sr. No.	Category of stakeholder	Effect of the Scheme on the stakeholders
		<p>Thus, the Scheme envisages that the holders of NCDs of LTF will become holders of NCDs of LTFH at exactly the same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, respectively, as NCDs of LTF.</p> <p>Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and thus adequately safeguards interests of the holders of the NCDs.</p>
5.	Exit offer to the dissenting holders of NCDs, if any.	Since the Scheme is between the wholly-owned subsidiaries and the holding company and envisages that the holders of NCDs of LTF will become holders of NCDs of LTFH on the same terms and as such, no exit offer is required.

Note: The Company has not issued any NCRPS

Basis the above, the Board confirmed that the Scheme would not be detrimental to the interests of the NCD holders of the Company.

10. Equity Share Exchange Ratio:

Since the Amalgamating Companies are direct and indirect wholly-owned subsidiaries of the Amalgamated Company, upon this Scheme becoming effective, the shares held by the Amalgamated Company in the Amalgamating Companies will stand cancelled and no consideration shall pass from the Amalgamated Company.

11. Adoption of the Report by the Directors:

The Board has adopted this Report after noting and considering the information set forth in this Report. The Board or any duly authorised committee/person by the Board is entitled to make relevant modifications to this Report, if required and such modifications or amendments shall be deemed to form part of this Report.

**For and on behalf of the Board of Directors
of the Company**

**Sachinn Joshi
Whole-time Director**

Date: January 13, 2023

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF L&T INFRA CREDIT LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 AND CIRCULAR NO. SEBI/HO/DDHS/DDHSDIV1/P/CIR/2022/0000000103 DATED JULY 29, 2022, AS AMENDED FROM TIME TO TIME, ISSUED BY THE SECURITIES EXCHANGE BOARD OF INDIA ("SEBI SCHEME CIRCULAR - DEBT"), AT ITS MEETING HELD ON JANUARY 13, 2023

1. The Board of Directors of the Company ("**Board**") considered the proposal involving amalgamation of L&T Finance Limited ("**LTF**"), L&T Infra Credit Limited ("**Company**" / "**LTICL**") and L&T Mutual Fund Trustee Limited ("**LTMFTL**") (LTF, LTICL and LTMFTL are collectively referred to as "**Amalgamating Companies**") with L&T Finance Holdings Limited ("**Amalgamated Company**" / "**LTFH**"), by way of merger by absorption pursuant to a scheme of arrangement under the provisions of Sections 230 - 232 read with Section 52 of the Companies Act, 2013 and other applicable regulatory requirements (the "**Scheme**" / "**Scheme of Amalgamation**"), and in compliance with the SEBI Scheme Circular – Debt, resulting in the transfer and vesting of the assets, liabilities and the entire undertaking of the Amalgamating Companies into the Amalgamated Company, followed by the dissolution without winding up of each of the Amalgamating Companies the consequent cancellation of the equity shares held by the Amalgamated Company in the Amalgamating Companies certain adjustments to the securities premium account of Amalgamated Company and various other matters consequential to or otherwise integrally connected with the above. *(The Amalgamating Companies and the Amalgamated Company are collectively referred to as "**Companies**").*
2. Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
3. LTF and LTMFTL are wholly owned subsidiaries of LTFH. LTICL is an indirect wholly owned subsidiary of LTFH, wherein 76.64% of the equity shareholding is held by LTF and 23.36% is directly held by LTFH.
4. LTF has its registered office in Kolkata and LTFH, LTICL and LTMFTL have their registered office in Mumbai. Accordingly, the Scheme is proposed to be filed with the Mumbai and Kolkata benches of the National Company Law Tribunal.
5. The Scheme will be filed with various regulatory authorities for obtaining their no-objection letters/ approvals and thereafter, will be presented before the National Company Law Tribunal ("**NCLT**") bench at Mumbai and Kolkata (as registered office of LTF is in Kolkata), under Section 230- 232 of the Companies Act, 2013.
6. The draft of the Scheme was approved by the Audit Committee and the Board at the meetings held on January 13, 2023.
7. As per Section 232(2)(c) of the Companies Act, 2013, a report is required to be adopted by the Board of Directors explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio, specifying any special valuation difficulties.

Further, pursuant to the requirements of the SEBI Scheme Circular - Debt, the Board is required to also comment on impact of the Scheme on the holders of non-convertible debentures ("**NCDs**") / non-convertible preference shares ("**NCRPS**"), safeguards for the protection of the holders of NCDs/NCRPS and exit offer to the dissenting shareholders of NCD/ NCRPS, if any.

Accordingly, this report is being prepared to comply with the requirements of the Companies Act, 2013 read with the SEBI Scheme Circular - Debt ("**the Report**"). Having regard to the applicability of the aforesaid provisions, this Report has been prepared for adoption by the Board.

8. The following documents/draft documents were placed before / circulated to the Board at its Meeting held on January 13, 2023:
 - a) Scheme;
 - b) Valuation reports dated January 12, 2023 issued by Mr. Pawan Shivkumar Poddar (Registration number IBB/RV/06/2019/12475) in respect of the equity shares, listed non-convertible debentures and listed non-convertible preference shares;

- c) Fairness Opinion dated January 12, 2023, issued by Navigant Corporate Advisors Limited, an independent merchant banker registered with Securities and Exchange Board of India, providing opinion in respect of the valuation of listed non-convertible debentures and listed non-convertible preference shares; and
- d) Other presentations, reports, documents and information pertaining to the Scheme made available / circulated to the Board.

9. Rationale of the Scheme

LTFH, being a Core Investment Company (CIC) and the holding company for the financial services businesses of the L&T Group, namely L&T Financial Services ("**LTFH**") which is currently undertaken through two lending entities (both having an non-banking financial company - investment and credit company ("**NBFC – ICC**") registration pursuant to the corporate restructuring exercise undertaken within LTFH in FY 2021-2022 in accordance with its strategy of 'Right Structure'). LTFH also holds a few other financial / non-financial services businesses /entities. With the objective of creation of a single large unified operational lending entity and mitigate potential operational and business inefficiencies of having two lending entities with the same NBFC-ICC registration, it is proposed to consolidate the businesses of the lending entities with the holding company. Further, it is also proposed to include a non-operating entity as part of this consolidation. This will help reduce the number of companies within the group (including Non-Banking Financial Company's ("**NBFCs**") to achieve optimal and efficient utilization of capital; enhance operational and management efficiencies and have a simplified organizational structure.

Thus, the Amalgamation pursuant to this Scheme would, *inter alia*, have the following benefits:

- (i) Achieve simplification of holding structure of entities forming part of the group, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale.
- (ii) Creation of a single large lending entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively.
- (iii) Achieve greater transparency, operational efficiency and better utilization of management bandwidth by having one operating NBFC to house all businesses.
- (iv) Enable access to business relationships and other intangible benefits that the Amalgamating Companies have built over decades.
- (v) Companies have a proven track record in the respective businesses of credit and consolidation which will lead to pooling of knowledge and expertise.
- (vi) Ease of compliance with revised regulatory framework applicable to NBFC under Scale Based Regulations (SBR): A Revised Regulatory Framework for NBFCs, issued by RBI dated October 22, 2021 and as amended from time to time, including the circulars specified by RBI from time to time.

10. Effect of Scheme on stakeholders:

Sr. No.	Category of stakeholder	Effect of scheme on the stakeholders
1.	Shareholders (Promoter and Non-Promoter Shareholders)	LTICL is an indirect wholly-owned subsidiary of LTFH, wherein 76.64% of the equity shareholding is held by LTF and 23.36% is directly held by LTFH. Further, as per the Scheme, LTF is also proposed to be amalgamated with LTFH. Hence there will be no adverse effect on the Shareholders of the Company.
2.	Key Managerial Personnel ("KMPs") of the Company	The Scheme will not have any adverse effect on the KMPs of the Company.

Sr. No.	Category of stakeholder	Effect of scheme on the stakeholders
3.	Impact of the scheme on the holders of the NCDs and /or NCRPS of the Scheme	Taking into consideration (i) the report submitted by the Audit Committee recommending the draft Scheme, (ii) the Valuation Reports issued by the independent registered valuer viz Mr. Pawan Shivkumar Poddar ("Registered Valuer"); and (iii) the Fairness Opinions issued by SEBI registered independent merchant banker viz. Navigant Corporate Advisors Limited ("Merchant Banker"), the proposed entitlement ratio as recommended by the Registered Valuer and certified as fair by the Merchant Banker was approved by the Board and the holders of NCDs and NCRPS whose names are recorded in the relevant registers of the Company on the Record Date shall continue holding the same number of NCDs and NCRPS in LTFH as held by such holders of NCD and NCRPS in the Company and on the same terms and conditions. Thus, the Scheme envisages that the holders of NCD and NCRPS of LTICL will become holders of NCD and NCRPS of LTFH at exactly the same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, respectively, as NCDs and NCRPS of LTICL.
4.	Safeguards for the protection of holders of NCD and /or NCRPS	Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and NCRPS and thus adequately safeguards interests of the holders of the NCDs and NCRPS.
5.	Exit offer to the dissenting holders of NCD and /or NCRPS, if any	Since the Scheme is between the wholly owned subsidiaries and the holding company and envisages that the NCD and NCRPS holders of LTICL will become holders of NCD and NCRPS of LTFH, no exit offer is required.

Basis the above, the Board confirmed that the Scheme would not be detrimental to the interests of the NCD holders NCRPS holders.

11. Equity Share Exchange Ratio

Since the Amalgamating Companies are direct and indirect wholly owned subsidiaries of the Amalgamated Company, upon this Scheme becoming effective, the shares held by the Amalgamated Company in the Amalgamating Companies will stand cancelled and no consideration shall pass from the Amalgamated Company.

12. Adoption of the Report by the Directors:

The Board have adopted the Report after noting and considering the information set forth in the Report. The Board any duly authorised committee/person by the Board is entitled to make relevant modifications to this Report, if required and such modifications or amendments shall be deemed to form part of this Report.

**For and on behalf of the Board of Directors
of the Company**

**Dr. Rupa Rege Nitsure
Whole-time Director**

Date: January 13, 2023

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF L&T MUTUAL FUND TRUSTEE LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 AT ITS MEETING HELD ON JANUARY 13, 2023

1. The Board of Directors of the Company ("**Board**") considered the proposal involving amalgamation of L&T Finance Limited ("**LTF**"), L&T Infra Credit Limited ("**LTICL**") and L&T Mutual Fund Trustee Limited ("**Company**" / "**LTMFTL**") (LTF, LTICL and LTMFTL are collectively referred to as "**Amalgamating Companies**") with L&T Finance Holdings Limited ("**Amalgamated Company**" / "**LTFH**"), by way of merger by absorption pursuant to a scheme of arrangement under the provisions of Sections 230 - 232 read with Section 52 of the Companies Act, 2013, as applicable, and other regulatory requirements (the "**Scheme**" / "**Scheme of Amalgamation**"), resulting in the transfer and vesting of the assets, liabilities and the entire undertaking of the Amalgamating Companies into the Amalgamated Company, followed by the dissolution without winding up of each of the Amalgamating Companies the consequent cancellation of the equity shares held by the Amalgamated Company in the Amalgamating Companies certain adjustments to the securities premium account of the Amalgamated Company and various other matters consequential to or otherwise integrally connected with the above. *(The Amalgamating Companies and the Amalgamated Company are collectively referred to as "**Companies**").*
2. Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
3. LTF and LTMFTL are wholly-owned subsidiaries of LTFH. LTICL is an indirect wholly owned subsidiary of LTFH, wherein 76.64% of the equity shareholding is held by LTF and 23.36% is directly held by LTFH.
4. LTF has its registered office in Kolkata and LTFH, LTICL and LTMFTL have their registered office in Mumbai. Accordingly, the Scheme is proposed to be filed with the Mumbai and Kolkata benches of the National Company Law Tribunal.
5. The Scheme will be filed with various regulatory authorities for obtaining their no-objection letters/ approvals and thereafter, will be presented before the National Company Law Tribunal ("**NCLT**") bench at Mumbai and Kolkata (as registered office of LTF is in Kolkata), under Section 230 - 232 of the Companies Act, 2013.
6. The draft of the Scheme was approved by the Board at its meeting held on January 13, 2023.
7. As per Section 232(2)(c) of the Act a report is required to be adopted by the Board of Directors explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio, specifying any special valuation difficulties. ("**Report**").
Having regard to the applicability of the aforesaid provision, this Report has been prepared for adoption by the Board.
8. The following documents / draft documents were placed before the Board at its Meeting held on January 13, 2023:
 - a) Scheme;
 - b) The valuation report issued by an independent registered valuer viz Mr. Pawan Shivkumar Poddar dated January 12, 2023;
 - c) A certificate issued by KKC & Associates LLP, the statutory auditors of LTFH, to the effect that the accounting treatment contained in the Scheme is in compliance with all the accounting standards prescribed under Section 133 of the Act;
 - d) Other presentations, reports, documents and information pertaining to the draft Scheme made available to/ circulated to the Board.

9. Rationale of the Scheme:

LTFH, being a Core Investment Company (CIC) and the holding company for the financial services businesses of the L&T Group, namely L&T Financial Services ("**LTFS**") which is currently undertaken through two lending entities (both having a non-banking financial company - investment and credit company ("**NBFC – ICC**") registration pursuant to the corporate restructuring exercise undertaken within LTFS in FY 2021-2022 in accordance with its strategy of

'Right Structure'). LTFH also holds a few other financial / non-financial services businesses /entities. With the objective of creation of a single large unified operational lending entity and mitigate potential operational and business inefficiencies of having two lending entities with the same NBFC-ICC registration, it is proposed to consolidate the businesses of the lending entities with the holding company. Further, it is also proposed to include a non-operating entity as part of this consolidation. This will help reduce the number of companies within the group (including Non-Banking Financial Company's ("NBFCs")) to achieve optimal and efficient utilization of capital; enhance operational and management efficiencies and have a simplified organizational structure.

Thus, the Amalgamation pursuant to this Scheme would, *inter alia*, have the following benefits:

- (i) Achieve simplification of holding structure of entities forming part of the group, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale.
- (ii) Creation of a single large lending entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively.
- (iii) Achieve greater transparency, operational efficiency and better utilization of management bandwidth by having one operating NBFC to house all businesses.
- (iv) Enable access to business relationships and other intangible benefits that the Amalgamating Companies have built over decades.
- (v) Companies have a proven track record in the respective businesses of credit and consolidation which will lead to pooling of knowledge and expertise.
- (vi) Ease of compliance with revised regulatory framework applicable to NBFC under (SBR): A Revised Regulatory Framework for NBFCs, issued by RBI dated October 22, 2021 and as amended from time to time, including the circulars specified by RBI from time to time.

10. Effect of Scheme on stakeholders

Sr. No.	Category of stakeholder	Effect of Scheme on the stakeholders
1.	Shareholders (Promoter and Non-Promoter Shareholders)	LTMFTL is a wholly-owned subsidiaries of LTFH. Hence, there will be no adverse effect on the Shareholders of the Company.
2.	Key Managerial Personnel ("KMPs")	Pursuant to the requirements of the Companies Act, 2013, the Company is not required to appoint any KMP.

11. Equity Share Exchange Ratio:

Since the Amalgamating Companies are direct and indirect wholly-owned subsidiaries of the Amalgamated Company, upon this Scheme becoming effective, the equity shares held by the Amalgamated Company in the Amalgamating Companies will stand cancelled and no consideration whatsoever shall pass from the Amalgamated Company.

12. Adoption of the Report by the Directors:

The Board has adopted this Report after noting and considering the information set forth in the Report. The Board or any duly authorised committee/person by the Board is entitled to make relevant modifications to the Report, if required and such modifications or amendments shall be deemed to form part of the Report.

**For and on behalf of the Board of Directors
of the Company**

**Santosh Parab
Non-Executive Director**

Date: January 13, 2023

Place: Mumbai

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF L&T FINANCE HOLDINGS LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 AT ITS MEETING HELD ON JANUARY 13, 2023

1. The Board of Directors of the Company ("**Board**") considered the proposal involving amalgamation of L&T Finance Limited ("**LTF**"), L&T Infra Credit Limited ("**LTICL**") and L&T Mutual Fund Trustee Limited ("**LTMFTL**") (LTF, LTICL and LTMFTL are collectively referred to as "**Amalgamating Companies**") with L&T Finance Holdings Limited ("**Company**" / "**Amalgamated Company**" / "**LTFH**"), by way of merger by absorption pursuant to a scheme of arrangement under the provisions of Sections 230 - 232 read with Section 52 of the Companies Act, 2013, including the rules thereunder and other relevant provisions, ("**Act**") as applicable and other applicable regulatory requirements (the "**Scheme**"), resulting in the transfer and vesting of the assets, liabilities and the entire undertaking of the Amalgamating Companies into the Amalgamated Company, followed by the dissolution without winding up of each of the Amalgamating Companies, the consequent cancellation of the equity shares held by the Amalgamated Company in the Amalgamating Companies, certain adjustments to the securities premium account of Amalgamated Company and various other matters consequential to or otherwise integrally connected with the above. (*The Amalgamating Companies and the Amalgamated Company are collectively referred to as "**Companies**"*).
2. Words and expressions, used in capitalized form but not defined in this report, shall have the meaning ascribed to them in the Scheme.
3. LTF and LTMFTL are wholly owned subsidiaries of LTFH. LTICL is an indirect wholly owned subsidiary of LTFH, wherein 76.64% of the equity shareholding is held by LTF and 23.36% is directly held by LTFH.
4. LTF has its registered office in Kolkata and LTFH, LTICL and LTMFTL have their registered office in Mumbai. Accordingly, the Scheme is proposed to be filed with the Mumbai and Kolkata benches of the National Company Law Tribunal.
5. A draft of the Scheme was duly approved by the Audit Committee of the Company and the Board at the meetings held on January 13, 2023.
6. As per Section 232(2)(c) of the Act, a report is required to be adopted by the Board of Directors explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio, specifying any special valuation difficulties ("**Report**"). Having regard to the applicability of the aforesaid provision, this Report has been prepared for adoption by the Board.
7. The following documents/draft documents were placed before/circulated to the Board at its Meeting held on January 13, 2023:
 - (i) Scheme;
 - (ii) Report of the Audit Committee of the Company recommending the draft Scheme;
 - (iii) Report of the Independent Directors of the Company recommending the draft Scheme;
 - (iv) Valuation reports issued by an independent registered valuer viz Mr. Pawan Shivkumar Poddar:
 - (a) The valuation report dated January 12, 2023 for the purpose of SEBI's Master Circular on (I) Scheme of Arrangement by Listed Entities and (II) Relaxation under Subrule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957 dated November 23, 2021 ("**SEBI Scheme Circular- Equity**");
 - (b) The valuation report dated January 12, 2023 for the purpose of SEBI's circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022, and ("**SEBI Scheme Circular – Debt**") in respect of the listed non-convertible debentures;
 - (c) The valuation report dated January 12, 2023 for the purpose of SEBI Scheme Circular - Debt in respect of the listed non-convertible redeemable preference shares;
 - (v) Fairness opinions issued by SEBI registered independent merchant banker viz. Navigant Corporate Advisors Limited;

- (a) fairness opinion dated January 12, 2023 for the purpose of SEBI Scheme Circular – Debt in respect of listed non-convertible debentures;
- (b) fairness opinion dated January 12, 2023 for the purpose of SEBI Scheme Circular - Debt in respect of the listed non-convertible redeemable preference shares
- (vi) A certificate issued by KKC & Associates LLP, Chartered Accountants, the Company's statutory auditor, as required under Section 232(3)(j) of the Act, to the effect that the accounting treatment contained in the Scheme is in compliance with all the accounting standards prescribed under Section 133 of the Act and as required under SEBI Scheme Circular – Equity and SEBI Scheme Circular – Debt;
- (vii) The undertaking dated January 12, 2023, certified by KKC & Associates LLP, Chartered Accountants, statutory auditors of the Company, in terms of paragraph 10 (c) in Annexure I - Part 1 (A) of the SEBI Scheme Circular- Equity, stating the reasons for the non-applicability of paragraph 10 (b) of the SEBI Scheme Circular- Equity to the Scheme;
- (viii) Other presentations, reports, documents and information pertaining to the draft Scheme made available to/ circulated to the Board.

8. Rationale of the Scheme:

LTFH, being a Core Investment Company (CIC) and the holding company for the financial services businesses of the L&T Group, namely L&T Financial Services ("**LTFs**") which is currently undertaken through two lending entities (both having an non-banking financial company - investment and credit company ("**NBFC – ICC**") registration pursuant to the corporate restructuring exercise undertaken within LTFs in FY 2021-2022 in accordance with its strategy of 'Right Structure'). LTFH also holds a few other financial / non-financial services businesses /entities. With the objective of creation of a single large unified operational lending entity and mitigate potential operational and business inefficiencies of having two lending entities with the same NBFC-ICC registration, it is proposed to consolidate the businesses of the lending entities with the holding company. Further, it is also proposed to include a non-operating entity as part of this consolidation. This will help reduce the number of companies within the group (including Non-Banking Financial Company's ("**NBFCs**")) to achieve optimal and efficient utilization of capital; enhance operational and management efficiencies and have a simplified organizational structure.

Thus, the Amalgamation pursuant to this Scheme would, *inter alia*, have the following benefits:

- (i) Achieve simplification of holding structure of entities forming part of the group, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale.
- (ii) Creation of a single large lending entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively.
- (iii) Achieve greater transparency, operational efficiency and better utilization of management bandwidth by having one operating NBFC to house all businesses.
- (iv) Enable access to business relationships and other intangible benefits that the Amalgamating Companies have built over decades.
- (v) Companies have a proven track record in the respective businesses of credit and consolidation which will lead to pooling of knowledge and expertise.
- (vi) Ease of compliance with revised regulatory framework applicable to NBFC under Scale Based Regulations (SBR): A Revised Regulatory Framework for NBFCs, issued by RBI dated October 22, 2021 and as amended from time to time, including circulars specified by RBI from time to time.

9. Effect of the Scheme on stakeholders

Sr. No.	Category of stakeholder	Effect of the scheme on the stakeholders
1.	Shareholders (Promoter and Non Promoter Shareholders)	LTF and LTMFTL are subsidiaries of LTFH. LTICL is an indirect wholly-owned subsidiary of LTFH, wherein 76.64% of the equity shareholding is held by LTF and 23.36% is directly held by LTFH. Considering the above, there will be no adverse effect on the shareholders of LTFH.
2.	Key Managerial Personnel ("KMPs")	The Scheme will not have any adverse effect on the KMPs of LTFH.

10. Equity Share Exchange Ratio:

The Amalgamating Companies are direct and indirect wholly-owned subsidiaries of the Amalgamated Company, upon this Scheme becoming effective, the equity shares held by the Amalgamated Company in the Amalgamating Companies will stand cancelled and no consideration whatsoever shall pass from the Amalgamated Company.

11. Adoption of the Report by the Directors:

The Board has adopted this Report after noting and considering the information set forth in the Report. The Board or any duly authorised committee/person by the Board is entitled to make relevant modifications to the Report, if required and such modifications or amendments shall be deemed to form part of the Report.

**For and on behalf of the Board of Directors
of the Company**

**Dinanath Dubhashi
Managing Director and
Chief Executive Officer**

Date: January 13, 2023

Place: Mumbai

PAWAN SHIVKUMAR PODDAR

CA, RV(IBBI)

REGISTERED VALUER

Securities and Financial Assets

Reg No. – IBBI/RV/06/2019/12475

STRICTLY PRIVATE & CONFIDENTIAL

January 12, 2023

The Board of Directors**L&T Finance Holdings Limited**

Brindavan, Plot No.177, CTS Road,
Kalina, Santacruz (East),
Mumbai – 400098.

The Board of Directors**L&T Finance Limited**

15th Floor, PS Srijan Tech Park,
Plot No.52 DN, Sector – V, Salt Lake City,
Kolkata, Parganas North – 700091

The Board of Directors**L&T Infra Credit Limited**

Plot No.177, CTS Road,
Kalina, Santacruz (East),
Mumbai – 400098.

Dear Sir(s) / Madam(s),

Sub: Valuation Report for the proposed amalgamation of L&T Finance Limited and L&T Infra Credit Limited with L&T Finance Holdings Limited – Non-Convertible Debentures.

I refer to the engagement letter dated December 26, 2022 whereby I, CA Pawan Shivkumar Poddar (hereinafter referred to as **"I"** or **"Valuer"**), have been appointed by L&T Finance Limited (hereinafter referred to as **"LTFL"**), L&T Infra Credit Limited (hereinafter referred to as **"LTICL"**) and L&T Finance Holdings Limited (hereinafter referred to as **"LTFH"** or the **"Company"**) to issue a valuation report as required under SEBI Circular SEBI/HO/DDHS/DDHS_Div1/P/CIR/ 2022/0000000103 dated July 29, 2022 (as updated on December 1, 2022), as amended from time to time (**"SEBI Scheme Circular - Debt"**) for Non-Convertible Debenture (**"NCD"**) holders in relation to the proposed amalgamation of LTFL and LTICL with LTFH (hereinafter referred to as **"Proposed Amalgamation"**).

LTFL, LTICL and LTFH are hereinafter collectively referred to as the **"Companies"**.

Our deliverable for this engagement would be to provide a valuation report for the purposes of SEBI Scheme Circular - Debt in relation to NCDs of LTFH which would be issued to the NCDs holders of LTFL and LTICL pursuant to the Proposed Amalgamation (**"Report"**). In connection with the Proposed Amalgamation, the NCD holders of LTFL and LTICL will become NCD holders of LTFH at exactly same terms respectively as NCDs of LTFL and LTICL. For the purpose of this report, we have considered the Valuation Date as January 12, 2023 (**"Valuation Date"**).

1. SCOPE AND PURPOSE OF THIS REPORT

- 1.1. I have been informed by the management of the Companies (hereinafter collectively referred to as the **"Management"**) that in order to achieve simplification of holding structure of entities forming part of the group, improve operational and management efficiencies, streamline business operations and decision-making process, enable greater economies of scale, creating a single unified entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively, it is proposed that LTFL, LTICL and LTMFTL will amalgamate

with LTFH. The aforesaid amalgamation is proposed under a Scheme of Amalgamation and Arrangement in accordance with the provisions of section 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the **"Scheme"**). Subject to necessary approvals, LTFL, LTICL and LTMFTL would be amalgamated with LTFH, with effect from the appointed date of April 01, 2023 (**"Appointed Date"**). Both, LTFL and LTICL had issued NCDs for the purpose of long term augmentation of funds. Pursuant to the Proposed Amalgamation, NCDs of LTFL and LTICL would be transferred to LTFH on same terms and conditions and NCD holders of LTFL and LTICL, as on specified record date, would become NCD holders of LTFH post scheme is made effective.

- 1.2. In this regard, I have been requested to issue a valuation report for the Proposed Amalgamation as required under SEBI Scheme Circular - Debt.
- 1.3. The scope of my services is to conduct a relative (not absolute) valuation of the NCDs for the purpose of SEBI Scheme Circular - Debt in relation to the Proposed Amalgamation in accordance with internationally accepted valuation standards / ICAI Valuations Standards 2018 issued by the Institute of Chartered Accounts of India as applicable.

2. BRIEF BACKGROUND

2.1. L&T FINANCE HOLDINGS LIMITED ('LTFH')

L&T FINANCE HOLDINGS LIMITED (CIN: L67120MH2008PLC181833) is a public company, incorporated on May 1, 2008 under the Companies Act, 1956. LTFH is a registered Systemically Important Non- Deposit Accepting Core Investment Company (**"NBFC-CIC"**) in terms of certificate of registration issued by the RBI bearing registration no N-13.02052 dated September 11, 2013. As an NBFC-CIC, LTFH is a primary holding company, holding investments in its subsidiaries. The equity shares of LTFH are listed on National Stock Exchange of India Limited (**"NSE"**) and BSE Limited (**"BSE"**).

The capital structure of the LTFH on the January 12, 2023 is as under;

Particulars	Amount (in INR)
Authorized Share Capital	
5,00,00,00,000 equity shares of Rs. 10 each	50,00,00,00,000
50,00,00,00,000 preference shares of Rs. 100 each	50,00,00,00,000
Total	100,00,00,00,000
Issued, Subscribed and Paid up Share Capital	
2,47,96,71,117 equity shares of Rs. 10 each	24,79,67,11,170
Total	24,79,67,11,170

The shareholding pattern of equity shares of LTFH as on January 12, 2023 is as below:

Equity Shareholders	No of Equity	%
Larsen & Toubro – Promoter	1,639,229,920	66.11%
Public Shareholders	84,04,41,197	33.89%
TOTAL	2,47,96,71,117	100.0%

2.2. L&T FINANCE LIMITED ('LTFL')

L&T FINANCE LIMITED (CIN: U65910WB1993FLC060810) is a public company, incorporated on November 24, 1993 under the Companies Act, 1956. LTFL is registered with the RBI as a non-deposit taking systemically important non-banking financial company (**"NBFC-ND-SI"**) in terms of certificate of registration issued by the RBI bearing registration no B-05.06200 dated May 4, 2017. LTFL is a wholly owned subsidiary of LTFH.

LTFL is focused on becoming a retail finance company and its retail businesses comprises Rural Business Finance, Farmer Finance, Urban Finance (includes Consumer Loans, Two- Wheeler Loans and Retail Housing) and SME Finance. The wholesale business comprises Infrastructure Finance and Real Estate Finance. The non-convertible debentures of LTFL are listed on the NSE and BSE, the details of which are set out in Schedule A of the Scheme of Amalgamation.

The capital structure of the LTFL on January 12, 2023 is as under:

Particulars	Amount (in INR)
Authorized Share Capital	
4,87,43,09,610 equity shares of Rs. 10 each	48,74,30,96,100
12,00,000 Preference shares of Rs.100 each	12,00,00,000
Total	48,86,30,96,100
Issued, Subscribed and Paid up Share Capital	
2,86,41,72,360 equity shares of Rs. 10 each	28,64,17,23,600
Total	28,64,17,23,600

The shareholding pattern of equity shares of LTFL as on January 12, 2023 is given below:

Name of Equity Shareholders	No of Equity	%
L&T Finance Holdings Limited	28,64,17,23,53	100%
Mr. Sachinn Joshi *	1	-
Mr. Dinanath Dubhashi*	1	-
Mr. Abhishek Sharma *	1	-
Mr. Raju Dodti*	1	-
Ms. Apurva Rathod*	1	-
Dr. Rupa Rege Nitsure*	1	-
Mr. Santosh Parab*	1	-
TOTAL	28,64,17,23,60	100.0%

*Held Jointly with L&T Finance Holdings Limited

2.3. L&T INFRA CREDIT LIMITED ("LTICL")

L&T INFRA CREDIT LIMITED ('LTICL') (formerly known as L&T Infra Debt Fund Limited) (CIN: L67100MH2013PLC241104) is a public company, incorporated on March 19, 2013 under the Companies Act, 1956. LTICL is registered with the RBI as an NBFC – Investment and Credit Company ("NBFC – ICC") in terms of certificate of registration issued by the RBI bearing registration no. N-13.02055 dated June 22, 2022. LTICL is engaged in infrastructure finance. LTICL is an indirect wholly owned subsidiary of LTFH. LTFH holds 76.64% and LTFH holds 23.36% in LTICL.

The non-convertible debentures of LTICL are listed on NSE and BSE, the details of which are set out in Schedule C of the Scheme of Amalgamation.

The non-convertible redeemable preference shares of LTICL are listed on BSE, the details of which are set out in Schedule B of the Scheme of Amalgamation.

The capital structure of the LTICL on January 12, 2023 is as under:

Particulars	Amount (in INR)
Authorized Share Capital	
1,00,00,00,000 equity shares of Rs. 10 each	10,00,00,00,000
10,000 preference shares of Rs. 10,00,000 each	10,00,00,00,000
Total	20,00,00,00,000
Issued, Subscribed and Paid up Share Capital	
57,16,30,214 equity shares of Rs.10 each	5,71,63,02,140
2,148 preference shares of Rs, 10,00,000	2,14,80,00,000
50 preference shares of Rs. 6,70,000	3,35,00,000
Total	7,89,78,02,140

The shareholding pattern of equity shares of LTICL as on January 12, 2023 is given below:

Name of Equity Shareholders	No of Equity	%
L&T Finance Holdings Limited	13,35,17,820	23.36%
L&T Finance Limited	43,81,12,389	76.64%
Mr. Sachinn Joshi *	1	-
Mr. Dinanath Dubhashi*	1	-
Mr. Abhishek Sharma *	1	-
Mr. Raju Dodti*	1	-
Dr. Rupa Rege Nitsure*	1	-
TOTAL	57,16,30,214	100.0%

*Held Jointly with L&T Finance Limited

3. REGISTERED VALUER – CA PAWAN PODDAR

CA Pawan Poddar ("I" or "valuer") is registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class – 'Securities or Financial Assets' with Registration No. IBBI/RV/06/2019/12475. Also, the valuer is a member (Membership Number 113280) of The Institute of Chartered Accountants of India ('ICAI') and a sole proprietor of M/s. Pawan Poddar & Associates, Chartered Accountants (FRN 123111W). This report is issued in individual capacity as a Registered Valuer.

4. VALUATION DATE, DATE OF APPOINTMENT AND DATE OF REPORT

For the purpose of this assignment of valuation, following shall be the key dates:

Valuation Date	January 12, 2023
Date of Appointment	December 26, 2022
Date of Report	January 12, 2023

5. SOURCES OF INFORMATION

For the purpose of this exercise, I have relied upon the following information which has been received from the Management and information available in the public domain:

- Audited financial statements of the Companies for FY ended March 31, 2022.
- Limited Reviewed unaudited financials of the Companies for six months ended September 30, 2022.
- Provisional unaudited financials of the Companies for nine months ended December 31, 2022.
- Draft Scheme of Amalgamation and Arrangement.
- Details of the NCDs of LTFL and LTICL.
- Details of the proposed NCDs of LTFH to be held by NCD holders of LTFL and LTICL on amalgamation.
- Other relevant details regarding the Companies such as their history, past and present activities and other relevant information and data.
- Such other information and explanations as I required and which have been provided by the Management including Management Representations.

6. PROCEDURE ADOPTED AND VALUATION METHODOLOGY FOLLOWED

In connection with this exercise, we have adopted the following procedures;

- Reviewed the details of the terms of the NCDs of LTFL and LTICL such as credit rating, coupon rate, tenure, redemption price, quantum and nature of security.
- Discussions with the Management to understand the business and fundamental factors that affect the earning-generating capability including strengths, weaknesses, opportunity and threats analysis.

- (c) Reviewed the credit rating, coupon rate, tenure, redemption price, quantum and nature of security of the NCDs of LTFH proposed to be held by NCD holders of LTFL and LTICL, to assess the difference, if any, in the market yields of NCDs for the Proposed Amalgamation.
- (d) Reviewed the relevant clauses in the Draft Scheme.

7. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

- 7.1. The report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further, the Report for the Proposed Amalgamation is in accordance with ICAI VS 2018 issued by The Institute of Chartered Accountants of India.
- 7.2. This report has been prepared for the Board of Directors of LTFL, LTICL and LTFH solely for the purpose of complying with the requirements of the SEBI Scheme Circular - Debt in relation to the Proposed Amalgamation.
- 7.3. The report assumes that the Companies complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with any laws and litigations.
- 7.4. The draft of the present report was circulated to the Management for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.
- 7.5. For the purpose of this exercise, I was provided with both written and verbal information including information detailed hereinabove in para 'Sources of Information'. Further, the responsibility for the accuracy and completeness of the information provided to me by the Companies / auditors / consultants, is that of the Companies. Also, with respect to explanations and information sought from the Companies, I have been given to understand by the Management that they have not omitted any relevant and material information about the Companies. The Management have indicated to me that they have understood that any omissions, inaccuracies or misstatements may materially affect the analysis/conclusions.
- 7.6. My work does not constitute an audit, due diligence or certification of these information referred to in this report. Accordingly, I am unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report and consequential impact on the present exercise. However, I have evaluated the information provided to me by the Companies through broad inquiry, analysis and review. However, nothing has come to my attention to indicate that the information provided / obtained was materially misstated / incorrect or would not afford reasonable grounds upon which to base the report.
- 7.7. This report is issued on the understanding that the Management has drawn my attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on the report including any significant changes that have taken place or are likely to take place in the financial position of the Companies. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and I do not assume any obligation to update, revise or reaffirm this report.
- 7.8. I am independent of the Companies and have no current or expected interest in the Companies or its assets as per Section 247 of the Companies Act, 2013 read with Companies (Registered Valuers and Valuation) Rules, 2017. The fee paid for my services is not contingent on the results of my analysis.
- 7.9. The report is not, nor should it be construed as I am opining or certifying the compliance with the provisions of any law including companies, competition, taxation and capital market related laws or as regards any legal implications or issues arising in India or abroad from the Proposed Amalgamation.
- 7.10. Any person/party intending to provide finance/divest/invest in the shares/convertible instruments/business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 7.11. The decision to carry out the Proposed Amalgamation (including consideration /fair entitlement thereof) lies entirely with the parties concerned and my work and finding shall not constitute a recommendation as to whether or not the parties should carry out the Proposed Amalgamation.

- 7.12. The report is meant for the purpose mentioned in Para 1 only and should not be used for any purpose other than the purpose mentioned therein. It is exclusively for the use of the Companies and may be submitted to Stock Exchanges / National Company Law Tribunal/SEBI/RBI/regulatory/statutory authority for obtaining requisite approvals. The report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall I assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 7.13. I do not make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which this report is being issued. I owe responsibility to the Companies that has appointed me under the terms of the engagement letter. I will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall I be liable for any loss, damages, cost or expenses rising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents.

8. APPROACH FOR RECOMMENDATION

- 8.1. The Proposed Amalgamation contemplates the merger of LTFL and LTICL into LTFH, it would be imperative to determine the relative value of existing NCDs of LTFL and LTICL and the value of NCDs of LTFH that would be held by NCD holders of LTFL and LTICL.
- 8.2. The proposal is that pursuant to the Proposed Amalgamation, NCD holders of LTFL and LTICL will hold NCDs of LTFH with the same terms including the coupon rate, tenure, redemption price and quantum, nature of security, etc.
- 8.3. Further, it is understood that credit ratings and market yields of existing NCD issued by LTFL and LTICL and that of NCDs of LTFH that would be held by NCD holders pursuant to merger would be same / not materially different.
- 8.4. Clause 17(iii) and Clause 18 of the Scheme on the transfer of liability including NCD issued by LTFL and LTICL is reproduced hereunder:

17 (iii) "Without prejudice to the foregoing provisions of this Clause, upon the coming into effect of the Scheme, all borrowings in the form of debt securities, including Commercial Papers, non – convertible debentures ("NCDs"), external commercial borrowings, bonds or other instruments of like nature (whether secured or unsecured, convertible into equity shares or not) of the Amalgamation 1 Companies ("Debt Securities") shall, pursuant to the provisions of Sections 230 – 232 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Amalgamated Company on the same terms and conditions and without any change in structure, except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Amalgamated Company as if it was the issuer of such Debt Securities, so transferred and vested."

18. "Pursuant to Clause 17 above, the holders of NCDs and Commercial Papers of the Amalgamating Company 1 whose names are recorded in the relevant registers of the Amalgamating Company 1 on the Record Date, if any, or their legal heirs, executors or administrators or (in case of a corporate entity) its successors, shall continue holding the same number of NCDs and Commercial Papers in the Amalgamated Company as held by such NCD or Commercial Paper holder respectively in the Amalgamating Company 1 and on the same terms and conditions."

- 8.5. Upon the scheme becoming effective, the beneficial economic interest of the NCD holders of LTFL and LTICL in the NCDs of LTFH would be same. All the NCD holders of LTFL and LTICL would become NCD holders of LTFH. There is no economic impact on the ultimate value of the NCD holders of LTFL and LTICL and the proposed restructuring will be value-neutral to the NCD holders of LTFL and LTICL. Hence, in our view, arriving at the fair value of NCDs of LTFL and LTICL is not relevant for the present exercise, accordingly, fair valuation of NCDs is not carried out.

9. RECOMMENDATION

- 9.1. Computation of Fair Exchange / Entitlement Ratio

Valuation Approach	LTFL		LTICL		LTFH	
	Value per NCD	Weight	Value per NCD	Weight	Value per NCD	Weight
Asset Approach	NA	-	NA	-	NA	-
Income Approach	NA	-	NA	-	NA	-
Market Approach	NA	-	NA	-	NA	-
Relative Value per NCD	NA		NA		NA	
Exchange Ratio			NA		NA	

NA = Not Applied / Not Applicable

As explained in the Para 8 above, we have not applied any of the valuation methods to arrive at per NCD value, since the NCD holders of LTFL and LTICL would be holding same instruments in LTFH and there will be no economic impact on the ultimate value of the NCD holders, computation of fair /relative value per debenture is not relevant.

- 9.2. All the terms of each of the series of NCDs of LTFH to be held by NCD holders of LTFL and LTICL (post Amalgamation) shall be exactly the same as the existing series of NCDs issued by LTFL and LTICL respectively (including coupon rate, tenure, redemption price and quantum, nature of security, etc.)

Based on the above in the event of amalgamation of LTFL and LTICL with LTFH, I recommend Fair NCD Exchange / Entitlement Ratio as follows:

LTFL:

“1 (One) Non-Convertible Debenture of LTFH for every 1 (One) Non-Convertible Debenture of LTFL.”

LTICL:

“1 (One) Non-Convertible Debenture of LTFH for every 1 (One) Non-Convertible Debenture of LTICL.”

Thanking you,

Yours faithfully,

Pawan Shivkumar Poddar

Registered Valuer No.: IBBI/RV/06/2019/12475

UDIN: 23113280BGXPHH3361

Place: Mumbai

Date: January 12, 2023

FAIRNESS OPINION REPORT ON VALUATION (NON-CONVERTIBLE DEBENTURES)

FOR THE PROPOSED SCHEME OF AMALGAMATION

OF

**L&T FINANCE LIMITED, L&T INFRA CREDIT LIMITED, L&T MUTUAL FUND TRUSTEE
LIMITED WITH L&T FINANCE HOLDINGS LIMITED**



Navigant Corporate Advisors Limited

423, A Wing, Bonanza, Sahar Plaza Complex, J. B. Nagar,
Andheri Kurla Road, Andheri East, Mumbai-400 059

Email Id- navigant@navigantcorp.com

Web: www.navigantcorp.com

12th January, 2023

SEBI Registered Category I Merchant Banker

SEBI Registration No. INM000012243

Notice to Reader

Navigant Corporate Advisors Limited ("Navigant"/"NCAL" or "Authors of the Report") is a SEBI registered 'Category I' Merchant banker in India and was engaged by Board of Directors of **L&T Finance Holdings Limited ("LTFH" or "Transferee**

Company") to prepare an Independent Fairness Opinion Report in terms of SEBI circular no. SEBI/HO/DDHS/DDHS Div1 /P/CIR/2022/0000000103 dated July 29, 2022 (updated as on December 1, 2022), **("Report")** with respect to providing an independent Opinion and Assessment as to Fairness of valuation for Non Convertible Debentures (NCD) holders determined by CA Pawan Shivkumar Poddar, **Registered Valuer (SFA) ("Valuer"/"Independent Valuer"/"Independent Registered Valuer")** an Independent Valuer for the purpose of intended proposed amalgamation of **L&T Finance Limited (hereinafter referred to as 'LTFL'), L&T Infra Credit Limited (hereinafter referred to as 'LTICL') and L&T Finance Holdings Limited (hereinafter referred to as 'LTFH' or the 'Company')** by way of merger by absorption pursuant to a scheme of arrangement under section 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013 **("Scheme")**.

As per the Scheme, Non-convertible debentures **("NCDs")** of LTFL and LTICL would be transferred to LTFH and NCD holders of LTFL and LTICL would become the NCD holders of LTFH. The NCDs of LTFH will be on exactly same terms and conditions as NCDs of LTFL and LTICL.

LTFH, LTFL and LTICL are collectively referred as "Companies".

The Fairness Opinion Report ("Report") has been prepared on the basis of the review of information provided to Navigant and specifically the Valuation Report prepared by independent registered Valuer. This Report does not give any valuation; however, this Report is limited to provide its Fairness Opinion on the valuation.

The information contained in this Report is selective and is subject to updations, expansions, revisions and amendments. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.

This Report is based on data and explanations provided by the Management and certain other data culled out from various websites believed to be reliable. Navigant has not independently verified any of the information contained herein. Neither the Company nor Navigant, nor affiliated Bodies Corporate, nor the Directors, Shareholders, Managers, Employees or Agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such Parties and Entities expressly disclaim any and all liability for or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients' use of this Report.

Date: 12th January, 2023

To,

L&T Finance Holdings Limited

Brindavan, Plot No.177, CTS Road,
Kalina, Santacruz (East),
Mumbai – 400098

Dear Members of the Board,

Engagement Background

We understand that the Board of Directors of L&T Finance Limited (LTFL), L&T Infra Credit Limited (LTICL), L&T Mutual Fund Trustee Limited (LTMFTL) and L&T Finance Holdings Limited (LTFH) are considering a Scheme of Amalgamation between LTFL, LTICL, LTMFTL and LTFH (“the Scheme” or “Scheme of Amalgamation”) for Merger under the provisions of Sections 230 to 232 read with Section 52 other relevant provisions of the Companies Act, 2013, as may be applicable, and in compliance with circular no. SEBI/HO/DDHS/DDHS Div1 /P/CIR/2022/0000000103 dated July 29, 2022 (updated as on December 1, 2022), issued by the Securities Exchange Board of India, as amended from time to time and also read with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, as may be applicable, for Merger of LTFL, LTICL, LTMFTL and vesting of the same in with LTFH on a going concern basis.

LTFL and LTICL have outstanding NCDs and pursuant to the Proposed Amalgamation, NCD holders of LTFL and LTICL, if any as on the record date, would hold NCDs in LTFH.

We understand that the Valuation of NCDs is based on the Valuation Report dated 12 January 2023 issued by CA Pawan Shivkumar Poddar, Registered Valuer (SFA) (“Valuer”/ “Independent Valuer”) (IBBI Registration No. IBBI/RV/06/2019/12475).

We, Navigant Corporate Advisors Limited, a SEBI registered Category-I Merchant Banker, have been engaged by LTFH to give a Fairness Opinion (“Opinion”) on Valuation Report dated 12 January 2023 issued by the Valuer for NCDs.

Background of the Companies

L&T FINANCE HOLDINGS LIMITED (‘LTFH’)

L&T FINANCE HOLDINGS LIMITED (CIN: L67120MH2008PLC181833) is a public company, incorporated on May 1, 2008 under the Companies Act, 1956. LTFH is a registered Systemically Important Non- Deposit Accepting Core Investment Company (“NBFC-CIC”) in terms of certificate of registration issued by the RBI bearing registration no N-13.02052 dated September 11, 2013. As an NBFC-CIC, LTFH is a primary holding company, holding investments in its subsidiaries. The equity shares of LTFH are listed on National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”).

L&T INFRA CREDIT LIMITED (‘LTICL’)

L&T INFRA CREDIT LIMITED (‘LTICL’) (formerly known as L&T Infra Debt Fund Limited) (CIN: L67100MH2013PLC241104) is a public company, incorporated on March 19, 2013 under the Companies Act, 1956. LTICL is registered with the RBI as an NBFC – Investment and Credit Company (“NBFC – ICC”) in terms of certificate of registration issued by the RBI bearing registration no. N-13.02055 dated June 22, 2022. LTICL is engaged in Infrastructure Finance.

LTICL is an indirect wholly-owned subsidiary of LTFH.

The NCDs issued by LTICL are listed at BSE and NSE.

The Non-convertible redeemable preference shares issued by LTICL are listed at BSE.

L&T FINANCE LIMITED (‘LTFL’)

L&T FINANCE LIMITED (CIN: U65910WB1993FLC060810) is a public company, incorporated on November 24, 1993 under the Companies Act, 1956. LTFL is registered with the RBI as a non-banking financial company investment and credit company (“NBFC-ICC”) in terms of certificate of registration issued by the RBI bearing registration no B-05.06200 dated May 4, 2017.

LTFL is a wholly owned subsidiary of LTFH.

LTFL is engaged in rural finance business (comprising of farm equipment financing, two-wheeler financing, micro loans and consumer loans), housing finance business and infrastructure financing.

The non-convertible debentures of LTFL are listed on the NSE and BSE.

Transaction Overview and Rational

Overview

The Scheme provides for the amalgamation of LTFL, LTICL and LTMFTL (LTFL, LTICL and LTMFTL are collectively referred to as **"Amalgamating Companies"**) with LTFH by way of merger by absorption under the provisions of Sections 230 - 232 read with Section 52 of the Companies Act, 2013, including the rules thereunder and other relevant provisions, (**"Act"**) as applicable and in compliance with the provisions of the Income Tax Act, 1961, resulting in the transfer and vesting of the assets, liabilities and the entire undertaking of the Amalgamating Companies into LTFH, followed by the dissolution without winding up of each of the Amalgamating Companies, the consequent cancellation of the equity shares held by LTFH in the Amalgamating Companies, certain adjustments to the securities premium account of Amalgamated Company and various other matters consequential to or otherwise integrally connected with the above.

Rationale of the Scheme

LTFH, being a Core Investment Company (CIC) and the holding company for the financial services businesses of the L&T Group, namely L&T Financial Services ("LTFS") which is currently undertaken through two lending entities (both having an NBFC – ICC registration pursuant to the corporate restructuring exercise undertaken within LTFS in FY 2021-2022 in accordance with its strategy of 'Right Structure'). LTFH also holds a few other financial/non-financial services businesses/entities. With the objective of creation of a single large unified operational lending entity and mitigate potential operational and business inefficiencies of having two lending entities with the same NBFC-ICC registration, it is proposed to consolidate the businesses of the lending entities with the holding company. Further, it is also proposed to include a non-operating entity as part of this consolidation. This will help reduce the number of companies within the group (including NBFCs) to achieve optimal and efficient utilization of capital; enhance operational and management efficiencies and have a simplified organizational structure.

Thus, the Amalgamation pursuant to this Scheme would, inter alia, have the following benefits:

- i. Achieve simplification of the holding structure of entities forming part of the group, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale.
- ii. Creation of a single large lending entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively.
- iii. Achieve greater transparency, operational efficiency and better utilization of management bandwidth by having one operating Non-Banking Financial Company (NBFC) to house all lending businesses.
- iv. Enable access to business relationships and other intangible benefits that the Amalgamating Companies have built over decades.
- v. Companies have a proven track record in the respective businesses of credit consolidation which will lead to pooling of knowledge and expertise.
- vi. Ease of compliance with revised regulatory framework applicable to NBFC under Scale Based Regulations of RBI.

Information relied upon:

We have prepared the Fairness Opinion Report on the basis of the information provided to us and inter alia the following:

- Fair valuation report for NCDs prepared and issued by the Valuer dated 12th January 2023;
- Other information and explanations as provided by the Management.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the valuation.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed to be good and marketable and we would urge the Company to

carry out the independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.

We have been informed that all information relevant for the purpose of issuing the Fairness Opinion Report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.

Valuation Summary:

Basis of Valuation and Assumptions made by the valuer:

Upon the scheme becoming effective and necessary processes being carried out, the beneficial economic interest of the NCD holders of LTFL and LTICL in the NCDs of LTFH would be same. All the NCD holders of LTFL and LTICL would become the NCD holders of LTFH. The effect of amalgamation is that each NCD holder of LTFL and LTICL as on the relevant record date/effective date would become NCDs holders in LTFH in the same proportion and on same terms as in LTFL and LTICL.

In the current instance, the determination of fair value of NCD would not have any economic impact on the ultimate value of the NCD holders of LTFL and LTICL and the proposed restructuring will be value-neutral to the NCD holders of LTFL and LTICL.

Accordingly, fair valuation of NCDs has not been carried out.

CONCLUSION ON FAIR VALUE AND FAIR EXCHANGE RATIO FOR NCDs RECOMMENDED BY THE VALUER:

Given the above context, without any further act or deed and without any further payment, NCD holders of LTFL and LTICL (whose name is recorded in register of NCD holders as on record date/effective date) will hold NCDs of LTFH in the following proportion;

“1 (One) NCD of LTFH for every 1 (One) NCD of LTICL”; and

“1 (One) NCD of LTFH for every 1 (One) NCD of LTFL”

Based on above and considering that all the NCD holders of LTFL and LTICL are and will upon merger, become NCD holders of LTFH holding economic interest in the same proportion as they hold in LTFL and LTICL, the valuation done is fair to the NCD holders of LTFL and LTICL.

It is to be noted that valuation was arrived at assuming that LTFH will continue in operation in unhindered manner.

Exclusions and Limitations

Our Opinion and Analysis is limited to the extent of review of the valuation by the Valuer and the Draft Scheme Document. In connection with the opinion, we have

- A) Reviewed the Valuation Report by the Valuer dated 12th January 2023.
- B) Reviewed Audited financial statements of LTFH, LTFL and LTICL for the year ended 31st March 2022;
- C) Reviewed Unaudited Financial results of LTFH, LTFL and LTICL for the half year ended 30th September, 2022;
- D) Reviewed Unaudited Financial results of LTICL for the nine months ended 31st December, 2022;
- E) Reviewed Memorandum and Articles of Association of LTFH, LTFL and LTICL;
- F) Reviewed Draft Scheme of Amalgamation;
- G) Held discussions with the Valuer, in relation to the approach taken to Valuation and the details of various methodologies utilized by them in preparing the Valuation Report and recommendations;
- H) Reviewed such other information and explanations as we have required and which have been provided by the Management of LTFL, LTICL and LTFH.

This Opinion is intended only for the sole use and information of the Companies and in connection with the Scheme, including for the purpose of obtaining Judicial and Regulatory Approvals for the Scheme or the purpose of complying with the SEBI Regulations and requirement of Stock Exchanges on which the Company is listed, and for no other purpose. We are not responsible in any way to any Person/Party/Statutory Authority for any decision of such Person or Party or Authority based on this opinion. Any Person/Party intending to provide finance or invest in the Shares/Business of either LTFL and/or LTICL and/or LTFH or their Subsidiaries / Joint Ventures/Associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

For the purpose of this Assignment, Navigant has relied on the Valuation Certificate for the proposed "Scheme of Amalgamation" of LTFL and LTICL and LTFH and their respective Shareholders and information and explanation provided to it, the accuracy whereof has not been evaluated by Navigant. Navigant's work does not constitute certification or due diligence of any past working results and Navigant has relied upon the information provided to it as set out in working results of the aforesaid reports.

Navigant has not carried out any physical verification of the Assets and Liabilities of the Companies and takes no responsibility on the identification and availability of such Assets and Liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the Board/General Meetings of LTFL and LTICL and LTFH and to the Stock Exchanges and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed scheme of Amalgamation with the provisions of any Law including Companies, Taxation and Capital Market related Laws or as regards any Legal implications or issues arising thereon.

The information contained in this Report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The Report has been prepared solely for the purpose of giving a Fairness Opinion on Valuation Certificate issued for the proposed Scheme of Amalgamation, and may not be applicable or referred to or quoted in any other context.

Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing Audit tests for the purpose of expressing an Opinion on the Fairness or Accuracy of any Financial or Analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any Opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to this date.

We have assumed that the Final Scheme will not differ in any material respect from the Draft Scheme Document shared with us.

We do not express any Opinion as to any tax or other consequences that might arise from the Scheme on LTFL, LTICL and LTFH and their respective Shareholders, nor does our Opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective Companies have obtained such advice as they deemed necessary from qualified Professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which LTFL and/or LTICL and LTFH and/or their Associates/Subsidiaries, are or may be Party.

The Company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion.

Our Opinion is not intended to and does not constitute a recommendation to any Shareholder as to how such holder should vote or act in connection with the Scheme or any matter thereto.

Our Fairness Opinion:

Based upon Valuation Report issued out by the Valuer for the Scheme and the rationale for NCD Exchange Ratio as explained above **is fair and justified**.

This being of our best of professional understanding, we hereby sign the Fairness Opinion Report on Valuation.

For Navigant Corporate Advisors Limited

Sarthak Vijlani
Managing Director

Details of the pre-scheme and post-scheme shareholding patterns of the L&T Finance Holdings Limited, L&T Finance Limited, L&T Infra Credit Limited and L&T Mutual Fund Trustee Limited

I. Pre-scheme shareholding pattern

1. L&T Finance Holdings Limited as on March 31, 2023:

Enclosed as Annexure I

2. L&T Finance Limited as on March 31, 2023:

Sr. No.	Name of Shareholder	No. of Shares	Percentage (%)
1.	L&T Finance Holdings Limited	2,86,41,72,353	100.00
2.	Mr. Sachinn Joshi *	1.00	-
3.	Mr. Dinanath Dubhashi*	1.00	-
4.	Mr. Abhishek Sharma *	1.00	-
5.	Mr. Raju Dodti*	1.00	-
6.	Ms. Apurva Rathod*	1.00	-
7.	Dr. Rupa Rege Nitsure*	1.00	-
8.	Mr. Santosh Parab*	1.00	-
	Total	2,86,41,72,360	100.00

* Shares are held jointly with L&T Finance Holdings Limited to comply with the minimum shareholding requirement under the Act.

3. L&T Infra Credit Limited as on March 31, 2023:

Sr. No.	Name of Shareholder	No. of Shares	Percentage (%)
1.	L&T Finance Holdings Limited	13,35,17,820	23.36
2.	L&T Finance Limited	43,81,12,389	76.64
3.	Mr. Raju Dodti*	1.00	-
4.	Mr. Dinanath Dubhashi*	1.00	-
5.	Dr. Rupa Rege Nitsure*	1.00	-
6.	Mr. Abhishek Sharma*	1.00	-
7.	Mr. Sachinn Joshi*	1.00	-
	Total	57,16,30,214	100.00

* Shares are held jointly with L&T Finance Limited to comply with the minimum shareholding requirement under the Act.

4. L&T Mutual Fund Trustee Limited as on March 31, 2023:

Sr. No	Name of Shareholder	No. of share	Percentage (%)
1.	L&T Finance Holdings Limited (LTFH)	1,49,993	100.00
2.	Mr. Raju Dodti *	2.00	-
3.	Mr. Dinanath Dubhashi *	1.00	-
4.	Mr. R Shankar Raman *	1.00	-
5.	Mr. Sachinn Joshi*	1.00	-
6.	Mr. Sivaram Nair *	1.00	-
7.	Mr. Abhishek Sharma *	1.00	-
	Total	1,50,000	100.00

* Shares are held jointly with L&T Finance Holdings Limited to comply with the minimum shareholding requirement under the Act.

II. Post-scheme shareholding pattern – LTFH:

As per Clause 41 of the Scheme, upon the Scheme coming into effect, all equity shares of the Amalgamating Companies i.e., LTFL, LTICL and LTMFTL held by the Amalgamated Company i.e., LTFH (directly, indirectly and/or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new equity shares shall be issued or payment made in cash or in kind whatsoever by the Amalgamated Company in lieu of such equity shares held in the Amalgamating Companies.

Accordingly, the shareholding pattern of LTFH shall remain unchanged, except for the changes on account of the ESOPs allotted during each quarter and any other such circumstances.

Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of Listed Entity: L&T Finance Holdings Limited		
2.	Scrip Code/Name of Scrip/Class of Security: 533519		
3.	Share Holding Pattern Filed under: Reg. 31(1)(a) /Reg. 31(1)(b)/ Reg. 31(1)(c)		
	a.	If under 31(1)(b) then indicate the report for Quarter ending March 31, 2023	
	b.	If under 31(1)(c) then indicate date of allotment/extinguishment	
4.	Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-		
		Particulars	Yes*
	1	Whether the Listed Entity has issued any partly paid up shares?	No
	2	Whether the Listed Entity has issued any Convertible Securities or Warrants?	No
	3	Whether the Listed Entity has any shares against which depository receipts are issued?	No
	4	Whether the Listed Entity has any shares in locked-in?	No
	5	Whether any shares held by promoters are pledge or otherwise encumbered?	No
<p>* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No. of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.</p>			

Table I - Summary Statement holding of specified securities

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)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered	Number 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)		
								Class eg: X	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	1	1,63,92,29,920	0	0	1,63,92,29,920	66.1067	1,63,92,29,920	0	1,63,92,29,920	66.1067	0	0.0000	0	0.0000	1,63,92,29,920	
(B)	Public	7,08,236	8,40,41,197	0	0	84,04,41,197	33.8933	84,04,41,197	0	84,04,41,197	33.8933	0	0.0000	NA	NA	84,04,12,301	
(C)	Non Promoter - Non Public				0				0			0	0.0000	NA	NA		
(C1)	Shares Underlying DRs	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	
	Total	7,08,237	2,47,96,71,117	0	0	2,47,96,71,117	100.0000	2,47,96,71,117	0	2,47,96,71,117	100.0000	0	100.0000	0	0.0000	2,47,96,42,221	

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category & Name of the shareholders	Entity Type	PAN	Nos. of share-holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held (VII) = (IV)+(V)+(VI)	Share-holding % calculated as per SCRR, 1957 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)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									Class eg: X	Class eg: Y	Total			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(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)
1	Indian																	
(a)	Individuals / Hindu Undivided Family		0	0	0	0	0	0.0000	0	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	0.0000	0	0.0000	0	0.0000	0
(c)	Financial Institutions / Banks		0	0	0	0	0	0.0000	0	0	0	0	0.0000	0	0.0000	0	0.0000	0
(d)	Any Other (Specify)		1	1,63,92,29,920	0	0	1,63,92,29,920	66.1067	1,63,92,29,920	0	1,63,92,29,920	0	66.1067	0	0.0000	0	0.0000	1,63,92,29,920
	Bodies Corporate		1	1,63,92,29,920	0	0	1,63,92,29,920	66.1067	1,63,92,29,920	0	1,63,92,29,920	0	66.1067	0	0.0000	0	0.0000	1,63,92,29,920
	Larsen And Toubro Limited	Promoter Group	1	1,63,92,29,920	0	0	1,63,92,29,920	66.1067	1,63,92,29,920	0	1,63,92,29,920	0	66.1067	0	0.0000	0	0.0000	1,63,92,29,920
	Sub Total (A)(1)		1	1,63,92,29,920	0	0	1,63,92,29,920	66.1067	1,63,92,29,920	0	1,63,92,29,920	0	66.1067	0	0.0000	0	0.0000	1,63,92,29,920
2	Foreign																	
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)		0	0	0	0	0	0.0000	0	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	0.0000	0	0.0000	0	0.0000	0
(c)	Institutions		0	0	0	0	0	0.0000	0	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	0.0000	0	0.0000	0	0.0000	0
(e)	Any Other (Specify)		0	0	0	0	0	0.0000	0	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	0.0000	0	0.0000	0	0.0000	0
	Total Shareholding Of Promoter And Promoter Group (A) = (A)(1)+(A)(2)		1	1,63,92,29,920	0	0	1,63,92,29,920	66.1067	1,63,92,29,920	0	1,63,92,29,920	0	66.1067	0	0.0000	0	0.0000	1,63,92,29,920

Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

Note :

- (1) PAN would not be displayed on website of Stock Exchange(s)
- (2) The term 'Encumbrance' has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Table III - Statement showing shareholding pattern of the Public shareholder

Category & Name of the shareholders	PAN	Nos. of share-holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held (VII) = (IV)+(V)+(VI)	Share-holding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares underlying securities (including Warrants)	Shareholding, as a % assuming full conversion of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form	Sub-categorization of shares			
								No of Voting Rights			Total as a % of total Voting Rights			No. (a)	As a % of total Shares held (b)			Sub-category (i)	Sub-under (ii)	Sub-category (iii)	
								Class eg: X	Class eg: Y	Total											
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VIII)+(X) As a % of (A+B+C2)	(XII)	(XIII)	(XIV)	(XV)				
1 Institutions (Domestic)																					
(a) Mutual Fund		22	5,51,40,350	0	0	5,51,40,350	2.2237	5,51,40,350	0	5,51,40,350	2.2237	0	2.2237	0	0.0000	NA	NA	5,51,40,350	0	0	0
(b) Venture Capital Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(c) Alternate Investment Funds		1	8,924	0	0	8,924	0.0004	8,924	0	8,924	0.0004	0	0.0004	0	0.0000	NA	NA	8,924	0	0	0
(d) Banks		1	25	0	0	25	0.0000	25	0	25	0.0000	0	0.0000	0	0.0000	NA	NA	25	0	0	0
(e) Insurance Companies		5	10,81,01,769	0	0	10,81,01,769	4.3595	10,81,01,769	0	10,81,01,769	4.3595	0	4.3595	0	0.0000	NA	NA	10,81,01,769	0	0	0
Life Insurance Corporation Of India		1	5,33,66,596	0	0	5,33,66,596	2.1522	5,33,66,596	0	5,33,66,596	2.1522	0	2.1522	0	0.0000	NA	NA	5,33,66,596			
Icici Prudential Life Insurance Company Limited		1	5,05,48,259	0	0	5,05,48,259	2.0385	5,05,48,259	0	5,05,48,259	2.0385	0	2.0385	0	0.0000	NA	NA	5,05,48,259			
(f) 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			
(G) Asset Reconstruction Companies		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(h) Sovereign Wealth Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(i) NBFCs registered with RBI		5	27,112	0	0	27,112	0.0011	27,112	0	27,112	0.0011	0	0.0011	0	0.0000	NA	NA	27,112	0	0	0
(j) Other Financial Institutions		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(k) 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)		34	16,32,78,180	0	0	16,32,78,180	6.5847	16,32,78,180	0	16,32,78,180	6.5847	0	6.5847	0	0.0000	NA	NA	16,32,78,180	0	0	0
2 Institutions (Foreign)																					
(a) Foreign Direct Investment		2	10,03,32,637	0	0	10,03,32,637	4.0462	10,03,32,637	0	10,03,32,637	4.0462	0	4.0462	0	0.0000	NA	NA	10,03,32,637	10,03,32,637	10,03,32,637	0
Bc Asia Growth Investments		1	6,62,42,568	0	0	6,62,42,568	2.6714	6,62,42,568	0	6,62,42,568	2.6714	0	2.6714	0	0.0000	NA	NA	6,62,42,568	6,62,42,568	6,62,42,568	
Bc Investments V.I Limited		1	3,40,90,069	0	0	3,40,90,069	1.3748	3,40,90,069	0	3,40,90,069	1.3748	0	1.3748	0	0.0000	NA	NA	3,40,90,069	3,40,90,069	3,40,90,069	
(b) 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			
(c) Sovereign Wealth Funds		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(d) Foreign Portfolio Investors Category I		116	17,88,14,673	0	0	17,88,14,673	7.2112	17,88,14,673	0	17,88,14,673	7.2112	0	7.2112	0	0.0000	NA	NA	17,88,14,673	0	0	0
Bnp Paribas Arbitrage - Odi		1	5,80,08,505	0	0	5,80,08,505	2.3394	5,80,08,505	0	5,80,08,505	2.3394	0	2.3394	0	0.0000	NA	NA	5,80,08,505	0	0	0
(e) Foreign Portfolio Investors Category II		5	22,25,638	0	0	22,25,638	0.0898	22,25,638	0	22,25,638	0.0898	0	0.0898	0	0.0000	NA	NA	22,25,638	0	0	0
(f) 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			
(g) 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)(2)		123	28,13,72,948	0	0	28,13,72,948	11.3472	28,13,72,948	0	28,13,72,948	11.3472	0	11.3472	0	0.0000	NA	NA	28,13,72,948	0	0	0
3 Central Government/ State Government(s)																					
(a) Central Government / President of India		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(b) State Government / Governor		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(C) Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
Sub Total (B)(3)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
4 Non-Institutions																					
(a) Associate companies / Subsidiaries		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	NA	NA	0			
(b) Directors and their relatives (excluding Independent Directors and nominee Directors)		4	6,95,660	0	0	6,95,660	0.0281	6,95,660	0	6,95,660	0.0281	0	0.0281	0	0.0000	NA	NA	6,95,660	0	0	0
(C) Key Managerial Personnel		2	6,44,092	0	0	6,44,092	0.0260	6,44,092	0	6,44,092	0.0260	0	0.0260	0	0.0000	NA	NA	6,44,092	0	0	0

Category & Name of the shareholders	PAN	Nos. of share-holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share-holding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares underlying 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 dematerialised form	Sub-categorization of shares		
								No of Voting Rights		Total as a % of total Voting Rights			No. As a % of total Shares held(b)	No. As a % of total Shares held(b)			Sub-category (i)	Sub-category (ii)	Sub-category (iii)
								Class eg: X	Class eg: Y										
(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)	(XV)			
(D) Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	0				
(E) Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	0				
(f) Investor Education and Protection Fund (IEPF)		1	1,94,470	0	0	1,94,470	0.0078	1,94,470	0	1,94,470	0.0078	0	0.0078	NA	1,94,470	0	0	0	
(g) i. Resident Individual holding nominal share capital up to Rs. 2 lakhs.		6,84,642	25,71,39,161	0	0	25,71,39,161	10.3699	25,71,39,161	0	25,71,39,161	10.3699	0	10.3699	NA	25,71,10,265	0	0	0	
(h) ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs.		1,139	6,92,72,068	0	0	6,92,72,068	2.7936	6,92,72,068	0	6,92,72,068	2.7936	0	2.7936	NA	6,92,72,068	0	0	0	
(i) Non Resident Indians (NRIs)		7,142	1,23,61,792	0	0	1,23,61,792	0.4985	1,23,61,792	0	1,23,61,792	0.4985	0	0.4985	NA	1,23,61,792	0	0	0	
(j) Foreign Nationals		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	0				
(k) Foreign Companies		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	0				
(l) Bodies Corporate		1,244	3,95,05,084	0	0	3,95,05,084	1.5932	3,95,05,084	0	3,95,05,084	1.5932	0	1.5932	NA	3,95,05,084	0	0	0	
(m) Any Other (Specify)		13,905	1,59,77,742	0	0	1,59,77,742	0.6443	1,59,77,742	0	1,59,77,742	0.6443	0	0.6443	NA	1,59,77,742	0	0	0	
Trusts		8	4,63,840	0	0	4,63,840	0.0187	4,63,840	0	4,63,840	0.0187	0	0.0187	NA	4,63,840	0	0	0	
Body Corp-Ltd Liability Partnership		103	8,00,077	0	0	8,00,077	0.0323	8,00,077	0	8,00,077	0.0323	0	0.0323	NA	8,00,077	0	0	0	
Hindu Undivided Family		13,721	1,38,86,856	0	0	1,38,86,856	0.5600	1,38,86,856	0	1,38,86,856	0.5600	0	0.5600	NA	1,38,86,856	0	0	0	
Clearing Member		71	2,81,795	0	0	2,81,795	0.0114	2,81,795	0	2,81,795	0.0114	0	0.0114	NA	2,81,795	0	0	0	
Director		2	5,45,174	0	0	5,45,174	0.0220	5,45,174	0	5,45,174	0.0220	0	0.0220	NA	5,45,174	0	0	0	
Sub Total (B)(4)		7,08,079	39,57,90,069	0	0	39,57,90,069	15.9614	39,57,90,069	0	39,57,90,069	15.9614	0	15.9614	NA	39,57,61,173	0	0	0	
Total Public Shareholding (B)= (B) (1)+(B)(2)+(B)(3)+(B)(4)		7,08,236	84,04,41,197	0	0	84,04,41,197	33.8933	84,04,41,197	0	84,04,41,197	33.8933	0	33.8933	NA	84,04,12,301	0	0	0	

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

No. of shareholders	No. of Shares	%
0		

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.

No. of shareholders	No. of Shares
123	12978

L&T Finance Holdings Limited

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholding

Category & Name of the shareholders	PAN	Nos. of share-holders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share-holding % calculated as per SCRR, 1957 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)	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form	Sub-categorization of shares		
								No of Voting Rights			Total as a % of Total Voting Rights								
								Class eg: X	Class eg: Y	Total									
								(i)	(ii)	(iii)	(iv)			(v)	(vi)	(vii) = (iv)+(v)+(vi)	(viii) As a % of (A+B+C2)	(ix)	
(1) Custodian/DR Holders - Name of DR Holder (If Available)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	0	0	0
(2) Employee Benefit Trusts/Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	0	0	0
Total Non Promoter - Non Public Shareholding (Q= (C1)+(C)2)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0	0	0	0
Total (A+B+C2)		7,08,237	2,47,96,71,117	0	0	2,47,96,71,117	100.0000	2,47,96,71,117	0	2,47,96,71,117	0	100.0000	0	0.0000	NA	2,47,96,42,221	10,03,32,637	10,03,32,637	0
Total (A+B+C)		7,08,237	2,47,96,71,117	0	0	2,47,96,71,117	100.0000	2,47,96,71,117	0	2,47,96,71,117	0	100.0000	0	0.0000	NA	2,47,96,42,221	10,03,32,637	10,03,32,637	0

L&T Finance Holdings Limited

Table VI - Statement showing Foreign Ownership Limits

Particulars	Approved Limits (%)	Limits Utilized (%)
As on Shareholding date	100.00	11.70
As on the end of Previous 1st Quarter	100.00	11.62
As on the end of Previous 2nd Quarter	100.00	11.35
As on the end of Previous 3rd Quarter	100.00	11.21
As on the end of Previous 4th Quarter	100.00	11.51

Note :

- "Approved Limits (%)" means the limit approved by Board of Directors/ shareholders of the listed entity. In case the listed entity has no Board approved limit, provide details of sectoral/ statutory cap prescribed by Government/ Regulatory Authorities.
- Details of Foreign Ownership includes foreign ownership / investments as specified in rule 2(s) of the Foreign Exchange Management (Non - debt instruments) Rules, 2019, made under the Foreign Exchange Management Act, 1999.

**DETAILS OF ONGOING LITIGATION ADJUDICATION & RECOVERY PROCEEDINGS,
PROSECUTION INITIATED, AND ALL OTHER ENFORCEMENT ACTION TAKEN AGAINST
THE COMPANY, ITS PROMOTERS AND DIRECTORS AND DETAILS OF OTHER
INVESTIGATIONS/PROCEEDINGS WHICH HAVE BEEN FILED AGAINST THE COMPANY**

- A. Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against the Company and details of other investigations/ proceedings which have been filed against L& T Infra Credit Limited as on March 31, 2023 -

Sr. No.	Court/ Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
1.	Bombay High Court	L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited) Vs. Commissioner of Income Tax Exemption - Mumbai	AY2015-16 and AY2016-17 - Appeal filed against order passed by the ITAT, upholding order passed by the CIT u/s 263 - denied exemption claimed by the Company u/s 10(47) as "IDF NBFC"	23,09,97,764	Appeal filed for both the years and pending adjudication. Amount represents tax effect of disallowance and tax demand is already paid under protest. Next hearing date is awaited
2.	Commissioner of Income tax (Appeals)	L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited) Vs. Dy. Commissioner of Income Tax Exemption-(1) - Mumbai	AY2014-15 & AY2017-18: Appeal filed against re-assessment order under Section 143(1) read with 147 - denied exemption claimed by the Company u/s 10(47) as "IDF NBFC"	40,79,39,312	Appeal filed for both the years and pending adjudication. Amount represents tax effect of disallowance and tax demand is already paid under protest. Next hearing date is awaited

Note:

- i) The issue involved in all the years mentioned in the Sr no 1 and 2 of above table is denial of exemption claimed by the Company u/s 10(47) of the Income Tax Act, 1961 ("IT Act"). The Company is registered as an "IDF-NBFC" (Infra Debt Fund-Non Banking Finance Company) with the Reserve Bank of India since A.Y. 2014- 15 & onwards and accordingly has claimed exemption u/s 10(47) of the IT Act. Such claim was duly allowed in the original assessment u/s 143(3) and 143(1) of the IT Act. Subsequently, the Commissioner of Income Tax issued a notice u/s 263 of the IT Act against AY 2015-16 & 2016-17 and passed order wherein exemption claimed by the Company was denied on ground that company was not notified by the CBDT u/s 10(47). For AY 2014-15 & 2017-18 order was passed by the CIT Exemption u/s 143(1) r.w 147 on the same ground. CBDT has notified the Company u/s 10(47) of the IT Act from A.Y. 2018-19 & onwards vide notification no 74/2020 dated 11th September, 2020. The Company has filed an application with the CBDT for granting retrospective exemption from A.Y. 2014-15 onwards i.e effective from the day RBI has issued certificate of registration to the Company as IDF NBFC. Further, the Company believes that it has duly fulfilled requisite conditions under the IT Act read with Income Tax Rules from A.Y. 2014-15 for claiming the said exemption u/s 10(47).

- ii) The above status does not include issues pertaining to short credit of Advance tax, TDS and any other tax credit and interest if any thereon which will be duly rectified on disposal of rectification application.
- iii) Amount represented above pertains to tax effect of disallowance and does not include consequential interest under Section 234B and 234C.
- iv) The company recognises contingent liability for the disputed amount (for the difference amount) where the total assessed tax liability for respective year is higher than the tax provision made in the books and in accordance with the applicable accounting standards and merits of each case.

B. Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against promoter, i.e. L&T Finance Holdings Limited as on March 31, 2023 -

Sr. No.	Court/ Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
1.	ITAT, Mumbai	L&T Finance Holdings Limited Vs. Dy. Commissioner of Income Tax, Circle 2(2) Mumbai	AY2014-15 - Appeal filed against CIT(A) order upholding disallowance of expenses of Rs.14,58,76,907 incurred in relation to exempt dividend income under Section 14A read with Rule 8D	NIL	Appeal filed and pending adjudication. The income was assessed at a loss. Hearing is scheduled on 17th April, 2023
2.	Commissioner of Income tax (Appeals)	L&T Finance Holdings Limited Vs. Dy. Commissioner of Income Tax, Circle 2(2) Mumbai	AY2013-14 : Appeal filed against assessment order under Section 143(3) - Claim of expenses incurred in relation to Exempt dividend income during assessment	NIL	Appeal filed and pending adjudication. Next hearing date is awaited
3.	Commissioner of Income tax (Appeals)	L&T Finance Holdings Limited Vs. Dy. Commissioner of Income Tax, Circle 2(2) Mumbai	AY2016-17 and AY2017-18: Appeal filed against assessment order under Section 143(3) for disallowance of expenses under Section 14A read with Rule 8D in relation to Exempt Dividend income, ESOP Expenses and erroneous MAT credit computation	Nil	Appeal filed and pending adjudication. Amount represents tax effect of disallowance. Rectification application is filed for outstanding demand due to erroneous MAT computation. Next hearing date is awaited.
4.	Commissioner of Income tax (Appeals)	L&T Finance Holdings Limited Vs. Dy. Commissioner of Income Tax, Circle 2(2) Mumbai	AY2020-21: Appeal filed against assessment order under Section 143(3) for below erroneous additions:		

Sr. No.	Court/ Tribunal	Parties	Brief Summary	Amount (in Rupees)	Current Status
			1. Erroneous additions made in Section 143(1) intimation order (Rs. 5,45,06,389) 2. Disallowance under Section 40(a)(ia) (Rs. 13,45,607) 3. Expenses paid to a subsidiary company (Rs. 12,43, 151) Adhoc erroneous additions due to difference between Assessment order and computation sheet (Rs. 55,69,38,535)	15,45,39,997	Appeal filed and pending adjudication. Amount represents tax effect of disallowance. Next hearing date is awaited.

Note:

- i) The above status does not include issues pertaining to short credit of Advance tax, TDS and any other tax credit and interest if any thereon which will be duly rectified on disposal of rectification application.
 - ii) Amount represented above pertains to tax effect of disallowance and does not include consequential interest under Section 234B and 234C.
 - iii) The company recognises contingent liability for the disputed amount (for the difference amount) where the total assessed tax liability for respective year is higher than the tax provision made in the books and in accordance with the applicable accounting standards and merits of each case.
- C. Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken against the directors of L& T Infra Credit Limited basis our records / information available as on March 31, 2023 -

Certain legal proceedings are instituted against some directors of L&T Infra Credit Limited in their capacity as directors of L& T Finance Limited. Other than that, there are no ongoing adjudication & recovery proceedings, prosecution initiated or other enforcement action (i.e. proceedings initiated and/ or taken by Government and/ or regulatory authorities and bodies) against the directors of L& T Infra Credit Limited.

For **L&T Infra Credit Limited**

Savita Kodain
Company Secretary and Compliance Officer

kkc & associates llp

Chartered Accountants
(formerly Khimji Kunverji & Co LLP)

0105/2023/KrMo

To
The Board of Directors,
L&T Finance Holdings Limited
Brindavan, Plot No.177,
C.S.T Road, Kalina,
Santacruz (East), Mumbai,
Maharashtra - 400098, India

Independent auditor's certificate on the proposed accounting treatment included in the draft Scheme of Amalgamation and Arrangement pursuant to Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013 ('the Act') and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

1. This certificate is issued in accordance with the terms of our engagement letter dated 29 December 2022 with L&T Finance Holdings Limited ("the Company").
2. We, KKC & Associates LLP (formerly Khimji Kunverji & Co LLP), the statutory auditors of the Company, have been approached by the Company to provide the certificate, in accordance with the Act, Securities and Exchange Board of India ('SEBI') Regulations, in particular as required under SEBI Circular SEBI/ HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated 29 July 2022 (as updated on 1 December 2022) and pursuant to SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021, as amended from time to time, as to whether:
 - 2.1 the prescribed accounting treatment specified in the proposed Scheme of Amalgamation of the following entities with the Company ('also referred to as the 'Amalgamated Company') (the 'Scheme') under Sections 230 to 232 read with Section 52 of the Act, is in accordance with the provisions of the Scheme and in compliance with the accounting standards notified under Section 133 of the Act, read with relevant rules issued thereunder ('the applicable accounting standards') and other generally accepted accounting principles in India.
 - 2.2 the Amalgamated Company is capable of payment of interest / repayment of principal

The entities to be amalgamated with the Company are as under:

 - ▶ L&T Finance Limited ('Amalgamating Company 1')
 - ▶ L&T Infra Credit Limited ('Amalgamating Company 2')
 - ▶ L&T Mutual Fund Trustee Limited ('Amalgamating Company 3')
3. The certified draft of the Scheme has been furnished to us by the management of the Company for the purpose of this certificate. A certified true copy of the proposed accounting treatment included in the said draft Scheme, as attached in Appendix I to this certificate, has been stamped & initialed by us for identification purpose only.

Management's Responsibility

4. The responsibility for the preparation of the Scheme, and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the management/ Board of Directors of the Companies involved in the Scheme. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

5. The Management is also responsible for ensuring that the Company complies with the requirements of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder, and the applicable accounting standards, in relation to the Scheme and for providing all relevant information to the National Company Law Tribunal, the BSE Limited ('the BSE'), the National Stock Exchange of India Limited ('the NSE').

Auditor's Responsibility

6. Pursuant to the requirements of the Act, our responsibility is to examine and provide a reasonable assurance whether the proposed accounting treatment contained in Appendix 1 to this certificate, complies with the applicable accounting standards and other generally accepted accounting principles and also to review the books of account and other relevant records of the Company so as to comment on the Company's capability to pay interest/instalments of principal. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
7. Accordingly, the following verification procedures have been performed by us:
- Review of the proposed accounting treatment as contained in the Appendix 1 to this certificate in terms of requirements of proviso to Section 230(7) of the Act.
 - Obtaining the draft unaudited financial information, as certified by the management of the Company, containing the effect to the entries prescribed in the Scheme so as to broadly review the combined financial information of the entities involved in the Scheme.
 - Reviewing the audit reports of the Amalgamating Company 1, Amalgamating Company 2 & Amalgamating Company 3 (together referred to as 'Amalgamating Companies') for the year ended 31 March 2022 and limited review reports for the quarters ended 30 June 2022, 30 September 2022 and 31 December 2022 for any qualification/adverse comment pertaining to the 'going concern' status of all the Amalgamating companies;
 - Obtaining management certified financial results of the Amalgamating Companies for the period and as at 31 December 2022;
 - Broadly reviewing the Asset Liability Management ('ALM') report as at 31 December 2022 of the Company (post giving effect to the entries pertaining to the Scheme) for testing liquidity mismatch, if any, pertaining to asset/liabilities of the Amalgamating Companies;
 - Making suitable inquiries and obtained relevant representations from the management of the Company pertaining to the subject matters of this certificate.
8. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

Opinion

10. Based on our verification procedures conducted as narrated in para 7 above and according to the information and explanations given to us, along with the representations provided by the Management of the Company, we report that:
- Pursuant to the requirements of proviso to sub-section (7) of section 230 of the 2013 Act read with SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, in our opinion, the proposed accounting treatment as contained in the Appendix hereto is in compliance with the applicable accounting standards and other generally accepted accounting principles in India and is in accordance with the provisions of the draft Scheme.
 - Having regard to the combined financial information of the Companies involved in the Scheme, considering that none of the auditors of the Amalgamating Companies have reported on existence of any material uncertainty pertaining to these Companies' going concern or solvency matters in their audit reports for the year ended

31 March 2022, in our opinion, the resultant entity is capable of payment of interest / repayment of principal. We, however, state that this is not an assurance as to the future viability of the Amalgamated Company. We further state that our reporting is based on the facts up to the date of this certificate and we neither give any guarantee nor any assurance that all liabilities will get discharged by the resultant company as and when they fall due.

Restriction on distribution or use

11. Our work was performed solely to assist the Company in meeting its responsibilities in relation to compliance with the requirements of the provisions pertaining to accounting treatment in SEBI (Listing Obligations and Disclosure Requirements), 2015, Sections 230 to 232 of the Act and the Rules for onward submission to BSE, NSE and National Company Law Tribunal along with the Scheme. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by, any other role we may have as auditors of the Company or otherwise.
12. This certificate is issued at the request of the Company for the aforesaid purpose and may not be suitable for any other purpose. Hence, the same should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration No.: 105146 W/W100621

Hasmukh B Dedhia

Partner

Membership No.: 033494

UDIN No.: 23033494BGWSNH9297

Place: Mumbai

Date: 13 January 2023

kkc & associates llp

Chartered Accountants
(formerly Khimji Kunverji & Co LLP)

0201/2023/KrMo

To
The Board of Directors,
L&T Finance Holdings Limited
Brindavan, Plot No.177,
C.S.T Road, Kalina,
Santacruz (East), Mumbai,
Maharashtra - 400098, India

Independent auditor's certificate on the proposed accounting treatment included in the draft Scheme of Amalgamation and Arrangement pursuant to Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013 ('the Act') and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

1. This certificate is in furtherance to our certificate number 0105/2023/KrMo dated 13 January 2023 ('the Certificate') (UDIN: 23033494BGWSNH9297) on the captioned subject attached as Annexure. Based on the information received from the management of the Company, we understand that the BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') have requested to provide conformity of the draft Scheme with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') in the certificate referred to above.
2. Hence, this certificate ('this Certificate') is issued in addition to the Certificate dated 13 January 2023 in accordance with the terms of our engagement letter dated 29 December 2022 with L&T Finance Holdings Limited ("the Company").
3. We, KKC & Associates LLP (formerly Khimji Kunverji & Co LLP), the statutory auditors of the Company, have been approached by the Company to provide the certificate, in accordance with the Act, Securities and Exchange Board of India ('SEBI') Regulations, including SEBI LODR Regulations, in particular as required under SEBI Circular SEBI/ HO/ DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated 29 July 2022 (as updated on 1 December 2022) and pursuant to SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23 November 2021, as amended from time to time, as to whether:
 - a. the prescribed accounting treatment specified in the proposed Scheme of Amalgamation of the following entities with the Company ('also referred to as the 'Amalgamated Company') (the 'Scheme') under Sections 230 to 232 read with Section 52 of the Act, is in accordance with the provisions of the Scheme and in compliance with the accounting standards notified under Section 133 of the Act, read with relevant rules issued thereunder ('the applicable accounting standards') and other generally accepted accounting principles in India.
 - b. the Amalgamated Company is capable of payment of interest / repayment of principal.

The entities to be amalgamated with the Company are as under:

 - ▶ L&T Finance Limited ('Amalgamating Company 1')
 - ▶ L&T Infra Credit Limited ('Amalgamating Company 2')
 - ▶ L&T Mutual Fund Trustee Limited ('Amalgamating Company 3')
4. The certified draft of the Scheme had been furnished to us by the management of the Company for the purpose of the Certificate. A certified true copy of the proposed accounting treatment included in the said draft Scheme, as attached in Appendix I of the Certificate, has been stamped & initialed by us for identification purpose only.

Management's Responsibility

5. The responsibility for the preparation of the Scheme, and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the management/ Board of Directors of the Companies involved in the Scheme. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
6. The Management is also responsible for ensuring that the Company complies with the requirements of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued thereunder, and the applicable accounting standards, in relation to the Scheme and for providing all relevant information to the National Company Law Tribunal, the BSE and the NSE.

Auditor's Responsibility

7. Pursuant to the requirements of the Act, our responsibility is to examine and provide a reasonable assurance whether the proposed accounting treatment contained in Appendix 1 of the Certificate, complies with the applicable accounting standards and other generally accepted accounting principles and also to review the books of account and other relevant records of the Company so as to comment on the Company's capability to pay interest/installments of principal. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
8. Accordingly, the following verification procedures have been performed by us:
 - a. Review of the proposed accounting treatment as contained in the Appendix 1 of the Certificate in terms of requirements of proviso to Section 230(7) of the Act.
 - b. Obtaining the draft unaudited financial information, as certified by the management of the Company, containing the effect to the entries prescribed in the Scheme so as to broadly review the combined financial information of the entities involved in the Scheme.
 - c. Reviewing the audit reports of the Amalgamating Company 1, Amalgamating Company 2 & Amalgamating Company 3 (together referred to as 'Amalgamating Companies') for the year ended 31 March 2022 and limited review reports for the quarters ended 30 June 2022, 30 September 2022 and 31 December 2022 for any qualification/adverse comment pertaining to the 'going concern' status of all the Amalgamating companies;
 - d. Obtaining management certified financial results of the Amalgamating Companies for the period and as at 31 December 2022;
 - e. Broadly reviewing the Asset Liability Management ('ALM') report as at 31 December 2022 of the Company (post giving effect to the entries pertaining to the Scheme) for testing liquidity mismatch, if any, pertaining to asset/liabilities of the Amalgamating Companies;
 - f. Making suitable inquiries and obtained relevant representations from the management of the Company pertaining to the subject matters of this certificate.
9. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

Opinion

11. Based on our verification procedures conducted as narrated in para 8 above and according to the information and explanations given to us, along with the representations provided by the Management of the Company, we report that:

- a. Pursuant to the requirements of proviso to sub-section (7) of section 230 of the 2013 Act, SEBI LODR Regulations read with SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and SEBI Circular SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022 (as updated on December 1, 2022), in our opinion, the proposed accounting treatment as contained in the Appendix I of the Certificate hereto is in compliance with SEBI LODR Regulations, circulars issued there under and the applicable accounting standards notified by the Central Government under Companies Act, 2013 and other generally accepted accounting principles in India and is in accordance with the provisions of the draft Scheme.
- b. Having regard to the combined financial information of the Companies involved in the Scheme, considering that none of the auditors of the Amalgamating Companies have reported on existence of any material uncertainty pertaining to these Companies' going concern or solvency matters in their audit reports for the year ended 31 March 2022, in our opinion, the resultant entity is capable of payment of interest/ repayment of principal. We, however, state that this is not an assurance as to the future viability of the Amalgamated Company. We further state that our reporting is based on the facts up to the date of this certificate and we neither give any guarantee nor any assurance that all liabilities will get discharged by the resultant company as and when they fall due.

Restriction on distribution or use

12. Our work was performed solely to assist the Company in meeting its responsibilities in relation to compliance with the requirements of the provisions pertaining to accounting treatment in SEBI (Listing Obligations and Disclosure Requirements), 2015, Sections 230 to 232 of the Act and the Rules for onward submission to BSE, NSE and National Company Law Tribunal along with the Scheme. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by, any other role we may have as auditors of the Company or otherwise.
13. This certificate is issued at the request of the Company for the aforesaid purpose pursuant to the communication received by the Company from BSE and NSE relating to requirements of circulars issued under SEBI LODR Regulations for onwards submission to BSE, NSE any other filing with respect to the Scheme and may not be suitable for any other purpose. Hence, the same should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration No.: 105146 W/W100621

Hasmukh B Dedhia

Partner

Membership No.: 033494

UDIN No.: 23033494BGWSON3532

Place: Mumbai

Date: 07 February 2023

DISCLOSURE DOCUMENT COMPRISING APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

This document ("Disclosure Document" or "Abridged Prospectus") contains information pertaining to L&T Mutual Fund Trustee Limited ("LTMFTL") (an unlisted company), as per the requirements specified by the Securities and Exchange Board of India ("SEBI") in the circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022, as amended from time to time and master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 in connection with proposed amalgamation of L&T Finance Limited ("LTF"), L&T Infra Credit Limited ("LTICL") and LTMFTL (LTF, LTICL and LTMFTL are collectively referred to as "Amalgamating Companies") with L&T Finance Holdings Limited ("Amalgamated Company"/ "LTFH") and arrangement, by way of merger by absorption, pursuant to the provisions of Sections 230 - 232 read with Section 52 of the Companies Act, 2013 ("Act") and other applicable regulatory requirements (the "Scheme"). The equity shares of LTFH are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (hereinafter NSE and BSE are collectively referred as "Stock Exchanges"). The non-convertible debentures of LTF and LTICL are listed on NSE and BSE.

The Scheme will result in the transfer and vesting of the assets, liabilities and the entire undertaking of the Amalgamating Companies into the Amalgamated Company, followed by the dissolution without winding up of each of the Amalgamating Companies, the consequent cancellation of the equity shares held by the Amalgamated Company in the Amalgamating Companies, certain adjustments to the securities premium account of the Amalgamated Company and various other matters consequential to or otherwise integrally connected with the aforesaid.

Nothing herein constitutes an offer or invitation by or on behalf of LTFH or LTF or LTICL or LTMFTL to subscribe to or purchase any securities of LTFH, LTF, LTICL or LTMFTL, on a private placement basis or by way of a public offer.

This Disclosure Document forms part of the notice and explanatory statement for the meeting of the equity shareholders of LTFH and meetings of secured creditors and / or unsecured creditors of LTICL and LTF, convened as per the directions of Hon'ble National Company Law Tribunal ("NCLT"), for the purpose of considering, and if thought fit, approving the Scheme, and accordingly should be read together with the said notice (including all annexures).

THIS DISCLOSURE DOCUMENT CONSISTS OF 8 PAGES, PLEASE ENSURE THAT YOU GET ALL PAGES

Please ensure that you read the Disclosure Document and the notice and explanatory statement. Unless otherwise specified, all capitalised terms used in the Disclosure Document shall have the meaning ascribed to such terms in the notice and explanatory statement. You are advised to retain a copy of Disclosure Document for future reference.

You may obtain a physical copy of the Disclosure Document and the notice and explanatory statement from our registered office. You may also download the Disclosure Document and the notice and explanatory statement from the websites of the Stock Exchanges that is www.nseindia.com and www.bseindia.com.



L&T MUTUAL FUND TRUSTEE LIMITED

The Corporate Identification Number of LTMFTL is U65993MH1996PLC211198

Date of Incorporation: April 30, 1996

Registered Office: Brindavan, Plot No.177, C.S.T Road, Kalina, Santacruz (East), Mumbai 400098, Maharashtra.

Corporate Office: Same as the registered office

Telephone: +91 22 6212 5000

Company Secretary and Compliance Officer: Not Applicable; **Telephone:** Not Applicable;

E-mail: Not Applicable;

Website: Not Applicable

BRIEF DESCRIPTION OF THE SCHEME

1. This Disclosure Document is issued pursuant to the Scheme. This document is not an offer to public/investors at large. This Scheme (*as defined hereunder*) provides, *inter-alia*, for:
 - (i) the amalgamation of LTF and LTMFTL into the Amalgamated Company, by way of merger by absorption, the dissolution of LTF and LTMFTL without winding up and the consequent cancellation of the equity shares held by the Amalgamated Company in LTF and LTMFTL, in accordance with this Scheme (hereinafter referred to as "Amalgamation 1");
 - (ii) the amalgamation of LTICL into the Amalgamated Company, by way of merger by absorption, the dissolution of LTICL without winding up and the consequent cancellation of the equity shares held by the Amalgamated Company in LTICL, in accordance with this Scheme (hereinafter referred to as "Amalgamation 2");
(*Amalgamation 1 and Amalgamation 2 are hereinafter collectively referred to as, the "Amalgamation(s)"*)
 - (iii) Adjustment of debit balance of capital reserve, if any (including capital reserve arising on the Amalgamations), and debit balance of amalgamation adjustment reserve account in the books of Amalgamated Company post the Amalgamations with the Securities Premium Account (*as defined in the Scheme*) of the Amalgamated Company; and
 - (iv) various other matters incidental, consequential or otherwise integrally connected therewith, including change in the name and changes to the share capital of the Amalgamated Company, pursuant to provisions of Sections 230 - 232 read with Section 52 and other applicable/relevant provisions of the Act (*as defined in the Scheme*) in the manner provided for in this Scheme and in compliance with the provisions of the IT Act (*as defined in the Scheme*) and other applicable regulatory requirements.

GENERAL RISKS

You are advised to read the section titled "RISK FACTORS" on page no. 125 carefully. The Disclosure Document has not been and will not be approved by any regulatory authority in India, including SEBI, any Registrar of Companies or any stock exchange in India.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Disclosure Document does contain all applicable information with regard to LTMFTL, which is material in the context of the Scheme; that the information contained in the Disclosure Document will be true and correct in all material respects and is not misleading in any material respect; that the opinions and intentions expressed herein are honestly held and that there are no other material facts, the omission of which makes the Disclosure Document as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING

Name of credit rating agency(ies) and the rating(s) obtained along with the date(s) of the press release of the credit rating agency - Not applicable as this document is being issued pursuant to the Scheme.

LISTING

Please mention the stock exchange on which the instrument is proposed to be listed and detail thereof - Not applicable, since the Amalgamating Companies are direct and indirect wholly owned subsidiaries of the Amalgamated Company, upon this Scheme becoming effective, the equity shares held by the Amalgamated Company in the Amalgamating Companies will stand cancelled and no consideration shall pass from the Amalgamated Company in lieu of equity shares held in the Amalgamating Companies.

PROMOTER

LTFH is a public company, incorporated on May 1, 2008 under the Companies Act, 1956, and having its registered office at Brindavan, Plot No.177, CST Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra. LTFH is a registered Systemically Important Non- Deposit Accepting Core Investment Company ("NBFC-CIC") in terms of the certificate of registration issued by RBI, bearing registration no. N-13.02052, dated September 11, 2013. LTFH has also been classified as an NBFC-ML as per the Scale Based Regulations. As an NBFC-CIC, LTFH is a primary holding company, holding investments in its subsidiaries.

DIRECTORS

Sr. No.	Name	Designation (Independent / Whole time / Executive / Nominee)	Experience & Educational Qualification	Other Directorships
1	Mr. Raju Dodti	Non - Executive Director	<p>Mr. Raju Dodti is the Chief Executive – Wholesale and SME Finance, L&T Finance. He is responsible for driving the growth of the SME business. He is also responsible for portfolio management and downselling of wholesale finance business which includes infrastructure and real estate financing. He also leads the Special Situations Group which is involved in recovery and resolution of identified stressed assets, defocused book and exit of private equity investments.</p> <p>Mr. Raju Dodti joined L&T Finance in 2015 and has held key positions in legal and compliance. As the Group General Counsel of the company, he was instrumental in building the in-house practice group that dealt with advisory, transactional and litigation portfolio for the lending and non-lending businesses. In his capacity as Group Head of Compliance, he was primarily leading regulatory compliance including overseeing regulatory inspections. Mr. Raju Dodti has also provided strategic direction & leadership to the Corporate Communications, Facilities & Channel Management functions of L&T Finance, in the past.</p> <p>Prior to joining L&T Finance, he was with IDFC, Rabo India Finance, ABN AMRO NV, Societe Generale and Global Trust Bank, in varied roles across the legal function. With more than two decades of diverse experience across national and multi-national banks &</p>	<p>Indian Companies:</p> <ol style="list-style-type: none"> 1) L&T Financial Consultants Limited 2) L&T Infra Investment Partners Advisory Private Limited 3) Indian Highways Management Company Limited 4) Mudit Cement Private Limited <p>Foreign Companies:</p> <p>Nil</p>

Sr. No.	Name	Designation (Independent / Whole time / Executive / Nominee)	Experience & Educational Qualification	Other Directorships
			<p>financial institutions in private equity, project finance, infrastructure finance and treasury borrowings, Mr. Raju Dodti has contributed extensively by maneuvering at the crucial junctures of the organizations' legal commitments.</p> <p>Mr. Raju Dodti holds a Bachelor's degree in law from Government Law College, Mumbai University, and a Bachelor's degree in commerce from Mumbai University.</p>	
2.	Mr. Santosh Parab	Non - Executive Director	<p>Mr. Santosh B. Parab leads the Legal function at L&T Finance in his capacity as the Group General Counsel. He has over 28 years of experience with expertise in varied legal and compliance domains – Retail, Wholesale and Banking Finance, Borrowings & Treasury, Mergers & Acquisitions of entities in the Financial Sector, Equity Raising, Private Equity, Litigation, Recovery and Resolution.</p> <p>Prior to joining L&T Finance, Mr. Santosh Parab worked with IDBI, IDFC, IDFC Bank and Altico Capital in different roles across the legal and compliance functions. He has played a pivotal role in all major milestones achieved during his tenure with previous organisations including banking license, acquisitions and divestments of various financial entities, mergers of bank with NBFC, working on resolution plan among others.</p> <p>Mr. Santosh Parab holds a Master's degree in law from Mumbai University, and a Bachelor's degree in commerce from Mumbai University.</p>	<p>Indian Companies:</p> <p>1) L&T Infra Investment Partners Trustee Private Limited</p> <p>Foreign Companies:</p> <p>Nil</p>
3.	Mr. Abhishek Sharma	Non - Executive Director	<p>Mr. Abhishek Sharma leads the digital transformation initiative at L&T Finance. He has over 15 years of experience in Corporate Strategy, Product Development and Sales Leadership, across the Group, Rural Finance & Housing Finance businesses.</p> <p>Previously, he has served as a Captain in the Indian Army for five years.</p> <p>Mr. Abhishek Sharma has a Post Graduate Diploma in Business Management from XLRI, Jamshedpur and holds a Bachelor's Degree in Business Economics from the Delhi University.</p>	<p>Indian Companies:</p> <p>1) L&T Infra Investment Partners Trustee Private Limited</p> <p>Foreign Companies:</p> <p>Nil</p>

BUSINESS

LTMFTL is a public company, incorporated on April 30, 1996 under the Companies Act, 1956, and has its registered office at Brindavan, Plot No.177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra. LTMFTL was a trustee to L&T Mutual Fund and its principal activity was to provide trusteeship services to a mutual fund. However, with divestment of stake in the mutual fund business, LTMFTL no longer acts as a trustee company for any mutual fund. Further, vide letter dated November 25, 2022, LTMFTL has voluntarily surrendered the approvals held by it to act as a mutual fund trustee. The request for surrender has been accepted by SEBI vide its letter dated April 6, 2023.

RISK FACTORS

1. LTMFTL does not have any significant operations as it no longer acts as a trustee company for any mutual fund and has no employees. Further, LTMFTL is a wholly owned subsidiary of LTFH and has not issued any debt securities. As such, there are no material risks pertaining to LTMFTL in relation to the Scheme.
2. The Scheme is subject to the receipt of statutory approvals of the NCLT (Mumbai and Kolkata), the shareholders and creditors of the respective companies as directed by the NCLT and other necessary regulatory approvals. Further, effectiveness of the Scheme is subject to the conditions referred to in Clause 49 of the Scheme being fulfilled or waived in accordance with the terms thereof. If the proposed Scheme does not receive the requisite approvals or the requisite conditions are not fulfilled/waived, it may result in the non-implementation of the Scheme and the objects and benefits mentioned in the Scheme will not be achieved.

FINANCIAL HIGHLIGHTS

As per Schedule I of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended:

Parameters	FY 2022-23 (Amount in ₹)	FY 2021-22 (Amount in ₹)	FY 2020-21 (Amount in ₹)
Total income from operations (Net)	20,89,000	9,91,000	8,08,000
Net Profit/(Loss) before tax and extraordinary items	7,62,000	3,93,000	(38,74,000)
Net Profit / (Loss) after tax and extraordinary items	7,59,800	3,93,000	(38,74,000)
Equity Share Capital	15,00,000	15,00,000	15,00,000
Reserves and Surplus	(69,07,575)	(76,67,375)	(80,60,375)
Net worth	(54,07,575)	(61,67,375)	(65,60,375)
Basic earnings per share (₹)	5.07	2.62	(25.83)
Diluted earnings per share (₹)	5.07	2.62	(25.83)

Note 1: Consolidated financial statements not applicable as LTMFTL does not have any subsidiary.

Note 2: For the purpose of net worth, following definition of, "net worth" as defined in section 2(57) of the Companies Act, 2013, as amended, has been considered:

"net worth" 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.

For detailed financial results of LTMFTL, please refer to the Notice.

CONTACT DETAILS: Not applicable to the Scheme

Name	Address	Telephone	Facsimile	E-mail	Investor Grievance E-mail	Website	Contact Person	Registration No.
LEAD MANAGERS								
N.A.								
CONSORTIUM/LEAD BROKERS								
N.A.								

Name	Address	Telephone	Facsimile	E-mail	Investor Grievance E-mail	Website	Contact Person	Registration No.
REGISTRAR TO THE ISSUE								
N.A.								
DEBENTURE TRUSTEE								
N.A.								
BANKERS TO THE ISSUE AND SPONSOR BANK								
N.A.								

Escrow Collection Banks: Not applicable to the Scheme

Self-certified Syndicate Banks: Not applicable to the Scheme

DETAILS OF STATUTORY AUDITORS OF THE COMPANY

Name: M/s Deloitte Haskins and Sells LLP, Chartered Accountants

ICAI Firm's Registration Number: 117366W/W- 100018

Address: One International Center, Tower 3, 32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai - 400 013

OBJECTS AND RATIONALE OF THE SCHEME

LTFH, being a Core Investment Company (CIC) and the holding company for the financial services businesses of the L&T Group, namely L&T Finance, which is currently undertaken through two lending entities (both having an NBFC-ICC registration pursuant to the corporate restructuring exercise undertaken within L&T Finance in FY2021-2022 in accordance with its strategy of 'Right Structure'). LTFH also holds a few other financial / non-financial services businesses /entities. With the objective of creation of a single large unified operational lending entity and mitigate potential operational and business inefficiencies of having two lending entities with the same NBFC-ICC registration, it is proposed to consolidate the businesses of the lending entities with the holding company. Further, it is also proposed to include a non-operating entity as part of this consolidation. This will help reduce the number of companies within the group (including Non-Banking Financial Company ("NBFC")) to achieve optimal and efficient utilization of capital; enhance operational and management efficiencies and have a simplified organizational structure.

Thus, the Amalgamation(s) pursuant to this Scheme would, inter alia, have the following benefits:

- Achieve simplification of the holding structure of entities forming part of the group, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale;
- Creation of a single large lending entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively;
- Achieve greater transparency, operational efficiency and better utilization of management bandwidth by having one operating NBFC to house all lending businesses;
- Enable access to business relationships and other intangible benefits that the Amalgamating Companies have built over decades;
- Companies have a proven track record in the respective businesses of credit consolidation which will lead to pooling of knowledge and expertise;
- Ease of compliance with revised regulatory framework applicable to NBFC under Scale Based Regulations of RBI.

ISSUE PROCEDURE

Not applicable as pursuant to the Scheme, no securities will be issued in relation to LTMFTL.

INSTRUCTION FOR COMPLETING THE APPLICATION FORM

Not applicable to the Scheme.

BASIS OF ALLOTMENT

Not applicable to the Scheme.

INVESTOR WITHDRAWALS

Not applicable to the Scheme.

TERMS OF THE ISSUE

Not applicable as pursuant to the Scheme, no securities will be issued in relation to LTMFTL.

DEBT TO EQUITY RATIO

Not applicable - LTMFTL does not have any debt.

LEGAL AND OTHER INFORMATION

A. Total number of outstanding litigations against LTMFTL and amount involved:

Name of entity - LTMFTL	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by the SEBI or stock exchanges against the Promoters	Material civil litigations	Aggregate amount involved (₹ in crores)
Company						
By LTMFTL	0	0	0	0	0	0
Against LTMFTL	0	0	0	0	0	0
Directors						
By Directors	0	0	0	0	0	0
Against Directors	0	0	0	0	0	0
Promoters						
By Promoters	0	0	0	0	0	0
Against Promoters	0	4	0	0	0	15.45
Subsidiaries						
By Subsidiaries	0	0	0	0	0	0
Against Subsidiaries	0	0	0	0	0	0

B. Brief details of top 5 material outstanding litigations against LTMFTL and amount involved - Nil

C. Regulatory action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters / Group companies in last 5 financial years including outstanding action, if any (200 - 300 word limit in total) - Nil

D. Brief details of outstanding criminal proceedings against Promoters (200 - 300 word limit in total) - Nil

MATERIAL DEVELOPMENTS

With divestment of stake in the mutual fund business, LTMFTL no longer acts as a trustee company for any mutual fund. Further, vide letter dated November 25, 2022, LTMFTL has voluntarily surrendered the approvals held by it to act as a mutual fund trustee. The request for surrender has been accepted by SEBI vide its letter dated April 6, 2023.

DETAILS OF OFFER TO PUBLIC

Not applicable to the Scheme.

DETAILS OF OFS BY PROMOTER(S)/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDERS (UPTO A MAXIMUM OF 10 SELLING SHAREHOLDERS)

Not applicable to the Scheme.

PRICE BAND, MINIMUM BID LOT & INDICATIVE TIMELINES

Not applicable to the Scheme.

DETAILS OF WEIGHTED AVERAGE COST OF ACQUISITION (WACA) OF ALL SHARES TRANSACTED OVER THE TRAILING EIGHTEEN MONTHS FROM THE DATE OF RHP

Not applicable to the Scheme.

RISKS IN RELATION TO THE FIRST OFFER

Not applicable to the Scheme.

PRICE INFORMATION OF BRLM'S

Not applicable to the Scheme.

Company overview: LTMFTL is a public company, incorporated on April 30, 1996 under the Companies Act, 1956, and has its registered office at Brindavan, Plot No.177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra. LTMFTL was a trustee to the L&T Mutual Fund and its principal activity was to provide trusteeship services to a mutual fund. However, with divestment of stake in the mutual fund business, LTMFTL no longer acts as a trustee company for any mutual fund. Further, vide letter dated November 25, 2022, LTMFTL has voluntarily surrendered the approvals held by it to act as a mutual fund trustee. The request for surrender has been accepted by SEBI vide its letter dated April 6, 2023.

Product/service offering: Trusteeship service

Particulars	FY 2023		FY 2022		FY 2021	
	(in ₹)	%	(In ₹)	%	(In ₹)	%
Revenue from operations (trusteeship service)	3,26,000	100%	5,00,000	100%	5,00,000	100%
Total	3,26,000	100%	5,00,000	100%	5,00,000	100%

Note: Other income for FY 2023 - ₹ 17,63,051, FY 2022 - ₹ 4,91,132 and FY 2021 - ₹ 3,07,809 is not included in above table.

Revenue segmentation by product/service offering: Trusteeship fees - 100%

Geographies served: Only India

Revenue segmentation by geographies: Only India

Key Performance Indicators: LTMFTL used to provide trusteeship services to L&T Mutual Fund. However, after the stake sale of L&T Mutual Fund to HSBC, the company has surrendered its trusteeship license w.e.f. November 25, 2022. In view of the same, LTMFTL does not generate any operating revenue and is in the process of merging with LTFH.

Client profile or industries served: Mutual fund industry (upto November 25, 2022)

Revenue segmentation in terms of top 5/10 clients or industries: LTMFTL was acting as the trustee to L&T Mutual Fund and received trusteeship fees (upto November 25, 2022)

Intellectual property, if any: Not applicable

Market share: Not applicable

Manufacturing plant, if any: Not applicable

Employee strength: No employees as on date

Note:

1. The quantitative statements shall be substantiated with Key Performance Indicators ("KPIs") and other quantitative factors.
2. No qualitative statements shall be made which cannot be substantiated with KPIs.
3. Information provided in the table should not exceed 1000 words.

OBJECTS OF THE ISSUE

Details of means of finance - Not applicable to the Scheme.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Company in the preceding 10 years - Not applicable to the Scheme.

Name of monitoring agency, if any - Not applicable to the Scheme.

Terms of issuance of convertible security, if any - Not applicable to the Scheme.

Shareholding pattern of LTMFTL - LTMFTL is a wholly owned subsidiary of LTFH.

Number/amount of equity shares proposed to be sold by selling shareholders, if any: Not applicable to the Scheme.

Any other important information - Not applicable to the Scheme.

DECLARATION

We hereby declare that to the extent applicable to this Disclosure Document, all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be have been complied with and no statement made in this Disclosure Document is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in this Disclosure Document are true and correct.

**For L&T Infra Credit Limited
(formerly known as L&T Infra Debt Fund Limited)**

**Savita Kodain
Company Secretary
ACS 21240**

Date: June 19, 2023

Place: Mumbai



Navigant Corporate Advisors Limited

Regd Office: 4118, Rustomjee Eaze Zone, Laxmi Singh Complex,
Goregaon Mulund Link Road, Malad West, Mumbai-400 064

Corporate Office: 423, A Wing, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri- Kurla Road, Andheri (East)
Mumbai-400 059; **Tel:** +91-22- 4120 4837 / +91 22 4973 5078

Email: navigant@navigantcorp.com; **Website:** www.navigantcorp.com

(CIN: L67190MH2012PLC231304)

Date: 19th June, 2023

To,

The Board of Directors,

L&T Finance Holdings Limited

Brindavan, Plot No.177, CST Road, Kalina,
Santacruz (East), Mumbai – 400098, Maharashtra

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 West Bengal 700091.

To,

The Board of Directors,

L&T Infra Credit Limited

Brindavan, Plot No.177, CST Road, Kalina,
Santacruz (East), Mumbai – 400098, Maharashtra

Subject: Certificate on accuracy and adequacy of disclosures of information pertaining to the L&T Mutual Fund Trustee Limited in the Abridged prospectus in relation to the Proposed Scheme of Arrangement between L&T Finance Limited ("LTF"), L&T Infra Credit Limited ("LTICL") and L&T Mutual Fund Trustee Limited ("LTMFTL") (LTF, LTICL and LTMFTL are collectively referred to as "Amalgamating Companies") with L&T Finance Holdings Limited ("Amalgamated Company"/ "LTFH"), by way of merger by absorption, pursuant to the provisions of Sections 230 - 232 read with Section 52 of the Companies Act, 2013 ("Act") and other applicable regulatory requirements (the "Scheme").

Dear Sir / Madam,

We, Navigant Corporate Advisors Limited, SEBI Registered Category 1 Merchant Banker, having Registration No. INM000012243 have been appointed to provide a certificate with respect to adequacy and accuracy of disclosures made in the disclosure document in the format specified for the Abridged Prospectus dated 19th June, 2023 (the "Abridged Prospectus") in relation to the Scheme

Scope and Purpose of the certificate:

Securities and Exchange Board of India ("SEBI") vide circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022, as amended from time to time ("SEBI circular- Debt") and master circular no. SEBI/HO/CF D/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI Circular- Equity"), as amended from time to time, prescribed that the listed entity is required to include the applicable information pertaining to the unlisted entity involved in the scheme in the format specified for abridged prospectus as provided under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 / the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, in the explanatory statement or notice sent to the shareholders/creditors while seeking approval of the Scheme. The accuracy and adequacy of such disclosures are required to be certified by a SEBI Registered Merchant Banker after following the due diligence process.

Sources of the Information

We have received the following information from the Management of LTMFTL:

1. Scheme of Arrangement;
2. Disclosure in the format of Abridged Prospectus;
3. Information / documents / undertakings, etc. provided by the management of LTMFTL pertaining to the disclosures made in the Abridged Prospectus dated 19th June, 2023.

Certification:

As required under the SEBI circular- Debt and SEBI Circular - Equity, as amended from time to time, we have undertaken a due diligence and have examined the disclosures made in the Abridged Prospectus, which shall form part of the explanatory statement or notice sent to the shareholders/creditors while seeking approval for the Scheme 2. Accordingly, we confirm that the information disclosed in the Abridged Prospectus is accurate and adequate and contains all applicable information required in respect of unlisted entity i.e. LTMFTL involved in the Scheme, in the format specified for abridged prospectus as provided under SEBI Circular- Debt and SEBI Circular - Equity.

The above confirmation is based on the information furnished and explanations provided to us by the Company and the entities mentioned in paragraph 3 hereinabove, assuming the same is complete and accurate in all material aspects on an "as is" basis. We have relied on the financials, information and representations furnished to us on an "as is" basis and have not carried out an audit of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express an opinion on the fairness of any such financial information referred to in the Disclosure Document. This certificate is a specific purpose certificate issued in terms of the SEBI Circulars and hence it should not be used by any person other than to whom it is addressed or for any other purpose or transaction. This certificate is not, nor should it be construed to be, a certification of compliance of the Scheme with the provisions of applicable law including company, taxation and securities markets related laws or as regards any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

Thanking You,

For Navigant Corporate Advisors Limited

Sarthak Vijlani
Managing Director

Date: 19th June, 2023

Place: Mumbai

L&T Finance Limited

IND-AS Financial Statements

March 31, 2023

M S K A & Associates
Chartered Accountants
602, Floor 6, Raheja Titanium,
Western Express Highway,
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 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 Standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flow for the year then ended, and notes to the standalone financial statements, including 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 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, 2023, its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 47 of the standalone financial statements which describes the impact of reclassification due to the change in business model and fair valuation of the Company's wholesale loan asset portfolio. Based on the change in business model, the wholesale loan assets previously measured at amortised cost have been reclassified and remeasured to fair value through profit and loss as on October 1, 2022. The one-time impact of such reclassification consequent to change in business model and fair valuation of wholesale loan asset portfolio, amounting to Rs. 2,450.17 crore has been presented as "Exceptional items" in the standalone financial statements.

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 standalone financial statements for the year ended March 31, 2023. 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 determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How the Key Audit Matters were addressed in our audit
1.	Allowance for Expected Credit Loss on Retail Loan Assets and Structured Corporate Finance Loan Assets: (Refer Note 06 to the standalone financial statements)	
	<p>As at March 31, 2023, retail loan assets and structured corporate finance loan assets aggregated Rs. 58,097.81 crores (net of expected credit losses), constituting 58.29% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") involves a significant level of management judgement and estimation uncertainty.</p> <p>Management makes various assumptions when estimating ECL. The significant assumptions that we focused on in our audit included those with greater levels of management judgement and for which variations had the most significant impact on ECL. These included assumptions made in determining forward looking economic scenarios and their probability weightings (specifically the central and downside scenarios given these have the most material impact on ECL) and estimating management judgemental adjustments and significant discounted cash flows for material credit impaired exposures.</p> <p>The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are:</p> <p>Each borrower is classified into Stage 1, 2, 3 based on the objective criteria of Day Past Due (DPD) status as of the reporting date and other loss indicators, as applicable. Such classification by borrower is done across all facilities provided to the borrower, i.e. maximum of the DPDs from among the different facilities ["Max DPD"] provided to that borrower.</p> <p>Inherently, significant judgment is involved in the use of models to estimate ECL which includes determining Exposures at Default ("EAD"), Probabilities of Default ("PD") and Loss Given Default ("LGD"). The PD and the</p>	<p>Our audit procedures relating to the allowance for ECL included the following, but are limited to:</p> <p>We have examined the policies approved by the Board of Directors of the Company that articulate the Company's business model for managing its financial assets to achieve its business objectives.</p> <p>We have also verified the methodology adopted for computation of ECL and measuring lending exposures.</p> <p>Additionally, we have confirmed that adjustments to the output of the ECL model is consistent with the documented rationale and basis for such adjustments which has been approved by the Audit Committee of the Board of Directors.</p> <p>Performed end-to-end process walkthroughs to identify the controls used in the impairment loss allowance processes.</p> <p>Tested the design and the operating effectiveness of relevant internal controls, including the IT controls relevant to the impairment loss allowance process, as detailed below:</p> <ul style="list-style-type: none"> - verified 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. - checked the appropriateness of information used in the estimation of the Probability of Default ("PD") and Loss given Default ("LGD") for the different stages depending on the nature of the portfolio.

Sr. No.	Key Audit Matters	How the Key Audit Matters were addressed in our audit
	<p>LGD are the key drivers of estimation complexity and as a result are considered the most significant judgments in the Company's modelling approach.</p> <p>The modelling methodologies used to estimate ECL are developed using historical experience. The impact of the prevailing macroeconomic conditions has also resulted in certain limitations in the reliability of these methodologies to forecast the extent and timing of future customer defaults and therefore estimate ECL. In addition, modelling methodologies do not incorporate all factors that are relevant to estimating ECL, such as differentiating the impact on industry sectors and economic conditions. These limitations are addressed with management overlay, the measurement of which is inherently judgemental and subject to a high level of estimation uncertainty.</p> <p>Accordingly, we have identified the Allowance for Expected Credit Loss on Retail Loan Assets and Structured Corporate Finance loan assets as KAM because it requires a high degree of judgement and estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.</p>	<ul style="list-style-type: none"> - reconciled the total retail and structured corporate finance loans considered for ECL assessment with the books of accounts to ensure the completeness. <p>Performed the following substantive procedures on sample of loan assets:</p> <ul style="list-style-type: none"> - tested appropriateness of staging of borrowers based on DPD and other loss indicators. - tested the factual accuracy of information such as period of default and other related information used in estimating the PD. - evaluated the reasonableness of applicable assumptions included in LGD computation. - evaluated the methodology used to determine macroeconomic overlays and adjustments to the output of the ECL model. - verified the completeness and adequacy of the disclosures made in the financial statements and ensured compliance with Ind AS provisions.
2.	Fair valuation of wholesale loan assets portfolio (Refer Note 6 and Note 47 to the standalone financial statements)	
	<p>As part of its four-year Business Strategy - "Lakshya 2026", the Company has decided to reduce its wholesale loan asset portfolio in the near term through accelerated sale or prepayments.</p> <p>During the year, the Company has changed its business model for wholesale loan assets portfolio which were previously measured at amortised cost. These assets have been reclassified and remeasured to fair value through profit and loss as on October 1, 2022. The one-time impact of reclassification and fair valuation, consequent to change in business model amounting to ₹ 2,450.17 crores has been presented as "Exceptional item" in Statement of Profit and Loss.</p> <p>The Company carried out the fair valuation of these assets as on October 01, 2022, which was the reclassification date. Consequent to the</p>	<p>Our Audit procedures with respect to this matter included the following, but not limited to:</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the controls over management's process for valuation of such wholesale loan asset portfolio, including controls over market data inputs, model and methodology governance, and valuation adjustments.</p> <p>Involved our valuation specialist and performed the following procedures:</p> <ul style="list-style-type: none"> - Tested the appropriateness of valuation techniques, models and methodologies, and the inputs used in those models by

Sr. No.	Key Audit Matters	How the Key Audit Matters were addressed in our audit
	<p>reclassification, these assets are remeasured at fair value on each reporting date.</p> <p>The Company used valuation techniques, modelling assumptions, and estimates of unobservable market inputs which required significant management judgment. Management has engaged the services of an expert in order to assist with the valuation of the wholesale loan portfolio.</p> <p>We have identified this matter as KAM because auditing management's judgments and assumptions used in the estimation of the fair value of these loan assets was complex due to the highly judgmental nature of valuation techniques, key modelling assumptions and significant unobservable inputs. This included the consideration of any incremental risks arising from the impact of current macroeconomic influences on valuation techniques and inputs, such as geopolitics, inflation, and the after-effects of the COVID-19 pandemic. Also, there is significant management judgement involved in the classification and subsequent re-classification of such assets, which also have a significant impact on the financial statements.</p>	<p>performing an independent revaluation of certain complex loan assets.</p> <ul style="list-style-type: none"> - Used independent models, inputs and compared inputs to available market data. - Challenged key judgments in relation to a sample of loan assets measured at fair value. - Calculated a range of comparable values and considered reasonable alternative key assumptions and compared results. - Verified fair valuation of loan assets as at the date of reclassification. - Verified the completeness and adequacy of the disclosures made in the financial statements.
	Information Technology ("IT") Systems and Controls	
	<p>The Company has a complex IT architecture to support its day-to-day business operations. High volume of transactions are processed and recorded on single or multiple applications. The reliability and security of IT systems plays a key role in the business operations of the Company. Since large volume of transactions are processed daily, IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner.</p> <p>Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.</p> <p>We have identified 'IT systems and controls' as a key audit matter because of the high-level of automation, significant number of systems being used by the management and the complexity of the IT architecture and its impact on the financial reporting system.</p>	<p>Our Audit procedures included the following, but not limited to:</p> <p>Involved IT specialists as part of the audit for the purpose of testing the IT general controls and application controls (automated and semi-automated controls) to determine the accuracy of the information produced by the Company's IT systems.</p> <p>With respect to the "In-scope IT systems" identified as relevant to the audit of the financial statements and financial reporting process of the Company, we have evaluated and tested relevant IT general controls.</p> <p>On such "In-scope IT systems" we have performed the following procedures:</p> <p>Obtained an understanding of IT applications landscape implemented by the Company, including an understanding of the process, mapping of applications and understanding financial risks posed by people, process and technology.</p>

Sr. No.	Key Audit Matters	How the Key Audit Matters were addressed in our audit
		<p>Tested design and operating effectiveness of key controls over user access management (including user access provisioning, de-provisioning, user access review, password configuration review and privilege access), change management (including compliance of change release in production environment to the defined procedures), program development (including review of data migration activity), computer operations (including testing of key controls pertaining to, backup, batch processing, incident management and data centre security. Also tested entity level controls pertaining to IT policy and procedure and business continuity plan assessment.</p> <p>Tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over the financial reporting system.</p>

Information Other than the Standalone 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 the Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon. The Board's Report, including the Annexures to Board's Report, is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board's Report, including the Annexures to Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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, the 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 the 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 Responsibilities 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 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 with reference to standalone financial statements 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 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.

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 for the year ended March 31, 2023, 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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.
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow 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 Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023, 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (g) 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, 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 - Refer Note 39 to the 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 54 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 54 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
 - v. The Company has neither declared nor paid any dividend during the year.
 - vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. As required by the Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act read with Schedule V and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No: 105047W

Sd/-

Srividya Vaidison
Partner
Membership No: 207132
UDIN: 23207132BGQRZF5604

Mumbai
April 28, 2023

For Kalyaniwalla & Mistry LLP
Chartered Accountants
ICAI Firm Registration No: 104607W/W100166

Sd/-

Roshni R. Marfatia
Partner
Membership No: 106548
UDIN: 23106548BGUVWX2378

Mumbai
April 28, 2023

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF L&T FINANCE LIMITED FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report]

i.

(a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment (including Right of Use Asset).

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, and based on the audit procedures performed by us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company except for the title deeds of following immovable properties, which are not held in the name of the Company:

Sr. No.	Description of Property	Gross carrying value (Rs. in crore)	Held in name of	Whether promoter, director or their relative or employee	Period held - Indicate range, where appropriate	Reason for not being held in name of company (also indicate if in dispute)
1	Building at Baroda	0.38	Erstwhile L&T Finance Limited	No	24 Years	The title deeds are in the name of erstwhile entity, which was merged with the Company in terms of the approval of the Honourable High Courts of judicature.

(d) According to the information and explanations given to us, and based on the audit procedures performed by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, and based on the audit procedures performed by us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.

ii.

- (a) The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us by the Management and based on the audit procedures performed by us, the Company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at various points of time during the year, from banks on the basis of security of current assets of the Company. In our opinion and according to the information and explanations given to us and based on audit procedures performed by us, the quarterly returns filed by the Company with such banks are in agreement with the books of account of the Company for the respective quarters.

iii.

- (a) The Company's principal business is to give loans. Hence, the provisions stated in paragraph 3(iii)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us, and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans and advances in nature of loans, the schedule of repayment of principal and payment of interest have been stipulated by the Company. Considering that the Company is a Non-Banking Financial Company engaged in the business of granting loans with the diverse range of financial products and services across rural finance, housing finance and infrastructure finance, the entity-wise details of the amount, due date for payment and extent of delay (that has been suggested in the Guidance Note on CARO 2020 issued by the Institute of Chartered Accountants of India for reporting under this clause) have not been detailed hereunder because it is not practicable to furnish such details owing to the voluminous nature of data generated in the normal course of the Company's business. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognised necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 51.14 to the standalone financial statements), the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the details of amount overdue for more than ninety days are as follows:

No. of Cases	Principal amount overdue* (Rs. in crore)	Interest amount overdue (Rs. in crore)	Total overdue (Rs. in crore)	Remarks
9,39,841	3,666.20	165.73	3,831.93	According to the information and explanation given to us, reasonable steps have been taken by the Company for recovery of principal amount and interest.

*The amount indicates the total principal outstanding in case of the overdue accounts as at March 31, 2023.

- (e) The Company's principal business is to give loans. Hence, the provisions stated in paragraph 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the information and explanations given to us, the Company has granted loans and advances in the nature of loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

Particulars	Other Parties (Rs. in crore)	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans	279.17	None	None
- Repayable on demand (A)			
- Agreement does not specify any terms or period of repayment (B)	None	None	None
Total (A+B)	279.17	None	None
Percentage of loans/ advances in nature of loans to the total loans	0.38%	None	None

- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186(1) of the Act. The other sub-sections of Section 186 of the Act are not applicable to the Company.
- v. The Company being a systematically important non-deposit taking NBFC registered with RBI, provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3(vi) of the Order are not applicable to the Company.

vii.

- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues applicable to it, have been regularly deposited by the Company with appropriate authorities during the year.

There were no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues applicable to it, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax, cess and any other statutory dues on account of any dispute, are as follows:

Nature of dues	Forum where dispute is pending	Period to which the amount relates	Sum of Amount Involved (Rs. in Crore)	Sum of Amount (net after payment under protest) (Rs. in Crore)
Additional Interest / Penal Interest / Default Interest under Declared Services	CESTAT	2013-14	39.86	39.86
		2013-14 to 2016-17	0.00*	0.00*
		2014-15	70.01	70.01
		2015-16	105.02	105.02
		2016-17	179.70	169.70
Demand of Tax on Repossessed Assets	DC (Appeal)	2012-13	4.83	3.32
		2011-12	3.50	2.37
		2013-14	9.17	6.16
		2014-15	20.09	13.32
		2015-16	9.33	4.63
		2016-17	4.85	1.95
	JC (Appeal)	2007-08	0.53	0.53
	JC (Appeal) - III	2014-15	7.00	7.00
	Sr Joint Commissioner CT	2011-12	0.03	0.03
		2013-14	0.01	0.01
		2016-17	0.39	0.39
Demand of Tax on Repossessed Assets & ITC Mismatch.	DC (Appeal)	2017-18	1.12	0.35
Disallowance of exemption claimed for deemed sale in the course of interstate and import transactions	D.C. (Appeal)	1998-99	0.01	0.01
		2000-01	0.00*	0.00*
		2012-13	0.04	0.04
	D.C. (Appeal) - 1	1995-96	0.00*	0.00*
		1996-97	0.05	0.04

Nature of dues	Forum where dispute is pending	Period to which the amount relates	Sum of Amount Involved (Rs. in Crore)	Sum of Amount (net after payment under protest) (Rs. in Crore)
		2000-01	0.00*	0.00*
		2002-03	0.00*	0.00*
	JC (Appeal) - III	2015-16	0.36	0.34
		2016-17	0.17	0.16
		2017-18	0.04	0.04
	Tribunal	2004-05	1.11	1.04
Local hire purchase turnover made taxable	Kerala High Court	1999-00	0.07	0.07
Service tax levied on upfront fees collected	The Commissioner - Service Tax -1, Mumbai	2006-07	0.27	0.02
		2007-08	3.68	0.33
		2008-09	0.85	0.07
Refusal of input tax credit (ITC)	Appellate Board CESTAT	2007-08	2.10	2.10
		2007-08	0.24	0.24
		2007-10	0.00*	0.00*
		2008-09	3.54	3.09
		2008-11	0.00*	0.00*
		2009-10	16.65	16.14
		2010-11	5.03	5.03
		2011-12	2.62	2.62
		2012-13	3.50	3.50
		2013-14	5.19	5.19
	JC (Appeal)	2013-14	0.09	0.09
		2014-15	0.06	0.06
		2012-13	0.04	0.04
		2012-13	0.02	0.02
	JC (Appeal) - III	2011-12	3.39	3.05
		2012-13	3.43	3.13
		2013-14	0.93	0.88
Service tax levied on receipt of interest on delayed payment	Commissioner - Appeal	2011-12	0.06	0.06
	Custom Excise & Service Tax Appellate Tribunal	2005-06 to 2010-11	0.84	0.84
Towards Input Credit Short Reversal & Deemed Supply	GST	2019-20	1.94	1.81
Towards Input Credit Short Reversal & Deemed Supply	GST	2018-19	2.20	2.07

Nature of dues	Forum where dispute is pending	Period to which the amount relates	Sum of Amount Involved (Rs. in Crore)	Sum of Amount (net after payment under protest) (Rs. in Crore)
Payment of Stamp Duty on account of Amalgamation	Revenue Authority, Maharashtra Pune	2017-18	14.61	-
Income tax:				
1) Reassessment proceeding is bad in law based on change of opinion 2) Disallowance of hedging loss 3) Disallowance of mark to market loss	CIT (A)	2007-08	0.71	0.71
1) Disallowance of expenses pertaining to earning exempt income 2) Disallowance of ESOP Reimbursement Expenses	CIT (A)	2012-13	7.95	7.95
Withdrawal of claim of education cess	CIT(A)	2019-20	2.46	2.46
Grand Total			539.71	487.89

*0.00 represents less than Rs. 1 lakh.

viii. According to the information and explanations given to us, and based on the audit procedures performed by us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

(a) In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any financial institutions, banks and debenture holders. The Company has not taken any loans or borrowings from Government or any other lender.

However, inadvertently due to some data migration issue, the first instalment of principal repayment on one non-convertible debenture amounting to Rs. 71.43 crore due on October 18, 2022, was credited to debenture holder's account, along with the applicable interest for 1 day, on October 19, 2022. Refer Note 46 to the Standalone Financial statements.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

-
- (c) In our opinion and according to the information and explanations provided to us, and based on the audit procedures performed by us, money raised by way of term loans during the year have been applied for the purpose for which they were raised other than temporary deployment pending application of proceeds in the normal course of business.
- (d) According to the information and explanations given to us, and based on the audit procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and the audit procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any joint ventures or an associate company.
- x.
- (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provision stated in paragraph 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3(x)(b) of the Order are not applicable to the Company.
- xi.
- (a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company.
- (b) Since we have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statements for the year ended March 31, 2023, the provisions stated in paragraph (xi)(b) of the Order are not applicable to the Company.
- (c) We have taken into consideration the whistle-blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in Note No. 33 to the standalone financial statements as required by the applicable accounting standards.

xiv.

- (a) In our opinion and based on our examination of the reports, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports issued by internal auditors during our audit in accordance with the guidance provided in SA 610 - 'Using the work of Internal Auditors'.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to Company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi.

- (a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-Banking Institution as a Non-Deposit taking Systemically Important (NBFC-ND-SI) Company.
- (b) In our opinion, and according to the information and explanations given to us, the Company has obtained Certificate of Registration from RBI for conducting activities relating to non-banking financing activities.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by RBI. Accordingly, the provisions stated in paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations provided to us, the Larsen & Toubro Group ('Group') has one Core investment Company as a part of its group.

xvii. According to the information and explanations provided to us, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated in paragraph 3(xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated in paragraph 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us, and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

- (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects that require to be transferred to a Fund specified in Schedule VII to the Act as per requirement of second proviso to Section 135(5) of the Act. Accordingly, the provisions stated in paragraph 3(xx)(a) of the Order is not applicable to the Company for the year.
- (b) In respect of ongoing projects, the Company has transferred Unspent Amount to a special account, within a period of thirty days from the end of the financial year and is in compliance with provision of section 135(6) of the Act.

xxi. The reporting under paragraph 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No: 105047W

Sd/-

Srividya Vaidison
Partner
Membership No: 207132
UDIN: 23207132BGQRZF5604

Mumbai
April 28, 2023

For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
ICAI Firm Registration No: 104607W/W100166

Sd/-

Roshni R. Marfatia
Partner
Membership No: 106548
UDIN: 23106548BGUVWX2378

Mumbai
April 28, 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF L&T FINANCE LIMITED

[Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of L&T Finance Limited on the Standalone Financial Statements for the year ended March 31, 2023]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to standalone financial statements of L&T Finance Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to standalone financial statements 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 (ICAI) (the "Guidance Note").

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 with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 with reference to standalone financial statements were 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 standalone 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No: 105047W

Sd/-

Srividya Vaidison
Partner
Membership No: 207132
UDIN: 23207132BGQRZF5604

Mumbai
April 28, 2023

For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
ICAI Firm Registration No: 104607W/W100166

Sd/-

Roshni R. Marfatia
Partner
Membership No: 106548
UDIN: 23106548BGUVWX2378

Mumbai
April 28, 2023

L&T Finance Limited
Standalone Balance Sheet as at March 31, 2023

		₹ in crore	
Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
A. ASSETS:			
1. Financial assets			
(a) Cash and cash equivalents	2	7,894.05	4,233.83
(b) Bank balance other than (a) above	3	2,976.49	1,909.36
(c) Derivative financial instruments	4	174.45	204.04
(d) Receivables	5		
(i) Trade receivables		2.34	5.24
(ii) Other receivables		136.82	56.43
(e) Loans	6	70,960.60	77,529.06
(f) Investments	7	14,312.53	9,303.95
(g) Other financial assets	8	82.31	82.78
		96,539.59	93,324.69
2. Non-financial assets			
(a) Current tax assets (net)		545.82	580.18
(b) Deferred tax assets (net)	51	1,781.56	1,401.20
(c) Property, plant and equipment	9	44.67	19.41
(d) Intangible assets under development	10	4.72	21.79
(e) Other Intangible assets	10	115.21	115.76
(f) Right of use assets	35	56.13	32.36
(g) Other non-financial assets	11	586.73	676.44
		3,134.84	2,847.14
Total Assets		99,674.43	96,171.83
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		749.85	423.48
(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		38.79	6.49
(b) Debt securities	13	30,758.36	34,665.61
(c) Borrowings (other than debt securities)	14	46,492.30	40,356.40
(d) Subordinated liabilities	15	2,798.48	3,297.59
(e) Lease liabilities	35	61.45	35.53
(f) Other financial liabilities	16	531.72	662.54
		81,430.95	79,447.83
b. Non-financial liabilities			
(a) Current tax liabilities (net)		151.85	155.55
(b) Provisions	17	30.67	25.86
(c) Other non-financial liabilities	18	46.19	51.36
		228.71	232.77
2. Equity			
(a) Equity share capital	19	2,864.17	2,684.17
(b) Other equity	20	15,150.60	13,807.06
		18,014.77	16,491.23
Total Liabilities and Equity		99,674.43	96,171.83
Significant accounting policies	1		
See accompanying notes forming part of the standalone financial statements	2 to 57		

In terms of our report attached.
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Sd/-

Srividya Vaidison
Partner
Membership No: 207132

In terms of our report attached.
For Kalyaniwalla & Mistry LLP
Chartered Accountants
Firm Registration No: 104607W/W100166

Sd/-

Roshni R. Marfatia
Partner
Membership No: 106548

For and on behalf of the Board of Directors of
L&T Finance Limited

Sd/-

Dinanath Dubhashi
Chairperson
DIN : 03545900

Sd/-

Keshav Loyalka
Head Accounts
Chief Financial Officer

Sd/-

Apurva Rathod
Company Secretary

Place : Mumbai
Date : April 28 , 2023

Place : Mumbai
Date : April 28 , 2023

Place : Mumbai
Date : April 28 , 2023

L&T Finance Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2023

₹ in crore

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations			
(i) Interest income	21	11,934.86	10,969.31
(ii) Dividend income	22	-	0.14
(iii) Rental income	23	0.22	1.73
(iv) Fees and commission income	24	134.26	86.40
I Total revenue from operations		12,069.34	11,057.58
II Other income	25	526.73	387.55
III Total income (I + II)		12,596.07	11,445.13
Expenses			
(i) Finance costs	26	5,347.35	5,065.27
(ii) Net loss on fair value changes	27	541.51	1,075.90
(iii) Net loss on derecognition of financial instruments under amortised cost category	28	359.66	285.01
(iv) Impairment on financial instruments	29	1,550.41	1,676.79
(v) Employee benefits expenses	30	1,382.86	1,061.46
(vi) Depreciation, amortisation and impairment	31	105.71	95.73
(vii) Other expenses	32	1,294.74	1,093.10
IV Total expenses (IV)		10,582.24	10,353.26
V Profit before exceptional items and tax (III - IV)		2,013.83	1,091.87
VI Exceptional items	47	2,450.17	-
VII Profit/(loss) before tax (V - VI)		(436.34)	1,091.87
VIII Tax expense			
(1) Current tax	51	474.19	118.35
(2) Deferred tax	51	(405.50)	165.54
Total tax expense		68.69	283.89
IX Profit/(loss) for the year (VII - VIII)		(505.03)	807.98
X Other comprehensive income			
A.			
(i) Items that will not be reclassified to profit or loss			
a) Remeasurements of the defined benefit plans		(1.41)	1.99
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.35	(0.50)
Subtotal (A)		(1.06)	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		(14.47)	21.22
b) The effective portion of gains and loss on hedging instruments in a cash flow hedge		85.80	52.53
(ii) Income tax relating to items that will be reclassified to profit or loss		(21.60)	(13.22)
Subtotal (B)		49.73	60.53
Total other comprehensive income (A+B)		48.67	62.02
XI Total comprehensive income for the year (IX + X)		(456.36)	870.00
XII Earnings per equity share:	38		
Basic earnings per equity share (₹)		(1.85)	3.01
Diluted earnings per equity share (₹)		(1.85)	3.01
Significant accounting policies	1		
See accompanying notes forming part of the standalone financial statements	2 to 57		

In terms of our report attached.

For M S K A & Associates

Chartered Accountants

Firm Registration No: 105047W

Sd/-

Srividya Vaidison

Partner

Membership No: 207132

In terms of our report attached.

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No: 104607W/W100166

Sd/-

Roshni R. Marfatia

Partner

Membership No: 106548

For and on behalf of the Board of Directors of

L&T Finance Limited

Sd/-

Dinanath Dubhashi

Chairperson

DIN : 03545900

Sd/-

Keshav Loyalka

Head Accounts

Chief Financial Officer

Sd/-

Apurva Rathod

Company Secretary

Place : Mumbai

Date : April 28 , 2023

Place : Mumbai

Date : April 28 , 2023

Place : Mumbai

Date : April 28 , 2023

L&T Finance Limited
Standalone Statement of Cash Flow for year ended March 31, 2023

	₹ in crore	
	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flows from operating activities :		
Profit/(loss) before tax	(436.34)	1,091.87
Adjustments for:		
Net (profit)/loss on sale of property, plant and equipment (refer note : 25)	(2.97)	0.03
Net loss on fair value changes (refer note : 27)	541.51	1,075.90
Net loss on derecognition of financial instruments under amortised cost category (refer note : 28)	359.66	285.01
Impairment on financial instruments (refer note : 29)	1,550.41	1,676.79
Exceptional items (refer note : 47)	2,450.17	-
Depreciation, amortisation and impairment (refer note : 31)	105.71	95.73
Operating profit before working capital changes	4,568.15	4,225.33
Changes in working capital		
Adjustments for increase/(decrease) in operating liabilities		
Other financial liabilities	(374.34)	(803.39)
Lease liabilities	(11.91)	(19.80)
Provisions	3.40	1.28
Trade and other payables	358.48	60.19
Other non-financial liabilities	(5.17)	11.66
Adjustments for (increase)/decrease in operating assets		
Other non-financial assets	125.39	256.05
Other financial assets	(1.57)	13.44
Trade and other receivables	(82.41)	26.96
Cash generated from operations	4,580.02	3,771.72
Direct taxes paid (net)	(439.64)	(192.88)
Loans (disbursed)/repayment (net)	2,722.69	(1,650.29)
Net cash generated from operating activities (A)	6,863.07	1,928.55
B. Cash flows from investing activities :		
Change in other bank balance	(1,067.13)	(460.08)
Purchase of property, plant and equipment ²	(36.39)	(7.93)
Proceeds from sale of property, plant and equipment	3.56	0.81
Purchase of intangible assets ²	(64.67)	(67.86)
Purchase of investments ³	(8,769.58)	(3,609.10)
Proceeds on sale of investments	2,659.10	2,417.61
Net cash used in investing activities (B)⁴	(7,275.11)	(1,726.55)
C. Cash flows from financing activities		
Proceeds from issue of equity shares ⁷	1,979.90	-
Proceeds from borrowings ⁵	24,295.86	18,667.63
Repayment of borrowings ⁵	(22,203.50)	(18,948.63)
Net cash generated from/(used in) from financing activities (C)	4,072.26	(281.00)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	3,660.22	(79.00)

L&T Finance Limited
Standalone Statement of Cash Flow for year ended March 31, 2023

	₹ in crore	
	Year ended March 31, 2023	Year ended March 31, 2022
Cash and cash equivalents at beginning of the year	4,233.83	4,312.83
Cash and cash equivalents at the end of the year	7,894.05	4,233.83
Net increase/(decrease) in cash and cash equivalents	3,660.22	(79.00)

Notes:

- 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.
- 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.
- Purchase of investments is after adjustments of proceeds from sale / redemption of mutual fund.
- Net cash used in investing activity excludes investments aggregating to nil (Previous year ₹ 10.97 crore) acquired against claims.
- Includes proceeds and repayment of debt securities, borrowings (other than debt securities) and subordinate liabilities.
- Net cash generated from operating activity is determined after adjusting the following:

	₹ in crore	
	Year ended March 31, 2023	Year ended March 31, 2022
Interest received	11,879.49	11,284.89
Dividend received	-	0.14
Interest paid	5,701.88	5,781.49

7.Proceeds from issue of equity shares includes ₹ 1,800 crore (previous year: nil) from securities premium and net off share issue expenses ₹ 0.10 crore (previous year: nil).

8.The above standalone statement of cash flows includes ₹ 13.45 crore (previous year: ₹ 5.41 crore) towards corporate social responsibility (refer note 36).

Significant accounting policies

See accompanying notes forming part of the financial statements

1

2 to 57

In terms of our report attached.

For M S K A & Associates

Chartered Accountants

Firm Registration No: 105047W

Sd/-

Srividya Vaidison

Partner

Membership No: 207132

In terms of our report attached.

For Kalyaniwalla & Mistry LLP

Chartered Accountants

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Roshni R. Marfatia

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For and on behalf of the Board of Directors of

L&T Finance Limited

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Dinanath Dubhashi

Chairperson

DIN : 03545900

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Keshav Loyalka

Head Accounts

Chief Financial Officer

Sd/-

Apurva Rathod

Company Secretary

Place : Mumbai

Date : April 28 , 2023

Place : Mumbai

Date : April 28 , 2023

Place : Mumbai

Date : April 28 , 2023

L&T Finance Limited
Statement of Changes in Equity for the year ended March 31, 2023

A. Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Equity share capital (₹ in crore)	Number of Shares	Equity share capital (₹ in crore)
Issued, subscribed and fully paid up equity shares outstanding as at the beginning of the year	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting year	2,68,41,72,360	2,684.17	2,68,41,72,360	2,684.17
Changes in equity share capital during the year	18,00,00,000	180.00	-	-
Issued, subscribed and fully paid up equity shares outstanding as at the end of the year	2,86,41,72,360	2,864.17	2,68,41,72,360	2,684.17

B. Other equity

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	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				
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/(loss) 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
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 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.

L&T Finance Limited
Statement of Changes in Equity for the year ended March 31, 2023

₹ 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	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				
Balance as at April 1, 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
Profit/(loss) for the year	-	-	-	-	-	-	-	-	-	(505.03)	-	-	-	(505.03)
Actuarial gain/(loss) on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	-	-	-	-	(1.06)	-	-	-	(1.06)
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	-	-	-	-	-	(14.47)	-	64.20	49.73
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	(506.09)	(14.47)	-	64.20	(456.36)
Issue of equity shares	-	-	1,800.00	-	-	-	-	-	-	-	-	-	-	1,800.00
Share issue expenses	-	-	(0.10)	-	-	-	-	-	-	-	-	-	-	(0.10)
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to general reserve	-	(4.01)	-	-	4.01	-	-	-	-	-	-	-	-	-
Transfer to amalgamation adjustment account	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	-	-	61.00	-	(61.00)	-	-	-	-
Balance as at March 31, 2023	3.20	1.14	12,600.79	585.64	342.40	1,475.85	27.42	1,012.35	(463.30)	(432.47)	(4.19)	-	1.77	15,150.60

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 standalone financial

2 to 57

In terms of our report attached.

For M S K A & Associates

Chartered Accountants

Firm Registration No: 105047W

Sd/-

Srividya Vaidison

Partner

Membership No: 207132

In terms of our report attached.

For Kalyaniwalla & Mistry LLP

Chartered Accountants

Firm Registration No: 104607W/W100166

Sd/-

Roshni R. Marfatia

Partner

Membership No: 106548

For and on behalf of the Board of Directors of

L&T Finance Limited

Sd/-

Dinanath Dubhashi

Chairperson

DIN : 03545900

Sd/-

Keshav Loyalka

Head Accounts

Chief Financial Officer

Sd/-

Apurva Rathod

Company Secretary

Place : Mumbai

Date : April 28 , 2023

Place : Mumbai

Date : April 28 , 2023

Place : Mumbai

Date : April 28 , 2023

L&T Finance Limited
Notes forming part of the standalone financial statements

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 (NBFC-ND-SI) Companies. 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.

The RBI vide its press release dated September 30, 2022 has categorised the Company in the Upper layer under Scale Based Regulation (SBR) for NBFCs.

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 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:

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, 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 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 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:

Non-current assets and disposable 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

L&T Finance Limited
Notes forming part of the standalone financial statements

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 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.

1.5. Business Combination:

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".

The company accounts for Business combinations involving entities or businesses 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:

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.

L&T Finance Limited
Notes forming part of the standalone financial statements

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 the reclassification.

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

L&T Finance Limited
Notes forming part of the standalone financial statements

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:

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

L&T Finance Limited
Notes forming part of the standalone financial statements

may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities are recorded in statement of profit and loss.

1.8. Impairment:

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 unlikelihood 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

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- 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.

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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:

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.

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(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:

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;

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- for debt instruments measured at FVTOCI: loss allowance is recognised separately in Balance Sheet and the carrying amount is at fair value.

1.11. Assets acquired under settlement of claims:

Assets 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. Assets 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:

The Company enters into swap contracts and other derivative financial instruments to hedge its exposure to foreign exchange and interest rates. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges. The Company does not hold derivative financial instruments for speculative purpose.

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.

Fair Value Hedge: Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability, or an identified portion of such an asset, liability, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss in Finance Costs. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss in Finance Cost.

The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationship are fixed rate debt issued and other borrowed funds. If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued

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prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the statement of profit and loss.

1.13. 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.

(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 (FVTOCI) 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 on 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 on 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. Interest income on financial assets held at FVTPL, is recognised under "interest income on financial assets classified at fair value through profit or loss".

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(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:

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):

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:

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

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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 the remaining 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:

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:

(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.

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(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:

- 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

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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.

1.20. 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.

1.21. 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.

1.22. 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.

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1.23. 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.

1.24. 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.

1.25. 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 are

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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:

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:

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:

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.

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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:

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. 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.

1.31. Changes in Indian Accounting standards issued but not effective:

The Ministry of Corporate Affairs notified Companies (Indian Accounting Standards) Amendment Rules, 2023 on March 31, 2023 (G.S.R. 242 (E)). These amendments would be applicable from annual reporting periods beginning on or after 1 April 2023.

- Ind AS 1 - Presentation of Financial Statements
- Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 12 - Income Taxes
- Ind AS 34 - Interim Financial Reporting
- Ind AS 101 - First-time Adoption of Indian Accounting Standards
- Ind AS 102 - Share-based Payment
- Ind AS 103 - Business Combinations
- Ind AS 107 - Financial Instruments: Disclosures
- Ind AS 109 - Financial Instruments
- Ind AS 115 - Revenue from Contracts with Customers

The company is in process of evaluating the impact of such amendments.

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Notes forming part of the standalone financial statements

Note 2 : Cash and cash equivalents

	₹ in crore	
Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	9.57	7.23
Balances with banks in current accounts #	3,436.59	845.80
Cheques, drafts on hand	-	-
Bank deposits with original maturity less than three months*	4,447.89	3,380.80
Total cash and cash equivalents	7,894.05	4,233.83

includes current year balance of ₹ 0.11 crore (previous year: ₹ 0.13 crore) towards unutilised funds raised through public issue.

*The Company has identified certain fixed deposits with bank, amounting to ₹ 1,000 crore as at March 31, 2023 and the same is in the process of lien marking against the secured debt securities.

Note 3 : Bank balance other than note 2 above

	₹ in crore	
Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks	181.20	367.46
Balances with banks to the extent held as margin money or security against borrowing, guarantees, other commitments	2,694.19	1,540.89
Banks deposits with maturity greater than three months and less than twelve months	101.10	1.01
Total bank balance other than note 2 above	2,976.49	1,909.36

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Notes forming part of the standalone financial statements

Note 4 : Derivative financial instruments

	₹ in crore	
Particulars	As at March 31, 2023	As at March 31, 2022
Part I (Derivatives held for hedging)		
(i) Currency derivatives:		
Notional Amounts		
- Cross currency Interest rate swap	864.55	3,014.34
Fair value assets		
- Cross currency Interest rate swap	172.39	287.46
Fair value liabilities		
- Cross currency Interest rate swap	-	(83.42)
Subtotal (i)	172.39	204.04
(ii) Interest rate derivatives:		
Notional Amounts		
- Overnight Interest rate swaps	800.00	-
Fair Value Assets		
- Overnight Interest rate swaps	2.06	-
Fair Value Liabilities		
- Overnight Interest rate swaps	-	-
Subtotal (ii)	2.06	-
Total derivative financial instruments (i)+(ii)	174.45	204.04
Part II (Derivatives for risk management purpose)		
(i) Fair value hedging:		
Notional Amounts		
- Fair value derivatives	300.00	-
Fair Value Assets		
- Fair value derivatives	0.77	-
Fair Value Liabilities		
- Fair value derivatives	-	-
Subtotal (i)	0.77	-
(i) Cash flow hedging:		
Notional Amounts		
- Currency derivatives	864.55	3,014.34
- Interest rate derivatives	500.00	-
Fair value assets		
- Currency derivatives	172.39	287.46
- Interest rate derivatives	1.29	-
Fair Value Liabilities		
- Currency derivatives	-	(83.42)
- Interest rate derivatives	-	-
Subtotal (ii)	173.68	204.04
Total derivative financial instruments (i)+(ii)	174.45	204.04

Note:

1. The company has a board approved policy for entering in to derivative transactions. Derivatives comprises of currency and interest rate swap and OIS. Refer the accounting policy for derivative financial instruments.

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Notes forming part of the standalone financial statements

Note 5 : Receivables

Particulars	₹ in crore	
	As at March 31, 2023	As at March 31, 2022
(i) Trade receivables		
(a) Receivables considered good - secured	-	-
(b) Receivables considered good - unsecured	2.34	5.24
(c) Receivables which have significant increase in credit risk	-	-
(d) Receivables - credit impaired		
Receivables	1.10	2.98
Less : Impairment loss allowance	(1.10)	(2.98)
Total trade receivables (i)	2.34	5.24
(ii) Other receivables		
(a) Receivables considered good - Secured	-	-
(b) Receivables considered good - unsecured	134.28	46.60
(c) Receivables which have significant increase in Credit Risk	-	-
(d) Receivables from related parties* (refer note : 33)	2.54	9.83
(e) Receivables - credit impaired		
Receivables	4.92	-
Less : Impairment loss allowance	(4.92)	-
Total other receivables (ii)	136.82	56.43
Total receivables (i+ii)	139.16	61.67

*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 #

Particulars	Outstanding as on March 31, 2023					₹ in crore
	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	2.26	0.05	0.03	-	-	2.34
(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	-	-	1.10	-	-	1.10
(v) Less : Impairment loss allowance	-	-	(1.10)	-	-	(1.10)
(vi) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(vii) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(viii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	2.26	0.05	0.03	-	-	2.34

Particulars	Outstanding as on March 31, 2022					₹ in crore
	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

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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Notes forming part of the standalone financial statements

Note 6 : Loans		₹ in crore	
Particulars	As at March 31, 2023	As at March 31, 2022	
(A)			
(i) At amortised cost			
- Loans repayable on demand	-	718.28	
- Term loans	61,384.00	57,420.18	
- Leasing	0.43	5.17	
- Debentures	-	192.70	
Total gross loans at amortised cost	61,384.43	58,336.33	
Less: Impairment loss allowance	(3,286.62)	(3,561.05)	
Total net loans at amortised cost (i)	58,097.81	54,775.28	
(ii) At fair value through profit or Loss			
- Loans repayable on demand	279.17	-	
- Term loans	14,508.46	23,119.45	
- Debentures	270.18	343.00	
Total gross loans at fair value through profit or loss	15,057.81	23,462.45	
Less: Impact of fair value changes	(2,195.02)	(708.67)	
Total net loans at fair value through profit or loss (ii)	12,862.79	22,753.78	
Total net loans (A) = (i)+(ii)	70,960.60	77,529.06	

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Note 6 : Loans

	₹ in crore	
Particulars	As at March 31, 2023	As at March 31, 2022
(B)		
(i) At amortised cost		
-Secured by tangible assets*	34,394.74	41,312.49
-Unsecured	26,989.69	17,023.84
Total gross loans at amortised cost	61,384.43	58,336.33
Less: Impairment loss allowance	(3,286.62)	(3,561.05)
Total net loans at amortised cost (i)	58,097.81	54,775.28
(ii) At fair value through profit or loss:		
-Secured by tangible assets*	15,035.30	23,462.45
-Unsecured	22.51	-
Total gross loans at fair value through profit or loss	15,057.81	23,462.45
Less: Impact of fair value changes	(2,195.02)	(708.67)
Total net loans at fair value through profit or loss (ii)	12,862.79	22,753.78
Total net loans (B) = (i)+(ii)	70,960.60	77,529.06
*Includes loans under Emergency Credit Line Guarantee Scheme.		
(C)		
(I) Loans in India		
(i) At amortised cost		
- Public sector	-	43.75
- Others	61,384.43	58,292.58
Total gross loans at amortised cost	61,384.43	58,336.33
Less: Impairment loss allowance	(3,286.62)	(3,561.05)
Total net loans in India at amortised cost (i)	58,097.81	54,775.28
(ii) At fair value through profit or loss:		
- Public sector	6.25	-
- Others	15,051.56	23,462.45
Total gross loans at fair value through profit or loss	15,057.81	23,462.45
Less: Impact on fair value changes	(2,195.02)	(708.67)
Total net loans at fair value through profit or loss (ii)	12,862.79	22,753.78
Total net loans in India (C)(I) = (i)+(ii)	70,960.60	77,529.06
(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 (ii)	-	-
Total net loans outside India (C)(II) = (i)+(ii)	-	-
Total net loans (C) = (I)+(II)	70,960.60	77,529.06

Note:

There are no loans or advances, in the nature of loans, which 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.

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 7 : Investments

Note 7 : Investments							₹ in crore
Particulars	March 31, 2023			March 31, 2022			
	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	43,81,12,390	646.80	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	
L&T Infra Investment Partners Trustee Private Limited	10.00	1,00,000	0.10	10.00	1,00,000	0.10	
Total investment in equity shares of Subsidiaries			651.90			483.36	
(b) Other equity shares							
(i) Quoted							
(a) Investments carried at fair value through profit or loss							
JSW Ispat Special Product Limited	10.00	5,93,420	1.85	10.00	5,93,420	1.91	
Monind Limited	10.00	4,638	-	10.00	4,638	-	
Monnet Project Developers Limited	10.00	11,279	-	10.00	11,279	-	
Diamond Power Infrastructure Limited	10.00	13,56,057	-	10.00	13,56,057	-	
3I Infotech Limited	10.00	2,42,638	0.67	10.00	2,42,638	1.24	
MIC Electronics Limited	2.00	13,46,154	1.60	2.00	13,46,154	2.25	
Dish TV India Limited	-	-	-	10.00	3,59,27,667	58.74	
Zee Learn Limited	10.00	2,21,62,667	7.20	10.00	2,21,62,667	27.48	
Zee Media Corporation Limited	10.00	2,53,98,667	21.85	10.00	2,53,98,667	42.16	
Siti Networks Limited	10.00	5,73,83,732	6.60	10.00	5,73,83,732	16.35	
Future Retail Limited	10.00	26,47,883	0.55	10.00	26,47,883	8.26	
Total investment in Other quoted equity shares			40.32			158.39	
(ii) Unquoted							
(a) Investments carried at fair value through profit or loss							
The Kalyan Janatha Sahakari Bank Limited	-	-	-	10.00	20,000	0.05	
The Malad Sahakari Bank Limited	10.00	100	-	10.00	100	-	
Coastal Projects Limited	10.00	78,96,884	-	10.00	78,96,884	-	
ICOMM Tele Limited	10.00	41,667	-	10.00	41,667	-	
Hanjer Biotech Energies Private Limited	10.00	2,08,716	-	10.00	2,08,716	-	
Soma Enterprises Limited	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	-	
Tikona Infinet Limited	10.00	4,25,912	-	10.00	4,25,912	-	
Bhoruka Power Corporation Limited	10.00	11,71,098	-	10.00	11,71,098	61.71	
Bhoruka Power India Investments Private Limited	10.00	10	-	10.00	10	-	
Soma Tollways Private Limited	10.00	1,92,65,780	166.19	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	
KSK Mahanadi Power Company Limited	10.00	2,63,85,108	-	10.00	2,63,85,108	-	
NSL Sugars Limited	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	-	
Supreme Best Value Kolhapur(Shiroli) Sangli Tollways Private Limited	10.00	5,026	-	10.00	5,026	-	
Grameen Capital India Private Limited	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	-	
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	9,07,264	-	10.00	9,07,264	-	
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	-	
Revent Metalcast Limited (Erstwhile Castex Technologies Limited)	2.00	7,65,241	-	2.00	7,65,241	-	
Gol Offshore Limited	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	-	
Glodyne Technoserve Limited	6.00	3,19,262	-	6.00	3,19,262	-	
Usher Agro Limited	10.00	3,35,344	-	10.00	3,35,344	-	
Unity Infraprojects Limited	2.00	6,94,370	-	2.00	6,94,370	-	
KSK Energy Ventures Limited	10.00	1,06,88,253	-	10.00	1,06,88,253	-	
Saumya Mining Limited	10.00	10,77,986	-	10.00	10,77,986	-	
Total investment in Other unquoted equity shares			167.92			392.59	
Total investment in equity shares (A)			860.14			1,034.34	

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 7 : Investments

Particulars	March 31, 2023			March 31, 2022		
	Face value	Quantity	Net carrying value	Face value	Quantity	Net carrying value
	(₹)	(No.)		(₹)	(No.)	
₹ in crore						
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	105.83	1,00,000.00	25,771	392.50
Soma Enterprises Limited	10.00	8,07,12,081	-	10.00	8,07,12,081	18.38
Tikona Infinet Limited	2,840.00	5,79,772	-	2,840.00	5,79,772	2.58
Total investment in debt securities carried at FVTPL			105.83			413.46
(b) Investment carried at fair value through other comprehensive income (FVOCI)						
The South Indian Bank Limited	1,00,000.00	38,759	400.86	1,00,000.00	38,759	407.83
ECL Finance Limited	1,000.00	15,00,000	159.43	1,000.00	15,00,000	161.89
U. P. Power Corporation Limited	-	-	-	5,00,000.00	2,070	159.58
Total investment in debt securities carried at FVOCI			560.29			729.31
Total investment in debt securities (B)			666.12			1,142.77
C. Investments in mutual funds						
(a) Investment carried at fair value through profit or loss						
L&T Low Duration Fund Direct Plan - Growth	-	-	-	-	8,74,15,476	208.58
L&T Money Market Fund Direct Plan - Growth	-	-	-	-	9,32,07,621	207.30
Nippon India Overnight Fund - Direct Plan - Growth Option	-	6,36,143	350.32	-	-	-
L&T Ultra Short Term Fund Direct Plan - Growth	-	-	-	-	6,87,16,207	250.06
Axis Liquid Fund - Direct Plan - Growth Option	-	22,01,707	550.62	-	-	-
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	-	1,65,47,167	600.80	-	-	-
Kotak Liquid Fund - DP-Growth	-	16,51,044	750.96	-	-	-
SBI Liquid Fund Direct Plan - Growth	-	12,78,544	450.47	-	-	-
Invesco Liquid Fund - Direct Plan- Growth	-	3,24,050	100.14	-	-	-
HDFC Liquid Fund -DP- Growth Option	-	7,91,774	350.22	-	-	-
ICICI Prudential Liquid Fund - DP- Growth	-	1,05,15,467	350.36	-	-	-
HSBC Liquid Fund - Growth	-	17,85,578	400.35	-	-	-
Mirae Asset Cash Management Fund - DP- Growth	-	2,10,668	50.07	-	-	-
UTI- Liquid Cash Plan-Direct Plan-Growth Option	-	5,42,735	200.24	-	-	-
Tata Liquid Fund- DP-Growth	-	9,86,519	350.35	-	-	-
Total investment in mutual funds (C)			4,504.90			665.94
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	-
3I Infotech Limited	5.00	38,96,954	-	5.00	38,96,954	-
10% SEW Vizag Coal Terminal Private Limited	10.00	47,95,256	-	10.00	47,95,256	-
Total investment in preference shares (D)			-			-
E. Investments in government securities						
(a) Investment carried at fair value through other comprehensive income						
8.15% Govt Stock -11-06-2022	-	-	-	100.00	5,00,00,000	516.74
6.84% Govt Stock 19-12-2022	-	-	-	100.00	3,00,00,000	311.00
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
182 DTB 18-08-22	-	-	-	100.00	35,00,000	34.49
7.37% Govt Stock 2023	100.00	1,65,00,000	170.60	100.00	95,00,000	100.85
7.16% GOI STOCK 2023	100.00	1,95,00,000	200.16	100.00	95,00,000	100.04
6.30% GOI STOCK 2023	100.00	20,00,000	20.62	100.00	20,00,000	20.95
7.35% GOI STOCK	100.00	2,53,14,000	258.44	-	-	-
7.68% GOI STOCK	100.00	85,00,000	87.31	-	-	-
8.83% GOI STOCK	100.00	62,44,400	65.10	-	-	-
7.59% GOI STOCK	100.00	2,50,00,000	256.84	-	-	-
5.63% GOI STOCK	100.00	2,10,00,000	206.99	-	-	-
7.27% GOI STOCK	100.00	40,00,000	41.53	-	-	-
182 DTB 14-09-23	100.00	2,50,00,000	77.56	-	-	-
364 DTB 14-09-23	100.00	80,00,000	242.38	-	-	-
364 DTB 29-06-23	100.00	1,10,00,000	108.25	-	-	-
364 DTB 06-07-23	100.00	80,00,000	78.60	-	-	-
364 DTB 03-08-23	100.00	1,50,00,000	146.59	-	-	-
182 DTB 04-05-23	100.00	50,00,000	49.73	-	-	-
Total investment in government securities (E)			2,010.70			1,323.28

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 7 : Investments

Particulars	March 31, 2023			March 31, 2022		
	Face value	Quantity	Net carrying value	Face value	Quantity	Net carrying value
	(₹)	(No.)		(₹)	(No.)	
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	2,07,02,441	106.07	100.00	2,11,33,404	213.59
Class C	100.00	5,00,000	4.07	100.00	5,00,000	5.68
Class D	10.00	10,000	0.01	10.00	10,000	0.01
Total investment in other securities of subsidiaries carried at FVTPL			110.15			219.28
(b) Investment carried at fair value through profit or loss (FVTPL)						
KKR India debt Opportunities Fund II	1,000.00	1,56,523	0.17	1,000.00	3,66,954	14.27
KKR India debt Opportunities Fund III	-	-	-	1,000.00	21,226	-
LICHFL Urban Development Fund	10,000.00	10,000	1.62	10,000.00	10,000	1.21
LICHFL Housing And Infrastructure Trust	100.00	26,80,556	26.81	100.00	15,72,360	15.72
Total investment in other securities carried at FVTPL			28.60			31.20
(c) Investment carried at fair value through other comprehensive income (FVOCI)						
Indinfravit Trust	100.00	1,00,000	0.90	100.00	1,00,000	0.91
Total investment in other securities carried at FVOCI			0.90			0.91
Total investment in other securities (F)			139.65			251.39
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
Smith IFMR Capital	4.00	1,20,96,782	3.29	4.00	1,20,96,782	3.29
Syme IFMR Capital	1.00	1,42,10,515	1.11	1.00	1,42,10,515	1.11
Moses IFMR Capital	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

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 7 : Investments

Particulars	March 31, 2023			March 31, 2022		
	Face value	Quantity	Net carrying value	Face value	Quantity	Net carrying value
	(₹)	(No.)		(₹)	(No.)	
H. Investment in security receipts						
(a) Investment carried at fair value through profit or loss						
Phoenix ARF Scheme 9	1.00	6,612	-	1.00	6,612	-
Phoenix ARF Scheme 11	1.00	44,208	-	1.00	44,208	-
Phoenix ARF Scheme 13	5.00	27,404	-	5.00	27,404	-
Phoenix ARF Scheme 14	1,000.00	34,882	-	1,000.00	34,882	-
Phoenix Trust FY 19-6	85.00	12,49,500	10.62	505.00	12,49,500	63.10
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	547.16	32,30,000	-	547.16	32,30,000	-
JMFARC LTF June 2017 Trust	525.87	7,78,349	15.11	628.20	7,78,349	19.00
Suraksha ARC - 024 Trust	-	-	-	1,000.00	10,87,176	108.72
Suraksha ARC - 020 Trust	767.04	8,67,000	50.46	768.17	8,67,000	50.60
Suraksha ARC - 020 Trust (Series - II)	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	38.88
Omkara PS10/2019-20 Trust	1,000.00	62,429	-	1,000.00	1,32,605	3.17
EARC TRUST SC 367	779.63	1,17,30,000	773.04	904.00	1,17,30,000	1,056.66
ARCIL-CPS-062-I-Trust	942.00	51,85,000	366.17	1,000.00	51,85,000	388.05
Suraksha ARC - 037 Trust	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	-	931.00	11,08,935	-
EARC Trust - SC 105	768.00	11,90,000	-	812.00	11,90,000	14.50
EARC Trust - SC 132	1.00	8,500	0.00*	903.20	8,500	0.77
JM Financials (JMFARC) Series	525.87	26,21,651	52.83	680.90	26,21,651	66.44
ARCIL-CPS-I-Trust	744.03	58,05,500	431.95	977.00	58,05,500	567.19
Arcil-AST- IX Trust	986.00	76,58,500	755.20	986.00	76,58,500	755.20
CFMARC Trust 67	1,000.00	5,93,691	29.92	1,000.00	6,58,291	36.38
CFMARC Trust 73	1,000.00	22,29,040	210.92	1,000.00	22,76,266	215.65
CFMARC Trust 74	1,000.00	10,92,896	101.39	1,000.00	10,98,795	101.98
CFMARC Trust 76	1,000.00	5,76,334	54.55	1,000.00	5,85,429	55.46
Pegasus Group Thirty Eight Trust 1	823.85	3,28,729	15.46	929.00	3,28,729	18.92
ACRE 109 TRUST	819.49	7,82,000	57.68	969.88	7,82,000	75.84
Phoenix Trust FY 22-7	751.00	31,53,500	162.45	807.00	31,53,500	213.86
Phoenix Trust-FY 22-16	921.00	95,20,000	624.47	1,000.00	95,20,000	918.64
CFMARC TRUST - 104	1,000.00	5,71,200	57.12	-	-	-
CFMARC TRUST - 103	1,000.00	5,48,250	54.83	-	-	-
ARCIL-CPS-65-I-Trust	1,000.00	7,48,00,000	738.71	-	-	-
ARCIL-CPS-III TRUST	1,000.00	59,67,000	591.74	-	-	-
Phoenix Trust FY 23-7	990.00	83,30,000	820.30	-	-	-
Total investment in security receipts (H)			6,131.02			4,886.23
Total investments (I)			14,319.60			9,311.02
(i) Investments outside India			-			-
(ii) Investments in India			14,319.60			9,311.02
Total Investments (II)			14,319.60			9,311.02
Less: Allowance for Impairment loss (III)						
Investment carried at fair value through other comprehensive income			7.07			7.07
Net total investment (IV)= (I)-(III)			14,312.53			9,303.95
*Amount less than ₹ 1 lakh						

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 8 : Other financial assets		₹ in crore	
Particulars	As at		As at
	March 31, 2023		March 31, 2022
Security deposit	67.61		64.55
Other advances	3.30		10.43
Margin money deposits	11.40		7.80
Total other financials assets	82.31		82.78

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 9 : Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	For the year	Disposals	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Buildings : Owned*	0.38	-	-	0.38	0.05	0.01	-	0.06	0.32	0.33
Lease hold renovation : Owned	9.37	2.91	0.88	11.40	7.59	0.85	0.88	7.56	3.84	1.78
Plant and equipments : Lease out	2.80	-	-	2.80	2.16	-	-	2.16	0.64	0.64
Computers : Owned	40.29	4.75	0.33	44.71	35.20	2.20	0.30	37.10	7.61	5.09
Furniture and fixtures										
Owned	10.93	4.22	0.29	14.86	7.50	0.71	0.20	8.01	6.85	3.43
Leased out	4.74	-	-	4.74	4.06	-	-	4.06	0.68	0.68
Sub total - Furniture and fittings	15.67	4.22	0.29	19.60	11.56	0.71	0.20	12.07	7.53	4.11
Office equipment										
Owned	13.53	15.60	0.28	28.85	9.08	4.69	0.25	13.52	15.33	4.45
Leased out	0.01	-	-	0.01	-	-	-	-	0.01	0.01
Sub total - Office equipment	13.54	15.60	0.28	28.86	9.08	4.69	0.25	13.52	15.34	4.46
Vehicles										
Owned	3.88	8.91	0.68	12.11	1.18	2.06	0.44	2.80	9.31	2.70
Leased out	0.93	-	0.71	0.22	0.63	0.02	0.51	0.14	0.08	0.30
Sub total - Vehicles	4.81	8.91	1.39	12.33	1.81	2.08	0.95	2.94	9.39	3.00
Total	86.86	36.39	3.17	120.08	67.45	10.54	2.58	75.41	44.67	19.41

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
Notes forming part of the standalone 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
Notes forming part of the standalone financial statements

Note 10 : Other intangible assets and Intangible assets under development

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	For the year	Disposals	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Other intangible assets										
Specialised software	314.37	80.56	-	394.93	198.61	81.11	-	279.72	115.21	115.76
Distribution and customer network rights	438.80	-	-	438.80	438.80	-	-	438.80	-	-
(a) Total other intangible assets	753.17	80.56	-	833.73	637.41	81.11	-	718.52	115.21	115.76
(b) Intangible assets under development									4.72	21.79

₹ 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) Intangible assets under development									21.79	23.84

L&T Finance Limited
Notes forming part of the standalone financial statements

(b) Intangible assets under development

(i) Schedule of ageing of Intangible assets under development as at March 31, 2023*

₹ 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	4.60	0.12	-	-	4.72
Projects temporarily suspended	-	-	-	-	-
Total	4.60	0.12	-	-	4.72

(ii) Schedule of ageing of completion 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

* Above Intangible asset under development is neither overdue nor exceeded its cost compared to its original plan.

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 11 : Other non-financial assets		₹ in crore	
Particulars	As at		As at
	March 31, 2023		March 31, 2022
Prepaid expenses	38.43		25.68
Advances to others	27.47		27.44
Amount paid under protest	52.76		52.72
Capital advances	2.10		0.92
Assets acquired in settlement of claims	465.97		569.68
Total other non-financials Assets	586.73		676.44

Note 12 : Payables		₹ in crore	
Particulars	As at		As at
	March 31, 2023		March 31, 2022
(i) Trade payables			
Micro enterprises and small enterprises (refer note: 43)	-		0.19
Due to others	748.36		378.73
Due to related parties (refer note: 33)	1.49		44.75
Total trade payables (i)	749.85		423.67
(ii) Other payables			
Micro enterprises and small enterprises (refer note: 43)	-		-
Due to others	-		6.49
Due to related parties (refer note: 33)	38.79		-
Total other payables (ii)	38.79		6.49
Total payables (i+ii)	788.64		430.16

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 12(iii) -Trade Payables ageing schedule

Particulars	Outstanding as on 31st March 2023 *					₹ in crore
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	17.31	-	-	-	17.31
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
(v) Bill Raised But not paid	-	27.41	-	-	-	27.41
(vi) Undue Bills	705.13	-	-	-	-	705.13
Total	705.13	44.72	-	-	-	749.85

Particulars	Outstanding as on 31st March 2022 *					₹ in crore
	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

* The above ageing is prepared on the basis of date of transaction

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 13 : Debt securities		₹ in crore
Particulars	As at March 31, 2023	As at March 31, 2022
(A)		
(i) At amortised cost		
- Redeemable non convertible debentures (refer note 13 (a))	23,331.91	28,327.60
- Commercial papers (net) (refer note 13 (b))	7,426.45	6,338.01
Total debt securities at amortised cost (A)	30,758.36	34,665.61
(B)		
(I) Debt securities in India		
(i) At amortised cost	30,758.36	34,665.61
(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)	30,758.36	34,665.61
(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)	30,758.36	34,665.61

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2023

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2023 (₹ in crore)	Interest rate % p.a.	Earliest Date of redemption	Redeemable terms
Series A FY 2020-21	₹ 10 lakh each	28-04-2020	1,152.51	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	300.76	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	499.92	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	117.78	8.35%	29-05-2023	Redeemable at par at the end of 3652 days from the date of allotment
Series I FY 2021-22	₹ 10 lakh each	30-09-2021	58.66	7.70%	12-06-2023	Redeemable at par at the end of 620 days from the date of allotment
Series C FY 2020-21	₹ 10 lakh each	12-06-2020	318.22	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	150.50	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	90.36	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 G FY 2021-22 - MLD	₹ 10 lakh each	08-09-2021	32.43	5.12%	08-09-2023	Redeemable at par at the end of 790 days from the date of allotment
Series J FY 2020-21 opt 1	₹ 10 lakh each	09-09-2020	519.27	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	610.74	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	25.48	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	52.32	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	451.88	6.40%	01-03-2024	Redeemable at par at the end of 1094 days from the date of allotment
Series N FY 2018-19	₹ 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	30.38	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	236.20	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	1.77	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	60.21	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	78.82	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	201.57	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	21.93	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	0.32	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	25.76	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	50.19	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	301.58	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	201.62	6.45%	10-05-2024	Redeemable at par at the end of 1079 days from the date of allotment
Series A FY 2022-23	₹ 10 lakh each	01-07-2022	184.89	7.55%	01-07-2024	Redeemable at par at the end of 731 days from the date of allotment
Series E FY 2020-21 opt 2	₹ 10 lakh each	13-07-2020	258.47	7.90%	12-07-2024	Redeemable at par at the end of 1460 days from the date of allotment
Series C FY 2022-23 - MLD	₹ 10 lakh each	27-07-2022	213.83	7.20%	27-08-2024	Redeemable at par at the end of 762 days from the date of allotment
Reissuance-Series E FY 2022-23 MLD	₹ 10 lakh each	08-08-2022	75.47	7.20%	27-08-2024	Redeemable at par at the end of 750 days from the date of allotment
Reissuance-Series F FY 2022-23 MLD	₹ 10 lakh each	19-08-2022	124.72	7.20%	27-08-2024	Redeemable at par at the end of 739 days from the date of allotment
Series F FY 2021-22 option 2	₹ 10 lakh each	31-08-2021	517.14	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	181.38	7.15%	16-09-2024	Redeemable at par at the end of 1461 days from the date of allotment
Series D FY 2020-21	₹ 10 lakh each	03-11-2020	307.25	6.55%	01-11-2024	Redeemable at par at the end of 1459 days from the date of allotment
Series M FY 2020-21	₹ 10 lakh each	03-11-2020	205.00	6.75%	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	219.97	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	684.39	7.59%	18-11-2024	Redeemable at par at the end of 2699 days from the date of allotment
Series K FY 2021-22 option 1	₹ 10 lakh each	03-12-2021	153.03	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	23.67	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	331.74	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	75.14	8.29%	23-12-2024	Redeemable at par at the end of 1827 days from the date of allotment
Series K FY 2022-23 - MLD	₹ 10 lakh each	24-11-2022	163.69	7.75%	27-12-2024	Redeemable at par at the end of 764 days from the date of allotment
Reissuance-Series F FY 2022-23 MLD	₹ 10 lakh each	07-12-2022	106.72	7.75%	27-12-2024	Redeemable at par at the end of 751 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	28-01-2020	101.40	8.45%	17-02-2025	Redeemable at par at the end of 1847 days from the date of allotment
Series J FY 2022-23	₹ 10 lakh each	17-11-2022	66.88	7.88%	11-03-2025	Redeemable at par at the end of 845 days from the date of allotment
Series O FY 2022-23 - MLD	₹ 1 Lakh each	06-01-2023	73.21	7.70%	21-03-2025	Redeemable at par at the end of 805 days from the date of allotment
Series J FY 2015-16 opt 3	₹ 25 lakh each	19-05-2015	47.91	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	26.82	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 M FY 2022-23 - MLD	₹ 10 lakh each	20-12-2022	174.49	7.73%	20-06-2025	Redeemable at par at the end of 913 days from the date of allotment
Series B FY 2020-21	₹ 10 lakh each	09-07-2020	294.40	7.85%	09-07-2025	Redeemable at par at the end of 1826 days from the date of allotment

L&T Finance Limited
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Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2023

Series D FY 2020-21	₹ 10 lakh each	10-07-2020	364.00	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	527.60	7.95%	28-07-2025	Redeemable at par at the end of 1841 days from the date of allotment
Series B FY 2022-23 Option 1	₹ 10 lakh each	15-07-2022	210.99	7.75%	14-08-2025	Redeemable at par at the end of 1126 days from the date of allotment
Series B FY 2022-23 Option 2	₹ 10 lakh each	15-07-2022	316.39	7.74%	15-09-2025	Redeemable at par at the end of 1158 days from the date of allotment
Reissuance-Series D FY 2022-23	₹ 10 lakh each	02-08-2022	231.30	7.87%	15-09-2025	Redeemable at par at the end of 1140 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 H FY 2022-23	₹ 10 lakh each	19-10-2022	517.16	7.95%	31-10-2025	Redeemable at par at the end of 1108 days from the date of allotment
Series J FY 2022-23 - MLD	₹ 10 lakh each	09-11-2022	176.01	7.81%	10-11-2025	Redeemable at par at the end of 1097 days from the date of allotment
Series G FY 2022-23	₹ 10 lakh each	29-08-2022	605.56	7.53%	28-11-2025	Redeemable at par at the end of 1187 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 L FY 2022-23 - MLD option 1	₹ 10 lakh each	07-12-2022	306.88	7.84%	10-02-2026	Redeemable at par at the end of 1161 days from the date of allotment
Reissuance-Series P FY 2022-23 MLD	₹ 10 lakh each	24-01-2023	20.51	7.84%	10-02-2026	Redeemable at par at the end of 1113 days from the date of allotment
Series N FY 2022-23	₹ 10 lakh each	29-12-2022	510.13	7.95%	27-02-2026	Redeemable at par at the end of 1156 days from the date of allotment
Reissuance-Series N FY 2022-23	₹ 10 lakh each	29-12-2022	393.19	7.95%	27-02-2026	Redeemable at par at the end of 1156 days from the date of allotment
Series R FY 2022-23 Option 1	₹ 1 Lakh each	31-03-2023	149.99	8.33%	30-03-2026	Redeemable at par at the end of 1095 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	48.37	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	25.44	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	404.92	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	11.35	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	380.36	9.05%	15-04-2027	Redeemable at par at the end of 2922 days from the date of allotment
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	17.44	8.70%	15-04-2027	Redeemable at par at the end of 2922 days from the date of allotment
Series R FY 2022-23	₹ 1 Lakh each	01-03-2023	143.41	8.15%	01-03-2028	Redeemable at par at the end of 1827 days from the date of allotment
Reissuance-Series R FY 2022-23	₹ 1 Lakh each	01-03-2023	201.38	8.15%	01-03-2028	Redeemable at par at the end of 1827 days from the date of allotment
Reissuance-Series R FY 2022-23 option 2	₹ 1 Lakh each	31-03-2023	281.06	8.15%	01-03-2028	Redeemable at par at the end of 1797 days from the date of allotment
Series A FY 2011-12	₹ 8.57 lakh each	18-10-2011	436.89	9.70%	18-10-2023	Redeemable at par in 6 equal installments
Series V option 1 FY 2018-19 (Public issue-1)	₹ 1000 each	13-03-2019	7.99	9.20%	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	110.65	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	101.48	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	11-02-2020	278.82	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 opt 3 (Original issuance series B FY 2020-21)	₹ 10 lakh each	30-06-2020	393.56	8.10%	28-06-2030	Redeemable at par at the end of 3650 days from the date of allotment
Series J FY 2020-21 opt 2	₹ 10 lakh each	09-09-2020	103.98	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	52.22	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%	19-05-2027	Redeemable at par in 5 installments
Series Q FY 2022-23	₹ 1 Lakh each	14-02-2023	277.56	8.05%	14-02-2033	Redeemable at par at the end of 3653 days from the date of allotment
Total 13(a)			23,331.91			

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 ₹ 0.11 crore is in current account (includes ₹ 0.13 crore unutilised from amount raised in previous year).

Note 13 (b)

Commercial papers (net) as on March 31, 2023

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2023 (₹ in crore)
Bullet	Upto 1 year	upto 7.00%	2,828.68
Bullet	Upto 1 year	7.01%-8.00%	4,597.77
Total 13(b)			7,426.45

L&T Finance Limited
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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 (₹ in crore)	Interest rate % p.a.	Earliest 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 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 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

L&T Finance Limited
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Note 13 (a)

Secured redeemable non convertible debentures as on March 31, 2022

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 1827 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 A1 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 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%	18-10-2022	Redeemable at par in 7 equal installments
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%	19-05-2027	Redeemable at par in 5 installments
Total 13(a)			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 (₹ in crore)
Bullet	Up to 1 years	upto 7.00%	6,338.01
Total 13(b)			6,338.01

L&T Finance Limited

Notes forming part of the standalone financial statements

Note 14 : Borrowings (other than debt securities)

₹ in crore

Particulars	As at March 31, 2023	As at March 31, 2022
(A)		
(i) At amortised cost		
(a) Term loans		
(i) from banks (refer note 14 (a))	20,260.14	13,597.77
(ii) from financial institutions (refer note 14 (b))	6,056.90	5,148.83
(b) External commercial borrowings (refer note 14 (c))	1,802.52	4,121.00
(c) Loan from related parties (refer note 14 (d) and note 33)	2,357.71	1,037.59
(d) Loan repayable on demand		
(i) from banks (refer note 14 (e))	15,515.56	16,451.21
(e) Collateralized borrowing and lending obligation (refer note 14 (f))	499.47	-
Total borrowings other than debt securities at amortised cost (i)	46,492.30	40,356.40
Total borrowings (other than debt securities) (A)	46,492.30	40,356.40
(B)		
(I) Borrowings (other than debt securities) in India		
(i) At amortised cost	44,689.78	36,235.40
(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)	44,689.78	36,235.40
(II) Borrowings (other than debt securities) outside India		
(i) At amortised Cost	1,802.52	4,121.00
(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)	1,802.52	4,121.00
Total borrowings (other than debt securities) (B) = (I)+(II)	46,492.30	40,356.40

Note 14 (a)

Term loans from bank as on March 31, 2023 : Secured

Term loans from banks as on March 31, 2023 : Secured				
Repayment Term	Interest Range	Residual Tenure as on the Balance sheet date	Balance as at March 31, 2023 (₹ in crore)	
Quarterly	Upto 7.00%	Upto 1 Yrs	356.27	
		1 to 3 Yrs	1,203.90	
		3 to 5 Yrs	40.63	
	7.01%-8.00%	1 to 3 Yrs	4,774.35	
		3 to 5 Yrs	1,024.78	
	8.01%-9.00%	Upto 1 Yrs	48.61	
		1 to 3 Yrs	1,056.56	
	9.01%-10.00%	Upto 1 Yrs	7.27	
Semi Annually	Upto 7.00%	1 to 3 Yrs	2,593.92	
		3 to 5 Yrs	306.67	
	7.01%-8.00%	Upto 1 Yrs	469.33	
		3 to 5 Yrs	4,382.42	
	8.01%-9.00%	Upto 1 Yrs	232.33	
		1 to 3 Yrs	1,000.00	
		3 to 5 Yrs	250.00	
	Bullet	Upto 7.00%	1 to 3 Yrs	499.64
			3 to 5 Yrs	474.04
7.01%-8.00%		Upto 1 Yrs	50.01	
		8.01%-9.00%	Upto 1 Yrs	300.01
		1 to 3 Yrs	150.01	
Annually	Upto 7.00%	Upto 1 Yrs	100.01	
		1 to 3 Yrs	130.02	
	7.01%-8.00%	Upto 1 Yrs	50.01	
		1 to 3 Yrs	31.00	
	8.01%-9.00%		728.32	
Total			20,260.14	

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, 2023 : Secured

Repayment Term	Interest Range	Residual Tenure as on the Balance sheet date	Balance as at March 31, 2023 (₹ in crore)
Quarterly	Upto 7.00%	Upto 1 Yrs	125.43
		1 To 3 Yrs	341.28
		3 To 5 Yrs	1,543.86
	7.01%-8.00%	3 To 5 Yrs	1,998.82
		Above 5 Yrs	501.90
Semi Annually	Upto 7.00%	1 To 3 Yrs	1,545.62
Total			6,056.90

Nature of Security :

Term loan from financial institutions is secured by hypothecation of specified lease/term loan receivables.

Note 14 (c)

External commercial borrowings as on March 31, 2023 : Secured

Repayment Term	Interest Range	Residual Tenure as on the Balance sheet date	Balance as at March 31, 2023 (₹ in crore)
Bullet	Upto 7.00%	Upto 1 Yrs	755.57
	8.01%-9.00%	1 To 3 Yrs	1,046.94
Total			1,802.52

Nature of Security :

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, 2023 : Unsecured**

Repayment Term	Interest Range	Residual Tenure as on the Balance sheet date	Balance as at March 31, 2023 (₹ in crore)
Bullet	8.01%-9.00%	Up to 1 Yrs	2,357.71
Total			2,357.71

Note 14 (e)**Loan repayable on demand from bank as on March 31, 2023 : Secured**

Loan repayable on demand from bank as on March 31, 2023 : Secured				
Nature	Repayment Term	Residual Tenure as on the Balance sheet date	Interest Range	Balance as at March 31, 2023 (₹ in crore)
Working Capital Demand Loan	Bullet	Up to 1 Yrs	7.01%-8.00%	5,137.40
			8.01%-9.00%	1,429.77
Line of Credit (LOC)	Bullet	Up to 1 Yrs	7.01%-8.00%	2,887.21
			8.01%-9.00%	2,000.53
	Quarterly	1 To 3 Yrs	7.01%-8.00%	295.00
		1 To 3 Yrs	Upto 7.00%	115.63
Total (A)				11,865.54

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, 2023: Unsecured

Nature	Repayment Term	Residual Tenure as on the Balance sheet date	Interest Range	Balance as at March 31, 2023 (₹ in crore)
Working Capital Demand Loan	Bullet	Up to 1 Yrs	7.01%-8.00%	710.00
			8.01%-9.00%	235.00
			9.01%-10.00%	2,705.00
Cash Credit	Bullet	Up to 1 Yrs	7.01%-8.00%	0.02
Total (B)				3,650.02

Tota Loan repayable on demand as on March 31, 2023 (A+B)	15,515.56
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Note 14 (f)**Collateralized borrowing and lending obligation as on March 31, 2023: Secured**

Nature	Repayment Term	Residual Tenure as on the Balance sheet date	Interest Range	Balance as at March 31, 2023 (₹ in crore)
Collateralized borrowing and lending obligation (TREPS)	Bullet	Up to 1 Yrs	Upto 7.00%	499.47
Total				499.47

Nature of Security :

Collateralized borrowing and lending obligation (TREPS) is secured by government securities.

Note: The above outstanding disclosure are presented based on the residual tenure as on the balance sheet date for current and previous year.

Note 14 (a)

Term loans from bank as on March 31, 2022 : Secured

Repayment Term	Interest Range	Residual Tenure as on the Balance sheet date	Balance as at March 31, 2022 (₹ in crore)
Quarterly	Upto 7.00%	Upto 1 Yrs	112.51
		1 to 3 Yrs	1,934.55
		3 to 5 Yrs	907.02
	7.01%-8.00%	Upto 1 Yrs	31.24
		1 to 3 Yrs	584.82
Bullet	Upto 7.00%	1 to 3 Yrs	900.01
		3 to 5 Yrs	300.00
	7.01%-8.00%	Upto 1 Yrs	199.89
Semi Annually	Upto 7.00%	1 to 3 Yrs	2,773.80
		3 to 5 Yrs	1,768.00
	7.01%-8.00%	Upto 1 Yrs	49.76
		1 to 3 Yrs	2,185.05
Annually	Upto 7.00%	1 to 3 Yrs	1,701.08
		Upto 1 Yrs	100.02
	7.01%-8.00%	1 to 3 Yrs	50.01
Total			13,597.77

Nature of Security :

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

Term loans from financial institutions as on March 31, 2022 : Secured			
Repayment Term	Interest Range	Residual Tenure as on the Balance sheet date	Balance as at March 31, 2022 (₹ in crore)
Annually	Upto 7.00%	Upto 1 Yrs	249.28
Quarterly	Upto 7.00%	1 to 3 Yrs	917.11
		3 to 5 Yrs	1,942.22
Semi Annually	Upto 7.00%	Upto 1 Yrs	36.13
		1 to 3 Yrs	2,004.09
Total			5,148.83

Nature of Security :

²Term loan from financial institutions is secured by hypothecation of specified lease/term loan receivables.

Note 14 (c)

External commercial borrowings as on March 31, 2022 : Secured

External Commercial Borrowings as on March 31, 2022 - Secured			
Repayment Term	Interest Range	Residual Tenure as on the Balance sheet date	Balance as at March 31, 2022 (₹ in crore)
Bullet	Upto 7.00%	1 to 3 Yrs	751.88
	8.01%-9.00%	upto 1 Yrs	1,934.21
		1 to 3 Yrs	965.09
Total (A)			3,651.18

External commercial borrowings as on March 31, 2022 : Unsecured

Repayment Term	Interest Range	Residual Tenure as on the Balance sheet date	Balance as at March 31, 2022 (₹ in crore)
Bullet	8.01%-9.00%	upto 1 Yrs	469.82
Total (B)			469.82

Total of External commercial borrowings as on March 31, 2022 (A+B)	4,121.00
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Nature of Security :

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	Interest Range	Residual Tenure as on the Balance sheet date	Balance as at March 31, 2022 (₹ in crore)
Bullet	Upto 6.50%	Up to 1 Yrs	1,037.59
Total			1,037.59

Note 14 (e)**Loan repayable on demand from bank as on March 31, 2022 : Secured**

Cash Repayable on demand from banks as on March 31, 2022 (₹ in crore)				
Nature	Repayment Term	Interest Range	Residual Tenure as on the Balance sheet date	Balance as at March 31, 2022 (₹ in crore)
Working Capital Demand Loan	Bullet	Upto 7.00%	Upto 1 Yrs	5,286.94
		7.01%-8.00%	Upto 1 Yrs	2,387.00
Line of Credit (LOC)	Bullet	Upto 7.00%	Upto 1 Yrs	3,150.58
			1 to 3 Yrs	250.00
		7.01%-8.00%	Upto 1 Yrs	1,387.00
Cash Credit	Bullet	Upto 7.00%	Upto 1 Yrs	0.00
		8.01%-9.00%		4.69
Total (A)				12,466.21

Loan repayable on demand as on March 31, 2022 : Unsecured

Nature	Repayment Term	Interest Range	Residual Tenure as on the Balance sheet date	Balance as at March 31, 2022 (₹ in crore)
Working Capital Demand Loan	Bullet	Upto 7.00%	Upto 1 Yrs	660.00
		7.01%-8.00%		3,325.00
Total (B)				3,985.00

Total of Loan repayable on demand as on March 31, 2022 (A+B)	16,451.21
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Nature of Security :

Loan repayable on demand from bank is secured by hypothecation of specified lease/term loan receivables.

Note: The above outstanding disclosure are presented based on the residual tenure as on the balance sheet date for current and previous year.

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Note 15 : Subordinated liabilities		₹ in crore	
Particulars	As at March 31, 2023	As at March 31, 2022	
(A)			
(i) At amortised cost			
(a) Perpetual debt Instruments to the extent that do not qualify as equity (Refer note 15 (a))	404.80	404.39	
(b) Subordinate debt Instruments (Refer note 15 (b))	2,393.68	2,893.20	
Total subordinated liabilities at amortised cost (i)	2,798.48	3,297.59	
(B)			
(I) Subordinated liabilities in India			
(i) At amortised cost	2,798.48	3,297.59	
(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)	2,798.48	3,297.59	
(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)	2,798.48	3,297.59	

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Note 15 (a)

Unsecured redeemable non convertible debentures as on March 31, 2023 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2023 (₹ in crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series I FY 2013-14	₹ 10 Lakh each	29-01-2014	50.80	10%	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	158.22	10%	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	49.82	10%	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%	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	49.94	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	29.81	10%	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	10%	03-06-2026	Redeemable at par at the end of 3652 days from the date of allotment
			404.80			

Note 15 (b)

Unsecured redeemable non convertible debentures as on March 31, 2023 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2023 (₹ in crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series J FY 2013-14	₹ 10 Lakh each	31-01-2014	25.37	10%	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	20.24	10%	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	20.19	10%	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	11%	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	5.03	10%	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	30.10	10%	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	50.07	11%	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	50.07	10%	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%	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	103.28	9%	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	51.21	10%	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	126.99	9%	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	101.35	9%	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	226.68	9%	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	10%	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	108.41	9%	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	86.13	9%	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	48.74	9%	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	81.11	9%	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	46.32	9%	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	64.34	9%	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%	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	53.18	9%	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%	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	20.95	9%	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	32.50	9%	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%	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	50.34	9%	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%	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	84.79	9%	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	127.22	8%	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	15.18	8%	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	46.57	9%	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	63.21	8%	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	27.07	9%	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	91.33	8%	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	105.14	8%	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	9%	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	9%	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	20.93	9%	05-09-2031	Redeemable at par at the end of 5476 days from the date of allotment
			2,393.68			

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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 (₹ in 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 (₹ in 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			

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Note 16 : Other financial liabilities			₹ in crore
Particulars	As at March 31, 2023	As at March 31, 2022	
Security deposit and margin money received	10.76	10.10	
Unclaimed matured debentures and interest accrued thereon	181.20	367.46	
Liability for expenses*	269.19	197.70	
Short term obligation	11.47	9.62	
Other payables	59.10	77.66	
Total other financial liabilities	531.72	662.54	
* Includes unspent amount for CSR expenses amounting to ₹ 1.40 crore (previous year: nil) (refer note 36).			
Note 17 : Provisions			₹ in crore
Particulars	As at March 31, 2023	As at March 31, 2022	
Provision for employee benefits			
Compensated absences	19.93	18.10	
Gratuity (refer note 34)	10.74	7.76	
Total provisions	30.67	25.86	
Note 18 : Other non-financial liabilities			₹ in crore
Particulars	As at March 31, 2023	As at March 31, 2022	
Statutory dues payable	46.19	51.36	
Total other non-financial liabilities	46.19	51.36	

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 19: Equity share capital

(a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2023		As at March 31, 2022	
	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
Preference shares of ₹ 100 each	12,00,000	12.00	12,00,000	12.00
		4,886.31		4,886.31
Issued, subscribed and paid up				
Equity shares of ₹ 10 each fully paid up	2,86,41,72,360	2,864.17	2,68,41,72,360	2,684.17
		2,864.17		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, 2023		As at March 31, 2022	
	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
Add: Issue of equity shares during the year	18,00,00,000	180.00	-	-
At the end of the year	2,86,41,72,360	2,864.17	2,68,41,72,360	2,684.17

(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, 2023	As at March 31, 2022
	No. of shares	No. of shares
Fully paid up pursuant to contract(s) without payment being received in cash	1,23,57,37,684	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 dividend during the year.

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, 2023		As at March 31, 2022	
	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)	2,86,41,72,360	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, 2023		As at March 31, 2022	
	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)	2,86,41,72,360	2,864.17	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, 2023		As at March 31, 2022	
	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)	2,86,41,72,360	100%	2,68,41,72,360	100%

(h) Refer note 49 for capital management for the company's objectives, policies and processes for managing capital.

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 20 : Other equity

	₹ in crore	
Particulars	As at March 31, 2023	As at March 31, 2022
Capital redemption reserve	3.20	3.20
Debenture redemption reserve ¹	1.14	5.15
Securities premium ²	12,600.79	10,800.89
Capital reserve ³	585.64	585.64
General reserve ⁴	342.40	338.39
Reserve u/s 45 IC of Reserve Bank of India Act, 1934 ⁵	1,475.85	1,475.85
Reserve u/s 29C of National Housing Bank, 1987 ⁶	27.42	27.42
Reserve u/s 36(1)(viii) of Income tax Act, 1961 ⁷	1,012.35	951.35
Amalgamation adjustment account ⁸	(463.30)	(463.30)
Retained earnings ⁹	(432.47)	134.62
Change in fair value of debt instruments classified at fair value through other comprehensive income	(4.19)	10.28
Change in fair value of equity instruments measured at fair value through other comprehensive income	-	-
Cash flow hedging reserve	1.77	(62.43)
Total other equity	15,150.60	13,807.06

Notes:

1. Debenture redemption reserve: 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 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 transferred 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.

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 21 : Interest Income			₹ in crore
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
(i) On financial assets measured at amortised cost			
- Interest on loans	9,103.27	8,143.11	
- Interest on deposits with banks	92.17	47.09	
- Other interest income	0.17	0.09	
Total interest income on financial assets measured at amortised cost (i)	9,195.61	8,190.29	
(ii) On financial assets measured at fair value through other comprehensive income			
- Interest income from investments	158.99	149.12	
Total interest income on financial assets measured at fair value through other comprehensive income (ii)	158.99	149.12	
(iii) On financial assets classified at fair value through profit or loss			
- Interest on loans	2,579.42	2,627.79	
- Interest income from investments	0.84	2.11	
Total interest income on financial assets classified at fair value through profit or loss (iii)	2,580.26	2,629.90	
Total interest income (i+ii+iii)	11,934.86	10,969.31	
Note 22 : Dividend Income			₹ in crore
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
Dividend income	-	0.14	
Total dividend income	-	0.14	
Note 23 : Rental income			₹ in crore
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
Lease rental income	0.22	1.73	
Total rental income	0.22	1.73	
Note 24 : Fees and commission income			₹ in crore
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
Consultancy fees and financial advisory fee	1.81	-	
Other financial activities	132.45	86.40	
Total fees and commission income	134.26	86.40	

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 25 : Other income		₹ in crore
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Income on cross sell	521.74	371.66
Profit/(loss) on sale of property, plant and equipment (net)	2.97	(0.03)
Other income	2.02	15.92
Total other income	526.73	387.55

Note 26 : Finance costs		₹ in crore
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortised cost		
Interest on debt securities	2,440.08	2,787.39
Interest on borrowings	2,601.46	1,944.16
Interest on subordinated liabilities	270.25	313.53
Other interest expense	35.56	20.19
Total finance cost	5,347.35	5,065.27

L&T Finance Limited
Notes forming part of the standalone financial statements

Note 27 : Net loss on fair value changes

	₹ in crore	
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A) Net (gain)/loss on financial instruments classified at fair value through profit or loss		
(i) On trading portfolio		
- (Gain)/loss on sale of investments	(60.45)	1.14
- (Gain)/loss on sale of loan assets	775.86	(0.77)
- Fair value changes on loan assets - (gain)/loss	(1,285.41)	348.10
- Fair value changes on investments - (gain)/loss	1,096.61	259.05
(ii) On financial instruments designated at fair value through profit or loss	-	-
Total (A = i+ii)	526.61	607.52
(B) Net (gain)/loss on disposal of financial instruments classified at fair value through other comprehensive income		
- loss on sale of Investments	18.81	467.53
- Derivatives	(3.91)	0.85
Total B	14.90	468.38
Total net loss on fair value changes (A+B)	541.51	1,075.90
(C) Fair value changes:		
-Realised	734.22	467.90
-Unrealised	(192.71)	608.00
Total net loss on fair value changes (C)	541.51	1,075.90

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Notes forming part of the standalone financial statements

Note 28 : Net loss on derecognition of financial instruments under amortised cost category			₹ in crore
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
Loss on foreclosure and writeoff of loans	1,858.01	3,836.45	
Less: Provision held reversed on derecognition of financial instruments	(1,498.35)	(3,551.44)	
Total net loss on derecognition of financial instruments under amortised cost category	359.66	285.01	

Note 29 : Impairment on financial instruments			₹ in crore
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
(a) On Financial instruments measured at fair value through other comprehensive income:			
- Investments	-	(394.77)	
Total impairment on financial instruments measured at fair value through other comprehensive income (a)	-	(394.77)	
(b) On financial instruments measured at amortised cost:			
- Loans	1,545.49	2,071.56	
- Trade receivables	4.92	-	
Total impairment on financial instruments on financial instruments measured at at amortised cost (b)	1,550.41	2,071.56	
Total impairment on financial instruments (a+b)	1,550.41	1,676.79	

Note 30 : Employee benefits expenses			₹ in crore
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
Salaries	1,237.57	937.98	
Contribution provident and pension fund (refer note: 34)	46.73	38.59	
Contribution to gratuity fund (refer note: 34)	10.47	9.21	
Share based payments to employees (refer note: 37)	23.93	13.79	
Staff welfare expenses	64.16	61.89	
Total employee benefits expenses	1,382.86	1,061.46	

Note 31 : Depreciation, amortization and impairment			₹ in crore
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
Depreciation on property, plant and equipment (refer note: 9)	10.54	10.24	
Depreciation on Right of use assets (refer note : 35)	14.06	18.71	
Amortisation of Intangible assets (refer note: 10)	81.11	66.78	
Total depreciation, amortization and impairment	105.71	95.73	

L&T Finance Limited
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Note 32 : Other expenses		₹ in crore	
Particulars	Year ended March 31, 2023	Year ended March 31, 2022	
Rent	60.16	47.96	
Rates and taxes	1.16	1.53	
Repairs and maintenance	63.05	49.71	
Advertisement and publicity	60.14	3.08	
Printing and stationery	10.27	6.15	
Telephone and postage	6.50	7.38	
Directors' sitting fees	0.34	0.39	
Auditors' remuneration (refer footnote)	1.61	1.38	
Legal and professional charges	566.68	420.18	
Insurance	3.40	3.87	
Electricity charges	4.17	4.79	
Travelling and conveyance	38.76	21.45	
Stamping charges	0.75	0.76	
Collection charges	419.61	435.70	
Loan processing charges	10.54	8.42	
Corporate social responsibility expenses (refer note: 36)	14.92	5.48	
Donation	0.62	-	
Corporate support charges	13.04	14.30	
Bank charges	14.43	11.22	
Non executive directors remunerations	0.85	0.80	
Brand license fees	-	44.57	
Miscellaneous expenses	3.74	3.98	
Total administration and other expenses	1,294.74	1,093.10	
footnote: Auditors' remuneration comprises the following*			
Statutory audit fees	0.50	0.50	
Limited review fees	0.50	0.46	
Tax audit Fees	0.10	0.10	
Certification and other service	0.36	0.20	
Expenses reimbursed	0.02	0.01	
GST/Service tax (net of input credit)	0.13	0.11	
	1.61	1.38	

* Note: Auditors' remuneration excludes fees paid towards certification of public issue of NCD ₹ 0.65 Crore (net of input credit) which is part of finance cost.

L&T Finance Limited
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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)

A. Ultimate Holding Company

1. Larsen & Toubro Limited

B. Holding Company

2. L&T Finance Holdings Limited

C. Subsidiary Companies/Entity

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. LTIMindtree Limited (formerly known as Larsen & Toubro Infotech Limited)
8. L&T Investment Management Limited *(Ceased with effect from November 25, 2022)*
9. L&T Financial Consultants Limited
10. Larsen & Toubro Electromech LLC
11. L&T Hydrocarbon Engineering Limited
12. L&T Technology Services Limited

E. Key Management Personnel

13. Mr. Dinanath Dubhashi
14. Mr. Sachinn Joshi *(Appointed as Whole Time Director with effect from October 8, 2021)*
15. Mr. Sunil Prabhune *(Ceased as Whole Time Director from August 12, 2021)*
16. Mr. P. V. Bhide *(Reappointed as an Independent Director from March 18, 2022)*
17. Dr (Mrs). Rajni R Gupte
18. Mr. Rishi Mandawat
19. Mr. Thomas Mathew T. *(Appointed as Independent Director with effect from April 12, 2021)*
20. Mrs. Nishi Vasudeva *(Appointed as Independent Director with effect from April 12, 2021)*

(b) Disclosure of related party transactions :

Sr. No.	Nature of transaction ¹	2022-23	2021-22
1	Inter corporate deposits borrowed		
	L&T Finance Holdings Limited	6,085.58	2,060.86
	L&T Investment Management Limited	-	451.29
	L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	1,393.27	-
2	Inter corporate deposits repaid		
	L&T Finance Holdings Limited	4,746.08	2,115.66
	L&T Investment Management Limited	-	451.29
	L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	1,393.27	-
3	Interest expense on inter corporate deposits		
	L&T Finance Holdings Limited	141.04	47.67
	L&T Investment Management Limited	-	12.53
	L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	16.16	-
4	Corporate support charges paid to		
	L&T Finance Holdings Limited	11.96	13.12
5	Rent and maintenance cost paid to		
	L&T Financial Consultants Limited	44.54	41.54
	L&T Investment Management Limited	0.04	0.08
	Larsen & Toubro Limited	0.27	0.11
6	Rent and maintenance cost recovered from		
	L&T Investment Management Limited	1.50	2.80
7	Professional charges paid to		
	Larsen & Toubro Limited	4.04	4.46
8	IT professional charges paid to		
	Larsen & Toubro Limited	1.52	1.26
	LTIMindtree Limited (formerly known as Larsen & Toubro Infotech Limited)	1.78	213 1.01

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(b) Disclosure of related party transactions :

Sr. No.	Nature of transaction ¹	2022-23	2021-22
9	Brand license fees paid to		
	Larsen & Toubro Limited	-	42.05
10	ESOP cost paid to		
	L&T Finance Holdings Limited	23.93	13.79
11	Investment/(Redemption) in Units		
	L&T Infra Investment Partners Fund	(4.31)	4.23
12	Corporate support charges recovered from		
	L&T Infra Investment Partners Advisory Private Limited	2.02	1.64
	L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited)	2.62	5.50
	L&T Investment Management Limited	22.20	13.51
	Larsen & Toubro Limited	1.16	1.26
13	Purchase of consumables / materials from		
	Larsen & Toubro Limited	1.91	-
14	Processing fees paid on sale of loan portfolio		
	L&T Infra Credit Limited (Formerly L&T Infra Debt Fund)	16.71	-
15	Loan assets transfer to		
	L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	5,059.04	-
16	Loan assets transfer from		
	L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	397.32	-
17	Security deposit Paid/(Received)		
	L&T Financial Consultants Limited	1.28	(0.47)
18	Equity Capital Infused (including share premium)		
	L&T Finance Holdings Limited	1,980.00	-
19	Investment in Equity Shares		
	L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	168.54	-
20	Interest on non convertible debenture (Borrowings)		
	Larsen & Toubro Limited	71.23	128.33
	LTIMindtree Limited (formerly known as Larsen & Toubro Infotech Limited)	5.80	-
	L&T Technology Services	7.97	-

21 Compensation Paid to Key Managerial Personnel²

Name of Key Management Personnel	2022-23				2021-22			
	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	3.88	-	-	3.88	1.34	-	-	1.34
Mr. Sunil Prabhune	-	-	-	-	3.67	-	-	3.67
Mr. P. V. Bhide	0.25	-	-	0.25	0.24	-	-	0.24
Dr (Mrs). Rajni R Gupte	0.28	-	-	0.28	0.28	-	-	0.28
Mr. Rishi Mandawat	0.11	-	-	0.11	0.17	-	-	0.17
Mr. Thomas Mathew T.	0.20	-	-	0.20	0.20	-	-	0.20
Ms Nishi Vasudeva	0.21	-	-	0.21	0.20	-	-	0.20

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(c) Amount due to/from related parties:

S. No.	Nature of transactions	As at March 31, 2023	As at March 31, 2022
1	Inter corporate borrowings		
	L&T Finance Holdings Limited	2,357.71	1,018.21
2	Interest accrued on inter corporate borrowings		
	L&T Finance Holdings Limited	-	19.38
3	Investment in subsidiaries		
	L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited)	646.80	478.26
	L&T Infra Investment Partners Advisory Private Limited	5.00	5.00
	L&T Infra Investment Partners Trustee Private Limited	0.10	0.10
4	Investment in units of fund		
	L&T Infra Investments Partner Fund	110.15	219.28
5	Non convertible debenture (Borrowings) from³		
	Larsen & Toubro Limited	955.38	1,025.38
	LTIMindtree Limited (formerly known as Larsen & Toubro Infotech Limited)	69.60	-
	L&T Technology Services	25.00	-
6	Interest accrued on non convertible debenture (borrowings)		
	Larsen & Toubro Limited	38.78	39.66
	LTIMindtree Limited (formerly known as Larsen & Toubro Infotech Limited)	2.43	-
	L&T Technology Services	0.10	-
7	Rent deposit to		
	L&T Financial Consultants Limited	17.88	16.60
8	Account payable		
	Larsen & Toubro Electromech LLC	0.01	0.01
	L&T Hydrocarbon Engineering Limited	0.02	0.02
	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	38.79	-
	L&T Finance Holdings Limited	1.36	-
	LTIMindtree Limited (formerly known as Larsen & Toubro Infotech Limited)	0.10	0.15
	Larsen & Toubro Limited	-	44.57
9	Account receivable		
	Larsen & Toubro Limited	2.54	1.14
	L&T Finance Holdings Limited	-	7.18
	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	-	1.50
	L&T Investment Management Limited	-	0.01

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 director sitting fees.
- 3 The above NCD balance includes purchase and sale from primary & secondary market

L&T Finance Limited
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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 ₹ 46.73 crore (previous year: ₹ 38.59 crore) for provident fund contribution 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. These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

(a) The amounts recognised in Balance Sheet are as follows:

		₹ in crore	
Particulars	Gratuity Plan		
	As at March 31, 2023	As at March 31, 2022	
A) Present Value of Defined Benefit Obligation			
- Wholly funded	45.45	39.30	
- Wholly unfunded		-	
	45.45	39.30	
Less : Fair value of plan assets	(34.71)	(31.54)	
Amount to be recognised as liability or (asset)	10.74	7.76	
B) Amounts reflected in Balance Sheet			
Liabilities	10.74	7.76	
Assets	-	-	
Net liability	10.74	7.76	

(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, 2023	As at March 31, 2022
1	Current Service Cost	10.47	9.21
2	Net Interest Cost	0.37	0.53
3	Actuarial losses/(gains):		
i)	Actuarial (gains)/losses arising from changes in financial assumptions	(3.22)	(2.67)
ii)	Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
iii)	Actuarial (gains)/losses arising from changes in experience adjustments	3.21	1.08
iv)	Actuarial losses/(gains) - difference between actuarial return on plan assets	1.42	(0.40)
v)	Adjustment to recognize as asset ceiling	-	-
4	Past Service Cost	-	-
	Total (1 to 4)	12.25	7.75
i	Amount included in "employee benefits expenses"	10.47	9.21
ii	Amount included in as part of "finance cost"	0.37	0.53
iii	Amount included as part of "Other Comprehensive income"	1.41	(1.99)
	Total (i + ii + iii)	12.25	7.75

(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, 2023	As at March 31, 2022
Opening balance of the present value of defined benefit obligation		39.30	33.23
Add : Current Service Cost		10.47	9.21
Add : Interest Cost		2.12	1.49
Add : Actuarial losses/(gains)			
i) Actuarial (gains)/losses arising from changes in financial assumptions		(3.22)	(2.67)
ii) Actuarial (gains)/losses arising from changes in demographic assumptions		-	-
iii) Actuarial (gains)/losses arising from changes in experience adjustments		3.21	1.08
Less : Benefits paid		(5.86)	(3.79)
Add : Past service cost		-	-
Add : Liability assumed/(settled)*		(0.57)	0.75
Closing balance of the present value of defined benefit obligation		45.45	39.30

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Notes forming part of the standalone financial statements

Note : 34 Disclosure pursuant to Ind AS 19 "Employee Benefits"

*On account of business combination or inter group transfer

Note: The company expects to fund ₹ 3.00 crore (previous year ₹ 3.00 crore) towards its gratuity plan and ₹ nil (previous year ₹ nil) towards its Trust managed provident fund plan during FY 2023-24.

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

Particulars	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
Opening balance of the fair value of the plan assets	31.54	24.31
Add : interest income of plan assets	1.75	0.96
Add/(less) : Actuarial gains/(losses)		
Difference between actual return on plan assets and interest income	(1.42)	0.40
Add : Contribution by the employer	8.70	9.66
Less : Benefits paid	(5.86)	(3.79)
Add: Assets acquired/(settled)*	-	-
Closing balance of the fair value of the plan assets	34.71	31.54

*On account of business combination or inter group transfer

(e) The fair value of major categories of plan assets are as follows:

Sr. No	Particulars	Gratuity Plan	
		As at March 31, 2023	As at March 31, 2022
1	Government of India Securities	1.31	1.38
2	Insurer managed funds - unquoted	26.30	23.29
3	Others debt instruments	1.08	1.55
4	Others - unquoted	6.02	5.32
	Total plan assets	34.71	31.54

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Gratuity Plan	
		As at March 31, 2023	As at March 31, 2022
1	Discount rate	7.30%	5.90%
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 6% to 31% (previous year: 6% to 31%) 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:

Sr. No.	Particulars	Gratuity Plan			
		Effect of 1% Increase		Effect of 1% Decrease	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
1	Impact of change in discount rate	(2.06)	(1.91)	2.26	2.11
2	Impact of change salary escalation rate	2.20	2.02	(2.05)	(1.88)

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Notes forming part of the standalone financial statements

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:

Particulars	Provident Fund Plan	
	As at March 31, 2023	As at March 31, 2022
A) Present Value of Defined Benefit Obligation		
- Wholly funded	15.45	15.15
- Wholly unfunded	-	-
	15.45	15.15
Assets acquired on acquisition		
Less : Fair Value of plan assets	(15.80)	(16.30)
Add : Amount not recognised as an asset	-	-
Amount to be recognised as liability or (asset)	(0.35)	(1.15)
B) Amounts reflected in Balance Sheet		
Liabilities	-	-
Assets	(0.35)	(1.15)
Net liability/(asset)	(0.35)	(1.15)

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2023	As at March 31, 2022
1	Current Service Cost	-	-
2	Interest Cost	1.19	1.20
3	Interest Income on Plan Assets	-	-
4	Expected return on Plan Assets	(1.19)	(1.20)
5	Actuarial losses/(gains)	(0.80)	(0.58)
6	Actuarial gain/(loss) not recognised in Books	0.80	0.58
	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:

Particulars	Provident Fund Plan	
	As at March 31, 2023	As at March 31, 2022
Opening balance of the present value of defined benefit obligation	15.15	14.60
Add : Assets acquired on acquisition	-	-
Add : Current Service Cost	-	-
Add : Interest Cost	1.19	1.20
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	(0.87)	(1.76)
Add : Contribution by the employer	-	0.77
Add : Liability assumed/(settled)*	(0.03)	0.34
Closing balance of the present value of defined benefit obligation	15.44	15.15

*On account of business combination or inter group transfer

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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, 2023	As at March 31, 2022
Opening balance of the fair value of the plan assets	16.31	15.95
Add : Assets acquired on acquisition	-	-
Add : interest income of plan assets	1.19	1.20
Add/(less) : Actuarial gains/(losses)		
Difference between actual return on plan assets and interest income	(0.80)	0.58
Add : Contribution by the employer	-	-
Add/(less) : Contribution by plan participants	-	-
Less : Benefits paid	(0.87)	(1.76)
Add: Assets acquired/(settled)*	(0.03)	0.34
Closing balance of plan assets	15.80	16.31

*On account of business combination or inter group transfer

(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, 2023	As at March 31, 2022
1	Government of India Securities	7.17	7.38
2	Corporate Bonds	5.09	4.97
3	Special Deposit Scheme	0.46	0.54
4	Public Sector Unit Bond	1.02	1.69
5	Others	2.06	1.73
	Total plan assets	15.80	16.31

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2023	As at March 31, 2022
1	Discount rate for the term of the obligation	7.46%	7.05%
2	Average historic yield on the investment portfolio	8.35%	8.64%
3	Discount rate for the remaining term to maturity of the investment portfolio	7.40%	6.85%
4	Future derived return on assets	8.41%	8.84%
5	Guaranteed rate of return	8.15%	8.10%

(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 2022-2023. However, in view of the fall in equity values as at March 31, 2023 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 8.15% p.a.

L&T Finance Limited
Notes forming part of the standalone financial statements

Note : 35 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 - Leases

I) Company as Lessee

a) Operating Lease

i) The company has taken various assets on lease such as buildings and office premises. 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 (Building and office premises)	Opening balance	Addition during the year	Derecognize during the year	Depreciation for the year	Closing balance
As at March 2023	32.36	39.68	1.85	14.06	56.13
As at March 2022	29.79	21.28	-	18.71	32.36

iii) Details with respect to lease liabilities

₹ in crore		
Particulars	2022-23	2021-22
Opening Lease liability	35.53	34.05
Add: Additions during the year	39.68	21.28
Add: Interest accrued during the year	2.82	(5.69)
Less: Interest paid during the year	(2.82)	5.69
Less: Sale off	0.00	0.00
Less: Principal Repayment during the year	(13.76)	(19.80)
Closing Lease liability	61.45	35.53

iv) Interest expense on lease liabilities for F.Y. 2022-23 is ₹ 2.82 crore and for F.Y. 2021-22 is ₹ (5.69) crore

v) Expense relating to leases for which underlying asset is of low value for F.Y. 2022-23 is ₹ 7.03 crore and for F.Y. 2021-22 is ₹ 6.16 crore

vi) Expense related to short-term leases for F.Y. 2022-23 is ₹ 55.22 crore and for F.Y. 2021-22 is ₹ 43.50 crore

vii) Expense related to variable lease payments for F.Y. 2022-23 is Nil and F.Y. 2021-22 is Nil

viii) Income from sub-leasing of right of use assets for F.Y. 2022-23 is ₹ 2.09 crore and for F.Y. 2021-22 is ₹ 1.70 crore

ix) There are no gains or losses arising from sale and leaseback transactions ₹ nil for F.Y. 2022-23 and F.Y. 2021-22.

b) Finance Lease : Not Applicable

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, 2023	As at March 31, 2022
Receivable not later than 1 year	0.01	4.85
Receivable later than 1 year but not later than 2 year	-	0.01
Receivable later than 2 year but not later than 3 year	-	-
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	-	-
Gross investment in lease	0.01	4.86
Less: Unearned finance income	0.00*	0.23
Present value of minimum lease payment receivable	0.01	4.63

* less than 1 lakh

iii) Finance lease income on net investment in lease recognised in statement of Profit & loss during the F.Y. 2022-23 is ₹ 0.15 crore and for F.Y. 2021-22 is ₹ 1.50 crore

iv) Finance lease income relating to variable lease payments not depending on index/rate - NIL

L&T Finance Limited
Notes forming part of the standalone financial statements

Note : 35 Disclosures pursuant to Indian Accounting Standards (Ind AS) 116 - Leases

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, 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)	-
Opening value of Lease Receivables as on April 1, 2022	4.85	0.01	4.86
Add: Finance lease income recognised in P&L	0.15	-	0.15
Less: Lease rental received (cash payment)	(5.00)	-	(5.00)
Add/Less: Change on account of any other factors	0.01	(0.01)	-
Closing value of Lease Receivables as on March 31, 2023	0.01	(0.00)	0.01

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, 2023	As at March 31, 2022
Receivable not later than 1 year	-	0.16
Receivable later than 1 year but not later than 2 year	-	-
Receivable later than 2 year but not later than 3 year	-	-
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

- iii) Lease income recognised in Profit & Loss account (Other than variable lease payment) for F.Y. 2022-23 is ₹ 0.07 crore and for F.Y. 2021-22 is ₹ 0.23 crore
- iv) Lease income relating to variable lease payments not depending on index/rate : Nil

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Notes forming part of the standalone financial statements

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 ₹ 14.92 crore (previous year: ₹ 16.34 crore).

- (a) The amount recognised as expense in the Statement of Profit and Loss on CSR related activities is ₹ 14.92 crore (previous year: ₹ 5.48 crore) (Refer note no. 32 of financial statements), which comprises of:

Particulars	2022-23			2021-22		
	In cash	Set off from previous	Total	In cash	Set off from previous	Total
(a) Amount spent during the year on:						
(i) Construction/ acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	13.45	0.07	13.52	5.41	10.93	16.34

- (b) Amount of surplus to be carried forward in subsequent years for Set off :

₹ in crore			
Amount spent in excess of requirements as per Companies Act, 2013 as on March 31, 2021 available for set off in subsequent years	Actual amounts spent during FY 21-22	Amounts to be spent in FY 21-22 as per the requirements of Companies Act, 2013	Surplus carried forward to be set off in subsequent years
10.93	5.48	16.34	(0.07)

₹ in crore			
Amount spent in excess of requirements as per Companies Act, 2013 as on March 31, 2022 available for set off in subsequent years	Actual amounts spent during FY 22-23	Amounts to be spent in FY 22-23 as per the requirements of Companies Act, 2013	Shortfall at the end of the year
0.07	13.45	14.92	1.40

- (c) **Reason for shortfall during the financial year 2022-23**

New project(s) / program(s) of on-going nature were identified and launched during the financial year on account of which the entire mandated CSR spend amount could not be consumed within the FY under review. The unspent amount against the said project(s) / program(s) has since been transferred into the "Unspent CSR Account" to be utilized for these project(s) / program(s) within the next three financial years.

- (d) **Nature of CSR activities during the financial year 2022-23**

The payment for the CSR activities are done for Digital Financial Literacy and Entrepreneurship Development, Tree Plantation and Capacity Building of Water User Groups.

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.

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, 2023	250.27	226.45	23.93	23.82
As at March 31, 2022	258.69	202.52	13.79	56.17

Note : 38 Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings Per Share"

Particulars		2022-23	2021-22
Basic Earning Per Share			
Profit/(loss) after tax as per statement of profit and loss (₹ in crore)	A	(505.03)	807.98
Weighted average number of equity shares outstanding during the year (Nos.)	B	2,72,41,17,565	2,68,41,72,360
Basic Earning Per Share (₹)	A/B	(1.85)	3.01
Diluted Earning Per Share			
Profit/(loss) after tax as per statement of profit and loss (₹ in crore)	A	(505.03)	807.98
Weighted average number of equity shares outstanding (Nos.)	B	2,72,41,17,565	2,68,41,72,360
Diluted Earning Per Share (₹)	A/B	(1.85)	3.01
Face value of shares (₹)		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, 2023	As at March 31, 2022
Contingent Liabilities:		
a) Claim against the Company not acknowledged as debt:		
- Income Tax matter in dispute*	11.12	8.66
- Sales tax/ VAT / Service Tax / Stamp duty matter in dispute*	528.59	525.03
- Legal matter in dispute*	1.67	1.46
b) Bank Guarantees	6.00	125.29
c) Other money for which the Company is contingently liable Liability towards Letter of Credit(net of margin money)	260.05	403.88
Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for #	25.05	16.29
b) Undisbursed Commitment	847.52	1,026.95

Note:

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Note : 40 Frauds committed against the company:

₹ in crore		
Particulars	2022-23	2021-22
No. of cases of fraud which occurred during the year	10	149
Amount involved	12.38	2.73
Amount recovered	1.28	0.67
Amount provided/loss*	11.25	1.80

*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.

Sr. No.	Name of Company	Quantity held as bailee	
		As at March 31, 2023	As at March 31, 2022
1	Future Retail Limited	56,18,102	16,53,117
2	Tata Steel Limited	47,92,720	4,79,272
3	Saumya Mining Limited	5,13,012	5,13,012
4	Punj Lloyd Limited	5	5
5	GHCL Limited	70,000	70,000
6	Golden Tobacco Limited	10,000	10,000
7	Hindustan National Glass & Industries Limited	15,00,716	34,04,499
8	Sterling International Enterprises Limited	2,17,309	2,17,309
9	Tulip Telecom Limited	14,01,762	14,01,762
10	Hanjer Biotech Energies Private Limited	3,25,096	3,25,096
11	VMC Systems Limited	7,17,736	7,17,736
12	KSK Energy Ventures Limited	3,08,446	3,08,446
13	Soma Enterprises Limited	24,47,655	24,47,655
14	Gwalior Bypass Project Limited	-	21,287
15	KSK Electricity Financing India Pvt Ltd	-	2,000
16	Avantha Holdings Limited	4,500	4,500
17	Ace Urban Developers Private Limited	-	15,250
18	KSK Mineral Resources Private Limited	34,22,910	-
19	Diamond Power Infrastructure Limited	3,000	-
20	Valdel Projects Corporation Pvt Ltd	1,532	1,532

Note : 42 Expenditure in foreign currency:

₹ in crore		
Particulars	2022-23	2021-22
Professional Fees	0.33	0.21
License Fees	4.82	6.05
Finance Cost	67.26	59.68

Note : 43 Dues to micro enterprises and small enterprises:

₹ in crore			
Sr. No.	Particulars	2022-23	2021-22
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.

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Note : 44 Relationship with Struck Off Companies

(a) Amount outstanding as at March 31, 2023:

NIL

(b) 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

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Note : 45 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, 2023			March 31, 2022		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
ASSETS:						
Financial assets						
Cash and cash equivalents	7,894.05	-	7,894.05	4,233.83	-	4,233.83
Bank Balance other than (a) above	2,976.45	0.04	2,976.49	1,909.15	0.21	1,909.36
Derivative financial instruments	0.77	173.68	174.45	145.48	58.56	204.04
Receivables						
Trade receivables	2.34	-	2.34	5.24	-	5.24
Other receivables	136.82	-	136.82	56.43	-	56.43
Loans	35,640.89	35,319.71	70,960.60	41,607.88	35,921.18	77,529.06
Investments	7,116.18	7,196.35	14,312.53	2,877.85	6,426.10	9,303.95
Other financial assets	82.31	-	82.31	82.78	-	82.78
Non-financial assets						
Current tax assets (net)	-	545.82	545.82	-	580.18	580.18
Deferred tax assets (net)	-	1,781.56	1,781.56	-	1,401.20	1,401.20
Property, plant and equipment	-	44.67	44.67	-	19.41	19.41
Intangible assets under development	-	4.72	4.72	-	21.79	21.79
Other intangible assets	-	115.21	115.21	-	115.76	115.76
Right of use assets	-	56.13	56.13	-	32.36	32.36
Other non-financial assets	65.90	520.83	586.73	53.12	623.32	676.44
Total Assets	53,915.71	45,758.72	99,674.43	50,971.76	45,200.07	96,171.83
LIABILITIES :						
Financial liabilities						
Payables						
Trade payables	749.85	-	749.85	423.67	-	423.67
Other payables	38.79	-	38.79	6.49	-	6.49
Debt securities	13,675.71	17,082.65	30,758.36	17,442.53	17,223.08	34,665.61
Borrowings (other than debt securities)	29,099.33	17,392.97	46,492.30	26,701.20	13,655.20	40,356.40
Subordinated liabilities	374.13	2,424.35	2,798.48	600.37	2,697.22	3,297.59
Lease liabilities	12.48	48.97	61.45	13.18	22.35	35.53
Other financial liabilities	531.72	-	531.72	662.54	-	662.54
Non-financial liabilities						
Current tax liabilities (net)	151.85	-	151.85	155.55	-	155.55
Provisions	30.67	-	30.67	25.86	-	25.86
Other non-financial liabilities	46.19	-	46.19	51.36	-	51.36
Total liabilities	44,710.72	36,948.94	81,659.66	46,082.76	33,597.84	79,680.60

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Note 46 Due to data migration issues, the first installment principal repayment on non-convertible security (INE691I07240) amounting to ₹ 71.43 crore was credited to bondholders account on October 19, 2022, instead of the due date of October 18, 2022, along with the applicable additional interest for 1 day. This delay was promptly resolved to ensure that future payments are not affected and appropriate disclosures were made to stock exchange & rating agencies. Credit reports further confirmed that this was a one-off event due to a technical issue and did not reflect any liquidity stress or financial inability of the Company to service its debt on time. The Company had sufficient liquidity available in the form of cash and liquid investments of ₹ 7,511 crore as on September 30, 2022 (around ₹ 4,500 crore as on October 18, 2022), in addition to unutilised bank lines & credit line from L&T Limited and the incident did not indicate any change in the Company's inherent credit quality.

Note 47 Reclassification of Wholesale loan asset portfolio:

As on September 30, 2022, the Business Model being followed by the Company involved accounting the Wholesale loan asset portfolio in its books of account in two different blocks as under:

- 1) Fair Value through Profit & Loss Account
- 2) Amortised Cost

As part of its four-year Business Strategy - Lakshya 2026, the Company is aiming to increase its retail asset book to a minimum level of 80% by 2026 and this is targeted to be achieved through a CAGR growth of 25% in its retail portfolio as well as bringing down its wholesale loan asset portfolio through accelerated sell down. In line with this objective, the Company is taking steps to align the Infrastructure and Real Estate loan portfolio (Wholesale loan asset portfolio) to this strategy.

Consequent to the above, the Board has approved the change in business model for the Wholesale loan asset portfolio which would lead to conversion of its amortised cost portfolio to fair value through profit & loss account portfolio in line with the principles in Ind AS 109, Financial Instruments, which require a reclassification when an entity changes its business model by shifting its focus completely from fresh sanctions to accelerated sell down of its wholesale loan asset portfolio.

Based on the change in the Business model, the Company had reclassified its wholesale loan asset portfolio previously measured at "Amortised cost" to "Fair value through profit & loss" as on October 1, 2022.

Effective from October 01, 2022, the Company has reclassified its Wholesale loan asset portfolio measured at amortised cost amounting to ₹ 12,271.31 crores to fair value through profit & loss account. The Company has carried out an independent fair valuation of wholesale loan asset portfolio as at October 01, 2022 by external registered valuer and one time impact of such reclassifications consequent to change in business model and fair valuation of its wholesale loan asset portfolio, amounting to ₹ 2,450.17 crore has been presented as an "Exceptional Item".

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Note : 48 Disclosure pursuant to Ind AS 7 "Statement of Cash Flows"
Change in liabilities arising from financing activities:

₹ in crore

Particulars	As at April 1, 2022	Net Cash flows	Non - cash changes			As at March 31, 2023
			Changes in fair values	Exchange Difference	Others	
Debt securities	34,665.61	(3,733.87)	(0.80)	-	(172.58)	30,758.36
Borrowings (other than debt securities)	40,356.40	6,301.23	(0.34)	(120.06)	(44.93)	46,492.30
Subordinated liabilities	3,297.59	(475.00)	-	-	(24.11)	2,798.48
Total liabilities from financing activities	78,319.60	2,092.36	(1.14)	(120.06)	(241.62)	80,049.14

₹ 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	(1,625.43)	-	-	(939.44)	34,665.61
Borrowings (other than debt securities)	38,658.11	1,544.20	-	116.69	37.40	40,356.40
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)	78,319.60

* previous year net cashflow & others has been reclassified.

Footnote: Others include mainly amortisation of issue cost and changes in accrued interest.

Note 49: 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.

Wholesale Business

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 Business (Rural and Urban Finance)

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. Multi variable regression framework is used to establish a linkage between company's default rates and various macroeconomic variables like unemployment rate, GDP, inflation, domestic credit investment, farm reservoir levels amongst others. 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 have been assigned to each scenario based on Company's outlook of the economic forecasts.

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:

Wholesale Business

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 wholesale business.

Retail Business - (Rural and Urban Finance)

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, 2023			As at March 31, 2022		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Financial assets						
Equity instruments (Subsidiary)	651.90	-		483.36	-	
Total financial assets at cost	651.90	-		483.36	-	
Cash and cash equivalent and other bank balances	10,870.54	-		6,143.19	-	
Loans and advances at amortised cost	58,097.81	-	Refer footnote below	54,775.28	-	Refer footnote below
Trade receivables	2.34	-		5.24	-	
Other receivables	136.82	-		56.43	-	
Other financial assets	82.31	-		82.78	-	
Total financial assets at amortised cost	69,189.82	-		61,062.92	-	
Financial assets at fair value through profit or loss	23,952.32	-		29,520.87	-	
Total financial instruments at fair value through profit or loss	23,952.32	-		29,520.87	-	
Derivative financial instruments	173.68	-		204.04	-	
Financial instruments at fair value through Other Comprehensive Income	2,571.88	-		2,053.50	-	
Total Financial instruments at fair value through Other Comprehensive Income	2,745.56	-		2,257.54	-	
Total on-balance sheet	96,539.60	-		93,324.69	-	
Off balance sheet						
Contingent liabilities	807.43	-		1,064.32	-	
Other commitments	872.57	-		1,043.24	-	
Total off-balance sheet	1,680.00	-		2,107.56	-	
Total	98,219.60	-		95,432.25	-	

Footnote:

- (i) Retail loans, other than unsecured loans aggregating ₹ 34,109.08 crore as of March 31, 2023, 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, 2022: ₹ 28,722.90 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) Wholesale loan assets 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 and Non-convertible debentures ("NCD") (Refer Note 41), pledged with the Company as collateral by the borrowers and those shares are being held by the Company as bailee.

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 as at March 31, 2023. 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.

The Company does not envisage any market risk on wholesale loan assets considering the reclassification of loan portfolio from amortised cost to fair value through the profit or loss.

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, 2023 is as under:

(i) Funding Concentration based on significant counterparty:

F.Y.	No. of Significant Counterparties	Amount (₹ crore)	% of Total Deposits	% of Total Liabilities
2022-23	19	54,069	N.A.	63%
2021-22	21	51,274	N.A.	62%

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
2022-23	42,572	54%
2021-22	38,631	50%

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	FY 2022-23		FY 2021-22	
		Amount (₹ crore)	% Of Total Liabilities	Amount (₹ crore)	% Of Total Liabilities
1	Term Loans	26,315	31%	18,767	23%
2	Private Non-Convertible Debentures	23,134	27%	26,571	32%
3	Working Capital Bank Lines	15,516	18%	16,451	20%
4	Commercial Papers	7,590	9%	6,470	8%
5	Public Non-Convertible Debentures	2,079	2%	3,908	5%
6	External Commercial Borrowings	1,611	2%	3,760	5%
7	Inter Corporate Borrowings	2,358	3%	1,018	1%
	Total	78,602	92%	76,944	92%

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 2022-23 (%)	FY 2021-22 (%)
1	Commercial papers as a % of total liabilities	9%	8%
2	Commercial papers as a % of total assets	7%	6%
3	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0%	0%
4	Non-convertible debentures (original maturity of less than one year) as a % of total assets	0%	0%
5	Other short-term liabilities as a % of total liabilities	26%	29%
6	Other short-term liabilities as a % of total assets	21%	24%

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%

Further, NBFC are required to publicly disclose the information related to Liquidity Coverage Ratio on a quarterly basis. Accordingly, the disclosure on Liquidity Coverage Ratio of the Company for FY2023 is as under:

LCR Disclosure		Q1-FY2023		Q2-FY2023		Q3-FY2023		Q4-FY2023	
(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
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)	1,911.04	1,911.04	1,874.82	1,874.82	2,160.04	2,160.04	1,972.78	1,972.78
	Cash in hand & Bank Balance	445.53	445.53	370.73	370.73	389.03	389.03	448.53	448.53
	Treasury Bills / G Sec (including Lending Under CBLO / TREPS Platform)	1,431.99	1,431.99	1,482.63	1,482.63	1,439.83	1,439.83	1,421.36	1,421.36
	CBLO (Treps Lending)	33.52	33.52	21.47	21.47	331.18	331.18	102.89	102.89
Cash Outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	3,790.63	4,359.22	3,930.57	4,520.16	2,483.30	2,855.80	1,107.86	1,274.04
4	Secured wholesale funding	1,151.69	1,324.44	1,151.67	1,324.42	1,526.51	1,755.48	2,426.60	2,790.59
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	654.37	752.53	480.32	552.37	874.12	1,005.24	818.98	941.83
7	Other contingent funding obligations	88.30	101.55	111.30	128.00	49.38	56.79	94.67	108.86
8	TOTAL CASH OUTFLOWS	5,684.99	6,537.74	5,673.86	6,524.94	4,933.31	5,673.30	4,448.11	5,115.33
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	2,170.13	1,627.60	1,871.44	1,403.58	2,071.32	1,553.49	2,006.74	1,505.05
11	Other cash inflows ³	13,493.19	10,119.89	10,844.22	8,133.17	15,170.66	11,378.00	15,881.06	11,910.80
12	TOTAL CASH INFLOWS	15,663.32	11,747.49	12,715.66	9,536.74	17,241.98	12,931.49	17,887.80	13,415.85
			Total Adjusted value		Total Adjusted value		Total Adjusted value		Total Adjusted value
13	TOTAL HQLA		1,911.04		1,874.82		2,160.04		1,972.78
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))		1,634.43		1,631.23		1,418.33		1,278.83
15	LIQUIDITY COVERAGE RATIO (%)⁴		117%		115%		152%		154%

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 for the quarterly LCR.
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 basis of RBI guidelines prescribed for liquidity risk management framework and same has been reported by management on quarterly 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.

L&T Finance Limited
Notes forming part of the standalone financial statements

Note: 49.1 Disclosure pursuant to Ind AS 107 “Financial Instruments: Disclosures”

(a) Expected credit loss - Loans at amortised cost:

₹ in crore

Particulars		As at March 31, 2023			As at March 31, 2022		
		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	56,530.86	1,177.27	55,353.59	48,644.71	1,072.62	47,572.09
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	2,656.72	366.04	2,290.68	7,516.16	1,054.42	6,461.74
	Financial assets for which credit risk has increased significantly and credit-impaired	2,196.85	1,743.31	453.54	2,175.46	1,434.01	741.45
Total		61,384.43	3,286.62	58,097.81	58,336.33	3,561.05	54,775.28

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Note: 49.2 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, 2021	876.13	344.65	3,820.15	5,040.93
New assets originated or purchased*	856.54	21.53	44.39	922.46
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	-
Amount written off	-	-	(1,797.23)	(1,797.23)
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
New assets originated or purchased*	1,076.39	61.15	111.58	1,249.12
Transfers to Stage 1	66.22	(46.71)	(19.51)	-
Transfers to Stage 2	(6.73)	16.21	(9.48)	-
Transfers to Stage 3	(21.29)	(315.79)	337.08	-
Amount written off	-	-	(1,404.77)	(1,404.77)
Impact of changes in credit risk on account of stage movements	(64.40)	67.57	1,365.66	1,368.83
Increase/ (Decrease) provision on existing financial assets including recovery	(921.29)	(259.32)	14.03	(1,166.58)
Reclassification to fair value through P&L (Refer note 47)	(24.25)	(211.49)	(85.29)	(321.03)
ECL as on March 31, 2023	1,177.27	366.04	1,743.31	3,286.62

(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, 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
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	-
Amount written off	-	-	(1,846.58)	(1,846.58)
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
New assets originated or purchased*	40,493.67	592.85	143.84	41,230.36
Transfers to Stage 1	1,001.82	(956.21)	(45.61)	-
Transfers to Stage 2	(1,149.46)	1,171.90	(22.44)	-
Transfers to Stage 3	(712.65)	(1,425.83)	2,138.48	-
Amount written off	-	-	(1,450.44)	(1,450.44)
Net recovery	(22,140.85)	(1,910.80)	(408.86)	(24,460.51)
Reclassification to fair value through P&L (Refer note 47)	(9,606.38)	(2,331.35)	(333.58)	(12,271.31)
Gross carrying amount as on March 31, 2023	56,530.86	2,656.72	2,196.85	61,384.43

* excludes assets originated or purchased and derecognised during the year

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Note: 49.3 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, 2023	As at March 31, 2022
I	Measured at fair value through profit or loss (FVTPL):		
	(i) Investment in equity instruments	208.24	550.98
	(ii) Investment in preference shares	-	-
	(iii) Investment in bonds/debentures	105.83	413.46
	(iv) Investment in mutual funds	4,504.90	665.94
	(v) Investment in government securities	-	-
	(vi) Investment in security receipt	6,131.04	4,886.23
	(vii) Investment in units of fund	138.75	250.48
	(viii) Loans	12,862.79	22,753.78
	(ix) Derivative financial instruments	0.77	-
	Sub-total (I)	23,952.32	29,520.87
II	Measured at amortised cost:		
	(i) Loans	58,097.81	54,775.28
	(ii) Trade receivables	2.34	5.24
	(iii) Other receivables	136.82	56.43
	(iv) Other financial assets	82.31	82.78
	(v) Cash and cash equivalents and bank balances	10,870.54	6,143.19
	Sub-total (II)	69,189.82	61,062.92
III	Measured at fair value through other comprehensive income (FVTOCI):		
	(i) Investment in bonds/Debentures	560.29	729.31
	(ii) Investment in government securities	2,010.69	1,323.28
	(iii) Investment in equity instruments	-	-
	(iv) Investment in pass through certificates	-	-
	(v) Derivative financial instruments	173.68	204.04
	(vi) Investment in units of fund	0.90	0.91
	Sub-total (III)	2,745.56	2,257.54
	Total (I+II+III)	95,887.70	92,841.33

Foot note: Investment in subsidiaries valued at cost current year: ₹ 651.90 crore (previous year: ₹ 483.36 crore).

(b) Category-wise classification for applicable financial liabilities:

₹ in crore			
Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
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	30,758.36	34,665.61
	(ii) Borrowings (other than debt securities)	46,492.30	40,356.40
	(iii) Subordinated liabilities	2,798.48	3,297.59
	(iv) Trade payables	749.85	423.67
	(v) Other payables	38.79	6.49
	(vi) Lease liabilities	61.45	35.53
	(vii) Other financial liabilities	531.72	662.54
	Sub-total (II)	81,430.95	79,447.83
III	Measured at fair value through other comprehensive income (FVTOCI):		
	Sub-total (III)	-	-
	Total (I+II+III)	81,430.95	79,447.83

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Note: 49.4 : 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, 2023		As at March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Loans	58,097.81	58,097.81	54,775.28	54,775.28
Total	58,097.81	58,097.81	54,775.28	54,775.28
Financial liabilities:				
Debt Securities	30,758.36	30,491.65	34,665.61	35,785.31
Borrowings (other than debt securities)	46,492.30	45,794.11	40,356.40	40,210.22
Subordinated liabilities	2,798.48	2,764.84	3,297.59	3,435.06
Lease liabilities	61.45	61.45	35.53	35.53
Total	80,110.59	79,112.06	78,355.13	79,466.13

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, 2023	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	58,097.81	58,097.81	Discounted cashflow approach
Total financial assets	-	-	58,097.81	58,097.81	
Financial liabilities:					
Debt Securities	-	-	30,491.65	30,491.65	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	45,794.11	45,794.11	Discounted cashflow approach
Subordinated liabilities	-	-	2,764.84	2,764.84	Discounted cashflow approach
Lease liabilities	-	-	61.45	61.45	Discounted cashflow approach
Total financial liabilities	-	-	79,112.06	79,112.05	

₹ 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	
Total financial liabilities	-	-	79,466.13	79,466.13	

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Note: 49.5

Disclosure pursuant to Ind AS 113 “Fair Value Measurement”

₹ in crore

Particulars	As at March 31, 2023				As at March 31, 2022			
	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	40.32	-	167.92	208.24	158.39	-	392.59	550.98
- Preference shares	-	-	-	-	-	-	-	-
- Bonds and debentures	-	-	105.83	105.83	-	-	413.46	413.46
- Mutual funds	4,504.90	-	-	4,504.90	665.94	-	-	665.94
- Security receipts	-	-	6,131.04	6,131.04	-	-	4,886.23	4,886.23
- Units of fund	-	-	138.75	138.75	-	-	250.48	250.48
Loans	-	-	12,862.79	12,862.79	-	-	22,753.78	22,753.78
Derivative financial instruments	-	0.77	-	0.77	-	-	-	-
Sub total	4,545.22	0.77	19,406.33	23,952.32	824.33	-	28,696.54	29,520.87
Financial assets at fair value through other comprehensive income:								
Investments								
- Bonds and debentures	-	560.29	-	560.29	-	729.31	-	729.31
- Government securities	-	2,010.69	-	2,010.69	-	1,323.28	-	1,323.28
- Pass through certificates	-	-	-	-	-	-	-	-
- Investment in Units of Fund	-	0.90	-	0.90	-	0.91	-	0.91
Derivative financial instruments	-	173.68	-	173.68	-	204.04	-	204.04
Sub total	-	2,745.56	-	2,745.56	-	2,257.54	-	2,257.54
Total Financial assets at fair value	4,545.22	2,746.33	19,406.33	26,697.88	824.33	2,257.54	28,696.54	31,778.41
Financial liabilities:								
Financial liabilities at fair value through profit and loss:	-	-	-	-	-	-	-	-
Total Financial liabilities at fair value	-	-	-	-	-	-	-	-

Note :

Quoted investments having inactive markets are classified in Level 2.

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Note: 49.6 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, 2022 and March 31, 2023 :

₹ 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, 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/redemption	-	(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
Acquisitions	0.09	-	-	-	2,289.65	11.08	526.53	2,827.34
Reclassification to fair value through P&L (Refer note 47)	-	-	-	-	-	-	12,271.31	12,271.31
Transfer from Level 2 to Level 3	-	-	-	-	-	-	-	-
Deletions/redemption	(0.05)	-	-	-	(663.83)	(25.35)	(21,202.46)	(21,891.70)
Gains/(losses) recognised in profit or loss	(224.71)	-	(307.64)	-	(381.00)	(97.46)	(1,486.36)	(2,497.16)
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	-	-
Impairment recognised in profit or loss	-	-	-	-	-	-	-	-
As at March 31, 2023	167.92	-	105.83	-	6,131.04	138.75	12,862.79	19,406.33
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, 2022	-	(0.48)	320.71	0.01	(249.99)	(27.76)	(348.10)	(305.61)
As at March 31, 2023	(224.71)	-	(307.64)	-	(381.00)	(97.46)	(1,486.36)	(2,497.17)
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, 2022	-	-	30.52	-	-	-	-	30.52
As at March 31, 2023	-	-	-	-	-	-	-	-

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Note: 49.7 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, 2023	March 31, 2022		March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2022
				Favourable	Unfavourable	Favourable	Unfavourable
Investments							
- Equity instruments	167.92	392.59	5.00%	8.40	(8.40)	19.63	(19.63)
- Preference shares	-	-	5.00%	-	-	-	-
- Bonds and debentures	105.83	413.46	0.25%	0.26	(0.26)	1.03	(1.03)
- Pass Through Certificates	-	-	0.25%	-	-	-	-
- Security Receipts	6,131.04	4,886.23	5.00%	306.55	(306.55)	244.31	(244.31)
- Units of fund	138.75	250.48	5.00%	6.94	(6.94)	12.52	(12.52)
Loans	12,862.79	22,753.78	0.25%	32.16	(32.16)	56.88	(56.88)
Total	19,406.33	28,696.54		354.31	(354.31)	334.38	(334.38)

Note: 49.8 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, 2023			As at March 31, 2022		
	Within twelve month	After twelve month	Total	Within twelve month	After twelve month	Total
A. Non-derivative liabilities:						
Borrowings*	46,357.30	42,881.06	89,238.37	47,667.03	39,707.17	87,374.20
Trade payables	749.85	-	749.85	423.67	-	423.67
Other payables	38.79	-	38.79	6.49	-	6.49
Lease liabilities	12.48	48.97	61.45	13.18	22.35	35.53
Other financial liabilities	531.72	-	531.72	662.54	-	662.54
Total	47,690.14	42,930.03	90,620.18	48,772.91	39,729.51	88,502.43
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, 2023	As at March 31, 2022
Undrawn backup lines	6,930.97	3,265.16
Line of credit from Ultimate Holding Company	1,800.00	1,800.00

(c) Ind AS 107 - Financial Instruments: Disclosures - Carrying amount of collateral given

₹ in crore

Assets type	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents*	1,000.00	4,498.00
Bank Balances other than cash and cash equivalent	2,679.00	-
Investments	1,517.51	-
Loans	68,471.91	73,678.19
Total	73,668.42	78,176.19

*The Company has identified certain fixed deposits with bank, amounting to ₹ 1,000 crore as at March 31, 2023 and the same is in the process of lien marking against the secured debt securities.

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Note 49.9 : 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 out of which Tier I Capital should be at least 9% of 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 52.1 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:

₹ in crore		
Particulars	31 March 2023	31 March 2022
Total debt	80,049.14	78,319.60
Networth	17,387.50	15,876.71
Debt to equity ratio	4.60	4.93

1. Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Networth.
2. Net worth is calculated as defined in section 2(57) of Companies Act, 2013.

(ii) There were no defaults/delay in repayment of loans or payment of interest except as given in note 46. 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 2023	31 March 2022
(a) Equity shares		
Final dividend for the year ended March 31, 2023 of ₹ Nil per fully paid share (Previous year : Nil)	-	-
Interim dividend for the year ended March 31, 2023 of ₹ Nil per fully paid share (Previous year : ₹ Nil)	-	-
(b) Dividends not recognised at the end of the reporting year	-	-

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Disclosure pursuant to Ind AS 107 “Financial Instruments: Disclosures”

Note: 49.10 Market risk management :

(a) Foreign currency risk :

Particulars	As at March 31, 2023	As at March 31, 2022
Liability – External Commercial Borrowings	USD 12,50,00,000	USD 43,50,00,000
Assets – Cross Currency Interest Rate Swap Contracts	USD 12,50,00,000	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, 2023	As at March 31, 2022
Variable rate borrowings	20,522.59	22,245.51
Fixed rate borrowings	58,579.33	54,698.80
Total borrowings	79,101.92	76,944.31

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, 2023			As at March 31, 2022		
	Weighted average interest rate	Balance	% of total borrowing	Weighted average interest rate	Balance	% of total borrowing
Variable rate borrowings	6.98%	20,522.59	25.94%	6.75%	22,245.51	28.91%
Interest rate swap at variable rate	-	-	-	-	-	-
Net exposure to cash flow interest rate risk	6.98%	20,522.59	25.94%	6.75%	22,245.51	28.91%

(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 2022-23	FY 2021-22	31-Mar-23	31-Mar-22
Interest rates – increase by 25 basis points *	(41.34)	(33.66)	(41.34)	(33.66)
Interest rates – decrease by 25 basis points*	41.34	33.66	41.34	33.66

* Impact on P/L upto 1 year, holding all other variables constant

Note: 49.11 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.

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Note : 50 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 which are not attributable or allocable to segments, have been disclosed as unallocated. As the operations of the Company are carried out within India, there are no geographical segments.

Retail Business comprises of Farmer Finance, Two Wheeler Finance, Rural Business Finance ,Consumer Finance, Home Loan, Loan against Property and SME Finance.

Wholesale Business comprises of Infrastructure Finance and Real Estate Finance.

Defocused Business comprises of Structured Corporate Loans, Debt Capital Market, Commercial Vehicle Finance, Construction Equipment Finance, Supply Chain Finance, SME term loans and other discontinued products.

The Company has changed its composition of reportable segments to Retail Finance and Wholesale finance from Rural Finance, Housing Finance and Infrastructure Finance effective from April 1, 2022. Consequently, the company has restated the corresponding items of segment information for previous year to make them comparable with those of current year.

₹ in crore

Sr. No	Particulars	Year Ended	
		March 31, 2023	March 31, 2022
	Gross segment revenue from operations		
a	Retail Business	8,683.12	6,764.79
b	Wholesale Business	3,262.17	4,078.79
c	Defocused Business	124.06	214.00
	Total	12,069.34	11,057.58
	Segment Result (Profit/(loss) before tax)		
a	Retail Business	1,860.43	991.91
b	Wholesale Business	391.14	402.50
c	Defocused Business	(237.74)	(302.54)
	Profit before tax	2,013.83	1,091.87
	Exceptional items	(2,450.17)	-
	Segment result after exceptional items	(436.34)	1,091.87

Sr. No	Particulars	As at	
		March 31, 2023	March 31, 2022
	Segment assets		
a	Retail Business	72,007.26	47,511.61
b	Wholesale Business	23,355.78	44,242.09
c	Defocused Business	1,984.01	2,436.75
	Sub-total	97,347.05	94,190.45
e	Unallocated ¹	2,327.38	1,981.38
	Total segment assets	99,674.43	96,171.83
	Segment liabilities		
a	Retail Business	60,292.03	40,113.33
b	Wholesale Business	19,554.60	37,354.57
c	Defocused Business	1,661.18	2,057.15
	Sub-total	81,507.81	79,525.05
e	Unallocated ²	151.85	155.55
	Total segment liabilities	81,659.66	79,680.60

1 Unallocated represents advance/tax deducted (net) and deferred tax asset (net).

2 Unallocated represents tax liabilities.

3 There are no revenue from transactions with a single external customer or counter party which amounted to 10% or more of the Company's total revenue in the Current year and Previous year.

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Note : 51 Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/(income):

₹ in crore			
Sr. No.	Particulars	F.Y. 2022-23	F.Y. 2021-22
(a)	Statement of Profit and Loss:		
	Profit and Loss section:		
	(i) Current tax :		
	Current tax expense for the year	474.19	118.35
		474.19	118.35
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	(405.50)	165.54
	Effect on deferred tax balances due to the change in income tax rate	-	-
		(405.50)	165.54
	Income tax expense reported in the statement of profit or loss [(i)+(ii)]	68.69	283.89
(b)	Other Comprehensive Income (OCI) Section:		
	(i) Items that will not be reclassified to profit or loss in subsequent years:		
	(A) Deferred tax expense/(income):		
	On re-measurement of the defined benefit plans	(0.35)	0.50
		(0.35)	0.50
	(ii) Items that will be reclassified to profit or loss in subsequent years:		
	(A) Deferred tax expense/(income):		
	On gains and loss on hedging instruments in a cash flow hedge	21.60	13.22
		21.60	13.22
	Income tax expenses reported in the other comprehensive income [i+ii]	21.25	13.72
(c)	Other directly reported in balance sheet through reserve:		
	Current tax (assets)/liabilities		
	-Merger related expenses	(3.89)	(3.89)
	Deferred tax (assets)/liabilities		
	-Merger related expenses	3.89	3.89
	Income tax expense reported directly in balance sheet	-	-

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

₹ in crore			
Sr. No.	Particulars	F.Y. 2022-23	F.Y. 2021-22
(a)	Profit/(loss) before tax	(436.35)	1,091.87
(b)	Corporate tax rate as per Income tax Act, 1961	25.168%	25.168%
(c)	Tax on accounting profit (c)=(a)*(b)	(109.82)	274.80
(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)
	(B) Deduction u/s 80JJA of the Income Tax Act, 1961	(5.51)	(8.26)
	(ii) Tax on non deductible expenses:		
	(A) Corporate Social Responsibility (CSR) expenses	3.91	1.38
	(B) Provision for dimunition of investments	180.11	(96.86)
	(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 (iii)]	178.51	9.09
(e)	Tax expense (e)=(c)+(d)	68.69	283.89
(f)	Effective tax rate (f)=(e)/(a)	(15.74) %	26.00%
(g)	Tax expense recognised during the year	68.69	283.89
(h)	Effective tax rate (h)=(g)/(a)	(15.74) %	26.00%

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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, 2023		As at March 31, 2022	
	₹ 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 losses)*	-	-	467.89	AY 2030-31
Total	-	-	467.89	

*Carry forward of unused tax losses and its set off/utilisation of such losses is subject to provisions of the Income Tax Act, 1961 (Refer note 55).

(c) (ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet

Sr. No.	Particulars	₹ in crore	
		As at March 31, 2023	As at March 31, 2022
(a)	Towards provision for diminution in value of investments	1,090.40	374.77
	Total	1,090.40	374.77

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(d) Major components of deferred tax liabilities and deferred tax assets:

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at March 31, 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)(viiia)	27.72	(27.72)	-	-	-
Net deferred tax liabilities	73.83	(50.66)	-	-	23.17
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss and fair value impact	(1,358.98)	284.84	-	-	(1,074.14)
-Provision on trade receivables	(2.36)	1.60	-	-	(0.76)
-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	(14.22)	(2.98)	-	3.89	(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 & equipment, other intangible assets and goodwill	(86.91)	2.61	-	-	(84.30)
Net Deferred tax (assets)	(1,658.19)	216.20	13.72	3.89	(1,424.37)
Net deferred tax liability/(assets)	(1,584.36)	165.54	13.72	3.89	(1,401.20)

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at March 31, 2022	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, 2023
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	22.11	(22.11)	-	-	-
-Unamortised borrowing cost	1.06	(1.06)	-	-	-
-Deduction under Secion 36(1)(viiia)	-	24.69	-	-	24.69
Net deferred tax liabilities	23.17	1.52	-	-	24.69
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss and fair value impact	(1,074.14)	(305.02)	-	-	(1,379.16)
-Provision on trade receivables	(0.76)	(1.24)	-	-	(2.00)
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(3.66)	3.66	-	-	-
-Fair value of investments	(186.27)	(94.91)	-	-	(281.18)
-Defined benefit obligation (Gratuity and Leave encashment)	(6.74)	(0.46)	(0.35)	-	(7.55)
-Amortisation of expenditure incurred for amalgamation	(13.31)	0.55	-	3.89	(8.87)
-Fair valuation of derivative financial instrument	(21.00)	-	21.60	-	0.60
-Impact on account of Ind AS 116 – Leases	(3.76)	(0.54)	-	-	(4.30)
-Liability for expenses	(30.43)	(17.28)	-	-	(47.71)
-Difference between book base and tax base of property, plant & equipment, other intangible assets and goodwill	(84.30)	8.22	-	-	(76.08)
Net Deferred tax (assets)	(1,424.37)	(407.02)	21.25	3.89	(1,806.25)
Net deferred tax liability/(assets)	(1,401.20)	(405.50)	21.25	3.89	(1,781.56)

Note: 52 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.

52.1 Capital :

		₹ in crore	
Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
i)	CRAR (%)	21.34%	20.77%
ii)	CRAR - Tier I Capital (%)	18.88%	17.86%
iii)	CRAR - Tier II Capital (%)	2.46%	2.91%
iv)	Amount of subordinated debt raised as Tier-II capital* (Repaid during the year ₹ 475 crore , previous year NIL)	2,393.68	2,893.20
v)	Amount raised by issue of Perpetual Debt Instruments (Raised during the year ₹ Nil, previous year ₹ Nil)	404.80	404.39
vi)	Percentage of the amount of Perpetual Debt Instruments of the amount of its Tier I Capital	2.55%	2.73%

* Discounted value of ₹ 1,015.99 crore (Previous year ₹ 1,412.72 crore) considered for Tier II capital against the book value of ₹ 2,393.68 crore (Previous year ₹ 2,893.20 crore).

52.2 Investments :

		₹ in crore	
(1)	Particulars	As at March 31, 2023	As at March 31, 2022
	Value of Investments		
(i)	Gross Value of Investments		
	(a) In India	14,319.60	9,311.02
	(b) Outside India	-	-
(ii)	Provisions for Depreciation*		
	(a) In India	7.07	7.07
	(b) Outside India	-	-
(iii)	Net Value of Investments		
	(a) In India	14,312.53	9,303.95
	(b) Outside India	-	-
(2)	Movement of provisions held towards depreciation on investments*		
(i)	Opening balance	7.07	401.85
(ii)	Add : Provisions made during the year	-	-
(iii)	Less : Write-off / write-back of excess provisions during the year	-	(394.78)
(iv)	Closing balance	7.07	7.07

*Provision for depreciation on Investments includes provision towards impairment of financial instruments.

52.3 Derivatives :

I) Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

		₹ in crore	
(i)	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	The notional principal of swap agreements	1,364.55	3,014.34
(ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the	173.68	204.04
(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	173.68	204.04

II) Exchange Traded Interest Rate (IR) Derivatives: The Company has not traded in exchanged traded Interest Rate Derivative during the financial year ended March 31, 2023 (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

Quantitative Disclosures for Financial Year 2022-23

		₹ in crore	
Particulars		Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional principal amount)	864.55	800.00
(ii)	Market to Market position	172.39	2.06
	(a) Asset (+)	172.39	2.06
	(b) Liability (-)	-	-
(iii)	Credit exposure	-	-
(iv)	Unhedged exposure	-	-

Quantitative Disclosures for Financial Year 2021-22

		₹ in crore	
Particulars		Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional principal amount)	3,014.34	NIL
(ii)	Market to Market position	204.04	-
	(a) Asset (+)	287.46	-
	(b) Liability (-)	(83.42)	-
(iii)	Credit exposure	-	-
(iv)	Unhedged exposure	-	-

52.4 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			
S.No.	Particulars	No. / Amount	
		As at March 31, 2023	As at March 31, 2022
1	No of SPEs holding assets for securitisation transactions originated by the originator	-	-
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		
	(a) Amount paid	-	-
	(b) Repayment received	-	-
	(c) Outstanding amount	-	-
8	Average default rate of portfolios observed in the past	-	-
9	Amount and number of additional/top up loan given on same underlying asset	-	-
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 year (previous year : NIL), hence relevant disclosure is not applicable.

III) Details of Assignment transactions undertaken by applicable NBFCs

There are no assignment transactions during the year (previous year : NIL), hence relevant disclosure is not applicable.

IV) Details of non-performing financial assets purchased/sold from/to NBFCs: During the current and previous year, no non-performing been purchased/sold from/to other NBFCs.

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V) Disclosure of financial 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:

Sr No	Particulars	2022-23		2021-22	
		NPA	SMA	NPA	SMA
1	No. of accounts sold	40	26	534	29
2	Aggregate principal outstanding of loans transferred (₹ in crores)	2,197.41	1,040.38	3,031.77	156.88
3	Weighted average residual tenor of the loans transferred (months)	2.82	2.33	47.23	84.21
4	Net book value of loans transferred (at the time of transfer) (₹ in crores)	2,232.06	948.23	1,555.90	172.23
5	Aggregate consideration (₹ in crores)	1,906.20	787.50	1,574.52	171.48
6	Additional consideration realized in respect of accounts transferred in earlier years (₹ in crores)	-	-	-	-
7	Provision reversed to the profit and loss account (₹ in crores)	212.26	165.14	2,180.06	8.63

b) Details of loans not in default transferred during the year to other than ARCs *:

Sr No	Particulars	2022-23	2021-22
1	Count of loans assigned	55	NIL
2	Amount of loan account assigned (₹ in crore) #	9,591.62	-
3	Weighted average maturity (years) (from the date of transfer)	8.78	-
4	Weighted average holding period (years)	1.81	-
5	Retention of beneficial economic interest	NIL	NIL
6	Coverage of tangible security	Greater than 1x	NIL
7	Rating wise distribution of rated loans	Category AAA to D	NIL

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.

c) Details of loans not in default acquired during the year:

Sr No	Particulars	2022-23	2021-22
1	Count of loans assigned	2	NIL
2	Amount of loan account acquired (₹ in crore)*	397.32	-
3	Weighted average maturity (years) (from the date of transfer)	8.00	-
4	Weighted average holding period (years)	Not Applicable	-
5	Retention of beneficial economic interest	Not Applicable	NIL
6	Coverage of tangible security	Greater than 1x	NIL
7	Rating wise distribution of rated loans	Category AA to BB+	NIL

* Excludes PTCs acquired and classified as loans and advances

d) The company has not acquired any stressed assets during the year (previous year NIL).

e) Security Receipts (SRs) rating for the transactions during the year:

Particulars	2022-23		2021-22	
	Rating Agency	Rating	Rating Agency	Rating
Phoenix Trust-FY22-7	CRISIL	RR2	NA	NA
ARCIL-CPS-I-Trust	India Rating and Research	RR2	Brickworks ratings	BWRR2-(100%)
ACRE 109 TRUST	India Rating and Research	RR2	Brickworks ratings	RR1-(100%-150%)
Phoenix Trust-FY22-16	India Rating and Research	RR2	NA	NA
Arcil-AST- IX Trust	India Rating and Research	RR2	Brickworks ratings	BWRR1 (100%)
ARCIL-CPS-I-Trust	India Rating and Research	RR2	Brickworks ratings	BWRR2 (100%)
ARCIL-AST-065-I-Trust	NA	NA	Brickworks ratings	BWRR2 (0%)
CFMARC Trust 67	Infomerics Valuation And Rating	RR1	Infomerics Valuation And Rating	IVR RR1 (100-150%)
CFMARC Trust 73	Infomerics Valuation And Rating	RR1	Infomerics Valuation And Rating	IVR RR1 (100-150%)
CFMARC Trust 74	Infomerics Valuation And Rating	RR1	Infomerics Valuation And Rating	IVR RR1 (100-150%)
CFMARC Trust 76	Infomerics Valuation And Rating	RR1	Infomerics Valuation And Rating	IVR RR1 (100-150%)
PEGASUS GROUP THIRTY EIGHT TRUST 1	ICRA	RR2	ICRA	RR2-(100%)
Phoenix Trust-FY23-7	India Rating and Research	RR2	NA	NA
CFM ARC Trust-104 [#]	NA	NA	NA	NA
CFM ARC Trust-103 [#]	NA	NA	NA	NA
ARCIL-CPS-65-I-Trust [#]	NA	NA	NA	NA
ARCIL-CPS-III TRUST [#]	NA	NA	NA	NA

These transactions were done during the financial year 2022-23. The ratings of ARC trusts will be available subsequently as ratings of these trusts is a half yearly assessment process.

52.5 Exposures

- (I) Exposure to Real Estate Sector: Refer note 53.
- (II) Exposure to Capital Market: Refer note 53.
- (III) Details of financing of parent company products: Nil (Previous year : 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 tier I capital as on March 31, 2023.
- (V) Unsecured Advances (net off provision):

₹ in crore		
Particulars	As at March 31, 2023	As at March 31, 2022
Term loans	19,626.77	12,875.85
Debentures	-	-
Personal Loans	5,255.90	2,256.95
Total	24,882.67	15,132.80

Note : There are no advances outstanding as on March 31, 2023 against which intangible securities has been taken as collateral. (Previous year : Nil)

52.6 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		F.Y. 2022-2023				F.Y. 2021-2022			
		CRISIL	CARE	ICRA	IRRA	CRISIL	CARE	ICRA	IRRA
(i)	Commercial Paper	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 (Stable)	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 (Stable)	IND AAA (Stable)
(iv)	Subordinate Debts	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	IND AAA (Stable)	CRISIL AAA (Stable)	CARE AAA (Stable)	ICRA AAA (Stable)	IND AAA (Stable)
(v)	Perpetual Debt	Not Rated	CARE AA+ (Stable)	ICRA AA+ (Stable)	Not Rated	Not Rated	CARE AA+ (Stable)	ICRA AA+ (Stable)	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 (Stable)	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 (Stable)	Not Rated	CARE PP-MLD AAA (Stable)	PP-MLD ICRA AAA (Stable)	IND PP-MLD AAA emr/(Stable)

- (V) Postponements of revenue recognition: Current year: NIL (Previous year: NIL)

52.7 Provisions and Contingencies :

- (I) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

₹ in crore		
Particulars	F.Y. 2022-2023	F.Y. 2021-2022*
Provision for depreciation on investments	-	(394.77)
Provision towards NPA	827.96	(2,386.13)
Provision made towards Income tax	68.69	283.89
Other Provision and Contingencies (with details)**	1,862.93	3,836.45
Provision for Standard Assets	(780.82)	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 financial year (Previous year: NIL)

52.8 Concentration of Advances, Exposures and NPAs

- (I) Concentration of Advances

₹ in crore		
Particulars	As at March 31, 2023	As at March 31, 2022
Total Advances to twenty largest borrowers	10,399.07	17,583.66
Percentage of advances to twenty largest borrowers to total advances of the Company	13.60%	21.50%

(II) Concentration of Exposures

Particulars	₹ in crore	
	As at March 31, 2023*	As at March 31, 2022*
Total Exposure to twenty largest borrowers / customers [#]	10,833.24	17,816.50
Percentage of total exposure to twenty largest borrowers / customers to total exposure of the Company on borrowers / customers [#]	13.98%	21.78%

Undisbursed commitments are considered as NIL on account of conditions precedent to disbursements

*Exclude Security Receipts

(III) Concentration of NPA

Particulars	₹ in crore	
	As at March 31, 2023	As at March 31, 2022
Total Exposure to top four NPA accounts	1,160.57	1,076.43

(IV) Sector-wise NPAs

Particulars	Percentage to Total Advances in that Sector	
	As at March 31, 2023	As at March 31, 2022
1 Agriculture & allied activities	7.20%	3.85%
2 MSME	0.23%	0.00%
3 Corporate borrowers	11.27%	5.10%
4 Services	0.00%	0.00%
5 Unsecured personal loans	3.34%	1.46%
6 Auto loans	5.06%	4.82%
7 Other personal loans	3.51%	3.74%

52.9 Movement of NPAs

Particulars	₹ in crore	
	F.Y. 2022-2023	F.Y. 2021-2022
(i) Net NPAs to Net Advances (%)	2.42%	2.10%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	3,542.59	5,365.65
(b) Additions during the year	3,412.11	4,121.13
(c) Reductions during the year	2,473.83	5,944.19
(d) Closing balance	4,480.87	3,542.59
(iii) Movement of Net NPAs		
(a) Opening balance	1,677.72	1,545.05
(b) Additions during the year	858.13	1,809.75
(c) Reductions during the year	752.48	1,677.08
(d) Closing balance	1,783.37	1,677.72
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	1,864.87	3,820.60
(b) Provisions made during the year	2,553.98	2,311.38
(c) Write-off / write-back of excess provisions	1,721.35	4,267.11
(d) Closing balance	2,697.50	1,864.87

Note: Above numbers are based on quarterly movement.

52.10 Disclosure of customer complaints

Particulars	F.Y. 2022-2023	F.Y. 2021-2022*
(i) No. of complaints pending at the beginning of the year	233	28
(ii) No. of complaints received during the year	22,971	10,807
(iii) No. of complaints redressed during the year	21,493	10,602
(iv) No. of complaints pending at the end of the year	1,711	233

*Previous year numbers have been restated due to re-categorisation of complaints.

52.11 Resolution of stressed assets

During the year ended March 31, 2023, 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.

52.12 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**	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	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year**
	(A)	(B)	(C)	(C)	(E)
Personal Loans	914.56	89.10	-	75.36	802.71
Corporate persons*/**	313.21	-	21.98	198.76	101.17
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	1,227.77	89.10	21.98	274.12	903.88

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

** includes additional disbursement post implementation and interest accrued

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52.13 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities:

₹ in crore

March 31, 2023	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
Assets:											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances (gross)	1,516.61	468.25	340.29	2,324.16	2,792.46	7,204.61	14,081.34	23,530.19	7,479.58	15,335.28	75,072.75
Investments (net)	4,999.09	20.01	1,161.76	303.32	-	-	600.59	-	-	7,196.35	14,281.13
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Liabilities:											
Borrowings*	837.50	286.16	1,689.93	3,659.98	4,737.14	4,438.39	11,385.27	42,137.02	5,884.54	4,046.00	79,101.92
Foreign Currency liabilities	-	-	-	-	-	-	-	864.55	-	-	864.55

* 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 October 20, 2022 and relied upon by the auditors.

₹ 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
Assets:											
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
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Liabilities:											
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 liabilities	-	-	-	-	1,037.70	686.33	425.76	864.55	-	-	3,014.34

* 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 and relied upon by the auditors.

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Note : 52.14

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, 2023

₹ 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, 2023*	Loss Allowances (Provisions) as required under Ind AS 109 as on March 31, 2023*	Net Carrying Amount as on March 31, 2023	Provisions required as per IRACP norms as on 31, 2023	Difference between Ind AS 109 provisions and IRACP norms as on 31, 2023
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	66,707.56	1,926.89	64,780.67	262.85	1,664.04
	Stage 2	5,253.81	856.28	4,397.53	372.83	483.46
Subtotal of Performing Assets		71,961.37	2,783.17	69,178.20	635.68	2,147.50
Non-Performing Assets (NPA)						
Substandard and Doubtful	Stage 1	84.40	1.24	83.16	9.84	(8.60)
Substandard and Doubtful	Stage 2	564.54	42.34	522.20	55.79	(13.44)
Substandard	Stage 3	1,707.52	1,266.01	441.51	160.40	1,105.61
Doubtful - up to 1 year	Stage 3	2,031.24	1,298.12	733.11	484.00	814.13
1 to 3 years	Stage 3	85.57	81.58	3.99	27.87	53.70
More than 3 years	Stage 3	7.60	7.60	-	3.86	3.74
Subtotal of Non-Performing Assets		4,480.87	2,696.90	1,783.97	741.76	1,955.14
Loss	Stage 3	-	-	-	-	-
Subtotal		76,442.24	5,480.07	70,962.17	1,377.44	4,102.64
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	260.05	0.97	259.07	-	0.97
	Stage 2	-	-	-	-	-
	Stage 3	6.00	0.60	5.40	-	0.60
Subtotal		266.05	1.57	264.47	-	1.57
Total	Stage 1	67,052.00	1,929.10	65,122.90	272.69	1,656.41
	Stage 2	5,818.35	898.63	4,919.73	428.61	470.02
	Stage 3	3,837.93	2,653.91	1,184.01	676.13	1,977.78
	Total	76,708.28	5,481.64	71,226.64	1,377.43	4,104.21

* includes fair valuation impact on 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 ₹ 4,104.21 crore as compare to IRACP, hence appropriation to impairment reserve is not required.

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Note : 52.14

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, 2021
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 fair valuation impact on loans classified as Fair value through Profit & Loss (FVTPL).

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Note : 52.15

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, 2023		As at March 31, 2022	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a) Debentures :				
- Secured	23,331.91	-	28,327.60	-
- Unsecured	2,798.48	-	3,297.59	-
(Other than falling within the meaning of Public Deposits)*				
(b) Deferred Credits				
(c) Term Loans	26,317.04	-	18,746.60	-
(d) Inter-Corporate Loans and borrowings	2,357.71	-	1,037.59	-
(e) Commercial Paper (Net off unexpired discounting charges)	7,426.45	-	6,338.01	-
(f) Public Deposits	-	-	-	-
(g) Other Loans	-	-	-	-
i) Foreign Currency Loan	-	-	-	-
ii) External commercial borrowings	1,802.52	-	4,121.00	-
iii) Bank Overdraft, Cash credit & Working Capital Demand Loan	15,515.56	-	16,451.21	-
iv) Corporate Bond Repo and Collateralized Borrowing and Lending Obligation	499.47	-	-	-

* 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, 2023		As at March 31, 2022	
	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, 2023	As at March 31, 2022
(a) Secured (net of provision)	46,077.93	62,396.27
(b) Unsecured (net of provision)	24,882.67	15,132.79

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, 2023	As at March 31, 2022
(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	-	-

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5. Break-up of Investments (net off diminution) :

₹ in crore

Particulars		Amount Outstanding	
		As at March 31, 2023	As at March 31, 2022
Current Investments			
1 Quoted			
(i) Shares :			
(a) Equity	40.32	158.39	
(b) Preference	-	-	
(ii) Debentures and Bonds	560.29	729.31	
(iii) Units of Mutual Funds	4,504.90	665.94	
(iv) Government Securities	-	-	
2 Unquoted			
(i) Shares :			
(a) Equity	-	-	
(b) Preference	-	-	
(ii) Debentures and Bonds	-	-	
(iii) Units of Mutual Funds	-	-	
(iv) Government Securities	2,010.69	1,323.28	
(v) Investment in Units/Pass Through Certificates	0.90	0.91	
Long Term Investments			
1 Quoted			
(i) Shares :			
(a) Equity	-	-	
(b) Preference	-	-	
(ii) Debentures and Bonds	-	-	
(iii) Units of Mutual Funds	-	-	
(iv) Government Securities	-	-	
(v) Others	-	-	
2 Unquoted			
(i) Shares :			
(a) Equity	819.82	875.95	
(b) Preference	-	-	
(ii) Debentures and Bonds	105.83	413.46	
(iii) Units of Mutual Funds	-	-	
(iv) Government Securities	-	-	
(v) Others :			
(a) Security receipts	6,131.04	4,886.23	
(b) Investment in Units/Pass Through Certificates/Venture Capital Fund	138.75	250.48	

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, 2023		As at March 31, 2022	
		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		46,077.93	24,882.67	62,396.27	15,132.79
Total		46,077.93	24,882.67	62,396.27	15,132.79

**** 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, 2023		As at March 31, 2022	
		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	762.05	762.05	702.64	702.64	
(b) Companies in the same group	-	-	-	262	-
(c) Other related parties	-	-	-	-	-

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2	Other than related parties	13,557.55	13,550.48	8,608.38	8,601.31
	Total	14,319.60	14,312.53	9,311.02	9,303.95

**** As per Indian Accounting Standard issued by MCA (Please see footnote 3)**

8. Other Information

₹ in crore

Particulars		As at March 31, 2023	As at March 31, 2022
(i)	Gross Non-Performing Assets	4,480.87	3,542.59
	(a) Related parties	-	-
	(b) Other than related parties	4,480.87	3,542.59
(ii)	Net Non-Performing Assets	1,783.37	1,677.72
	(a) Related parties	-	-
	(b) Other than related parties	1,783.37	1,677.72
(iii)	Assets acquired in satisfaction of debt (Gross)	1,180.34	1,368.97

Footnotes:

- As defined in point xxvii of paragraph 3 of Chapter -II of these Directions.
- Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
- 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: 53 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/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 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.

1) Exposure to real estate sector		₹ in crore	
Category	As at March 31, 2023	As at March 31, 2022	
i) Direct exposure			
a) Residential Mortgages –	13,259.17	10,757.47	
b) Commercial Real Estate –	6,630.73	12,087.03	
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –	-	-	
i. Residential	4,399.29	3,720.81	
ii. Commercial Real Estate	726.16	217.16	
ii) Indirect Exposure	43.06	43.18	
Total Exposure to Real Estate Sector	25,058.41	26,825.65	

2) Exposure to capital Market		₹ in crore	
Particulars	As at March 31, 2023	As at March 31, 2022	
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	1,837.60	1,762.01	
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	-	-	
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) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-	
ix) Financing to stockbrokers for margin trading	-	-	
x) All exposures to Alternative Investment Funds:			
(i) Category I	251.89	256.34	
(ii) Category II	17.77	38.82	
(iii) Category III	-	-	
(xi) all exposures to Venture Capital Funds (both registered and unregistered)	3.21	3.18	
(xii) Others	0.90	0.91	
Total exposure to capital market	2,111.37	2,061.27	

3) Sectoral exposure

Sectors	As at March 31, 2023			As at March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ in crore)	Gross NPAs (₹ in crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ in crore)	Gross NPAs (₹ in crore)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	12,869.89	926.98	7.20%	11,316.53	435.14	3.85%
2. Industry						
i. Electricity Generation	7,352.74	-	0.00%	18,222.43	-	0.00%
ii. Roads	1,892.95	-	0.00%	5,653.05	336.82	1.30%
Others	971.55	118.51	1.16%	1,942.59	7.28	0.03%
Total-Industry (i+ii+others)	10,217.24	118.51	1.16%	25,818.07	344.10	1.33%
3. Services						
i. Commercial Real Estate	5,950.88	1,634.95	25.98%	11,382.15	1,527.50	13.42%
ii. Others	341.27	-	0.00%	-	-	0.00%
Total of Services (i+ii)	6,292.15	1,634.95	25.98%	11,382.15	1,527.50	13.42%
4. Personal Loans	5,615.41	201.01	3.58%	2,301.46	33.56	1.46%
5. Others						
i. Housing Loans	11,461.94	231.74	2.02%	8,784.93	192.76	2.19%
ii. Vehicle Loans	8,960.56	453.40	5.06%	7,461.83	359.34	4.82%
iii. Micro Finance Loans	1,966.12	2.17	0.11%	-	-	-
iv. Loans Against Property	2,762.59	154.88	5.61%	2,897.27	117.10	4.04%
v. Business Loans	538.00	2.27	0.42%	61.49	-	-
vi. Micro Loans	16,807.31	760.89	4.53%	13,276.41	589.10	4.44%
Total of Others (i+ii+iii+iv+v+vi)	42,496.51	1,605.35	3.78%	32,481.94	1,258.30	3.87%

4) Intra-group exposures

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
i)	Total amount of intra-group exposures	-	-
ii)	Total amount of top 20 intra-group exposures	-	-
iii)	Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	-	-

5) Unhedged foreign currency exposure

There is no Unhedged foreign currency exposure as at March 31, 2023. (Previous year NIL)

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6. The following additional information is disclosed in the terms of Scale bases regulations issued by Reserve Bank of India vide circular no. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 as amended (the "Scale Based Directions").

i) Related Party Transactions during the year

(₹ in crore)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel ¹		Relatives of Key Management Personnel ¹		Others ²		Total	
Items	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Borrowings														
1) Inter corporate deposits borrowed														
a) L&T Finance Holdings Limited	6,085.58	2,060.86	-	-	-	-	-	-	-	-	-	-	6,085.58	2,060.86
b) L&T Investment Management Limited	-	-	-	451.29	-	-	-	-	-	-	-	-	-	451.29
c) L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	-	-	1,393.27	-	-	-	-	-	-	-	-	-	1,393.27	-
2) Inter corporate deposits repaid														
a) L&T Finance Holdings Limited	4,746.08	2,115.66	-	-	-	-	-	-	-	-	-	-	4,746.08	2,115.66
b) L&T Investment Management Limited	-	-	-	451.29	-	-	-	-	-	-	-	-	-	451.29
c) L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	-	-	1,393.27	-	-	-	-	-	-	-	-	-	1,393.27	-
Deposits														
Placement of deposits														
Advances (Net asset transfer)														
a) L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	-	-	4,661.72	-	-	-	-	-	-	-	-	-	4,661.72	-
Investments														
a) L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	-	-	168.54	-	-	-	-	-	-	-	-	-	168.54	-
b) L&T Infra Investment Partners Fund	-	-	(4.31)	4.23	-	-	-	-	-	-	-	-	(4.31)	4.23
Purchase of fixed/other assets														
Sale of fixed/other assets														
Interest paid														
a) L&T Finance Holdings Limited	141.04	47.67	-	-	-	-	-	-	-	-	-	-	141.04	47.67
b) L&T Investment Management Limited	-	-	-	-	-	-	-	-	-	-	-	12.53	-	12.53
c) L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	-	-	16.16	-	-	-	-	-	-	-	-	-	16.16	-
Interest received														
Equity Capital Infused (including share premium)														
a) L&T Finance Holdings Limited	1,980.00	-	-	-	-	-	-	-	-	-	-	-	1,980.00	-
Others	113.71	201.86	12.08	(2.91)	-	-	9.95	9.90	-	-	37.72	25.85	173.46	234.70

1. Includes transaction with directors amounting to ₹ 4.93 Crore (previous year: ₹ 6.10 Crore). There is no transaction with relative of directors during the current and previous year.

2. Transactions with Fellow Subsidiary Companies

ii) Related Party Balances - At the end of the year

(₹ in crore)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Borrowings														
a) L&T Finance Holdings Limited	2,357.71	1,037.59	-	-	-	-	-	-	-	-	-	-	2,357.71	1,037.59
b) Larsen & Toubro Limited	994.16	1,065.04	-	-	-	-	-	-	-	-	-	-	994.16	1,065.04
c) L&T Infra Credit Limited (Formerly L&T Infra Debt Fund Limited)	72.03	-	-	-	-	-	-	-	-	-	-	-	72.03	-
d) L&T Technology Services	25.10	-	-	-	-	-	-	-	-	-	-	-	25.10	-
Deposits														
Placement of deposits														
Advances														
Investments														
a) L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited)	-	-	646.80	478.26	-	-	-	-	-	-	-	-	646.80	478.26
b) L&T Infra Investment Partners Advisory Private Limited	-	-	5.00	5.00	-	-	-	-	-	-	-	-	5.00	5.00
c) L&T Infra Investment Partners Trustee Private Limited	-	-	0.10	0.10	-	-	-	-	-	-	-	-	0.10	0.10
d) L&T Infra Investments Partner Fund	-	-	110.15	219.28	-	-	-	-	-	-	-	-	110.15	219.28

iii) Maximum related party outstanding during the year

(₹ in crore)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Borrowings														
a) Larsen & Toubro Limited	1,025.38	1,025.38	-	-	-	-	-	-	-	-	-	-	1,025.38	1,025.38
b) LTIMindtree Limited (formerly known as Larsen & Toubro Infotech Limited)	-	-	-	-	-	-	-	-	-	-	144.60	-	144.60	-
c) L&T Technology Services	-	-	-	-	-	-	-	-	-	-	115.00	-	115.00	-
Deposits														
a) L&T Finance Holdings Limited	4,493.66	1,037.59	-	-	-	-	-	-	-	-	-	-	4,493.66	1,037.59
b) L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited)	735.27	-	-	-	-	-	-	-	-	-	-	-	735.27	-
Placement of deposits														
Advances														
Investments														
a) L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited)	-	-	646.80	478.26	-	-	-	-	-	-	-	-	646.80	478.26
b) L&T Infra Investment Partners Advisory Private Limited	-	-	5.00	5.00	-	-	-	-	-	-	-	-	5.00	5.00
c) L&T Infra Investment Partners Trustee Private Limited	-	-	0.10	0.10	-	-	-	-	-	-	-	-	0.10	0.10
d) L&T Infra Investments Partner Fund	-	-	219.28	219.28	-	-	-	-	-	-	-	-	219.28	219.28

7. Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022
	Complaints received by the NBFC from its customers		
1.	Number of complaints pending at beginning of the year	233	28
2.	Number of complaints received during the year	22,971	10,807
3.	Number of complaints disposed during the year	21,493	10,602
3.1	Of which, number of complaints rejected by the NBFC	-	-
4.	Number of complaints pending at the end of the year	1,711	233
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5.*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	463	174
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	438	174
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	17	3
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against	NA	NA
6.*	Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA
Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.			
* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021			

2) Top five grounds of complaints received by the NBFCs from customers					
Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
As at March 31, 2023					
Payment & Refund	21	5,605	31%	202	79
Credit Report	67	3,706	95%	147	31
SMS/Calls Related	49	3,428	66%	391	68
Sourcing Related	18	2,934	161%	293	218
Collection related	31	1,184	51%	92	33
Others	47	6,114	845%	586	323
Total	233	22,971	113%	1,711	752
Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year*	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
As at March 31, 2022					
Payment & Refund	5	4282	NA	21	0
Credit Report	2	1901	NA	67	0
SMS/Calls Related	0	2071	NA	49	0
Sourcing Related	1	1122	NA	18	1
Collection related	4	784	NA	31	0
Others	16	647	NA	47	0
Total	28	10,807	NA	233	1

*Note : The complaints have been re-categorised during FY 21-22, hence FY 20-21 numbers are not comparable.

8. Corporate Governance

1) Breach of Covenant

During the year ended March 31, 2023, there is no instance of breach of covenant of loan availed or debt securities issued (applicable if any) by the company

2) Divergence in Asset Classification and Provisioning

a) the additional provisioning requirements assessed by RBI exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for financial year 2022-23 : Nil

b) the additional Gross NPAs identified by RBI exceeds 5 percent of the reported Gross NPAs for financial year 2022-23 : Nil

L&T Finance Limited
Notes forming part of the standalone financial statements

Note : 54 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 no 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 note 55)
- (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 obtained 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 March 31, 2023 pending with ROC beyond the statutory period.

L&T Finance Limited
Notes forming part of the standalone financial statements

- Note : 55** The Board of Directors of the Company has, in its meeting dated January 13, 2023, approved the proposed amalgamation of the Company, L&T Infra Credit Limited and L&T Mutual Fund Trustee Limited with L&T Finance Holdings Limited, with appointed date of April 1, 2023, by way of merger by absorption pursuant to a scheme of arrangement under the provisions of Sections 230 – 232 read with Section 52 and other relevant provisions of the Companies Act, 2013 (including the rules thereunder), subject to, inter alia, the sanction of the National Company Law Tribunal (“NCLT”) and other regulatory approvals, as may be required. The Reserve Bank of India, BSE Limited and National Stock Exchange of India limited have conveyed that they have no objection to the proposed amalgamation.
- Note : 56** Previous year figures have been regrouped/reclassified whenever necessary, to make them comparable with the current year figures.
- Note : 57** The above financial statements have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on April 28, 2023.

For and on behalf of the board of directors of
L&T Finance Limited

Sd/-

Dinanath Dubhashi
Chairperson
DIN : 03545900

Sd/-

Keshav Loyalka
Head Accounts
Chief Financial Officer

Sd/-

Apurva Rathod
Company Secretary

Place : Mumbai
Date : April 28, 2023

L&T INFRA CREDIT LIMITED
(Formerly known as L&T Infra Debt Fund Limited)

AUDITED FINANCIAL STATEMENTS
As at March 31, 2023

INDEPENDENT AUDITORS' REPORT

To the Members of L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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 (financial position) as at March 31, 2023, and its loss, total comprehensive income (financial performance), its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the 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 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 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 financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Audit Procedures
<p>Valuation of Financial Assets comprising Loans and Advances</p> <p>Pursuant to the change in Business model of the Company, the Company has revised its measurement principles for Loans and Advances granted by the Company from Amortised Cost to Fair Valuation through Profit and Loss in terms of Ind AS 109.</p> <p>The Company accordingly reclassified its Loans and Advances prospectively wef 1st October 2022 and thereafter to fair value through Profit and Loss (FVTPL). The impact of the same has been disclosed as an exceptional item in the Financial Statements</p> <p>The fair valuation for such Loans and Advances has been carried out by the management in accordance with Ind AS 113. The key estimates and judgements involved in the fair valuation assessment of the Loans and Advances include:</p> <ul style="list-style-type: none"> • Forecast cash flows including assumptions on growth rates • Discount rates • Marketability <p>The accounting for Loans and Advances granted by the Company is a Key Audit Matter as the determination of recoverable value for fair valuation involves significant management judgement and estimates.</p>	<p>Our Audit procedures included:</p> <p>Obtaining an understanding of the Company's rationale for reclassification of loans and advances and its compliance with Ind AS 109 and the governance framework approved by the Board of Directors.</p> <p>Performing end to end process walkthroughs to identify the key systems, applications and controls used in the fair valuation processes;</p> <p>Reviewing the fair valuation reports of an Independent valuer, provided by the management;</p> <p>Evaluation of the reasonableness of the assumptions considered for the fair valuation by the Management considering the factors such as expected cash flows, discount rates used, adjustments with respect to marketability;</p> <p>Evaluating and confirming the disclosure of impact of reclassification of Loans as exceptional items in terms of Guidance Note on Schedule III Div III, considering the same to be non-recurring nature and in order to assist users in understanding the financial performance of the Company;</p> <p>Reviewing the adjustments and disclosures made by the Company in the financial statements.</p>

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 Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Management and Board of Directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these 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 accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 financial statement 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 financial statements by the Board of Directors of the Company, as aforesaid.

In preparing the 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 controls 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 with reference to financial statements 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act,

we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, 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.
 - c) The Balance Sheet, the Statement of Profit and Loss including the statement of 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 financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) Based on the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to the financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.
 - g) 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 does not have any pending litigations which would impact its financial position.
 - 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.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to/or in any person or entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
 - d) Dividend declared and paid by the Company during the year on Preference shares is in compliance with section 123 of the Act.
 - e) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023
3. 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, remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No: 101961W/W – 100036

Sd/-

Hiren Shah
Partner
Membership No. 100052
UDIN: 23100052BGVTTY3944
Place: Mumbai
Date: April 26, 2023

ANNEXURE 1 TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory requirements' in the Independent Auditor's Report of even date to the members of L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited) ("the Company") on the financial statements for the year ended March 31, 2023]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that;

- i.
 - a)
 - A) The Company does not hold any Property, Plant and Equipment and accordingly, clause 3(i)(a)(A) is not applicable;
 - B) The Company is maintaining proper records showing full particulars of intangible assets.
 - b) The Company does not hold any Property, Plant and Equipment and accordingly, clause 3(i)(b) is not applicable;
 - c) The Company does not hold any immovable property and accordingly, clause 3(i)(c) is not applicable;
 - d) The Company has not revalued any of its Intangible assets during the year;
 - e) As disclosed in note 48(c) and as confirmed by us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- ii.
 - a) The Company is a service company primarily engaged in lending business and accordingly, reporting under clause 3(ii)(a) is not applicable;
 - b) The Company does not have any working capital limit which has been sanctioned and accordingly reporting under clause 3(ii)(b) is not applicable;
- iii. During the year, the Company has granted loans to Companies. The Company has not granted any loans or advances in the nature of loans to firms, Limited Liability Partnerships, or other Parties. The Company has not made investment in, provided any guarantee or security to companies, firms, Limited Liability Partnerships, or other Parties during the year;
 - a) Since the principal business of the company is to give loans, reporting under clause 3(iii)(a) is not applicable;
 - b) Based on our verification and the Information and explanations provided to us by the Management of the Company, the terms and conditions of grant of loans are not prima facie prejudicial to the interest of the Company. The Company has not made investment in, provided any guarantee or security to companies, firms, Limited Liability Partnerships, or other Parties during the year;
 - c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have been regular as per stipulation; [For the purpose of the above disclosure, the Company has considered modified repayment schedule and terms of Interest pursuant to the resolution plan approved by NCLAT in case of one borrower]
 - d) In respect of the loans granted by the Company, there are no amounts overdue for more than ninety days;

- e) Since the principal business of the Company is to give loans, reporting under clause 3(iii)(e) is not applicable;
 - f) The Company has not granted any loans or advances in the nature of loan either repayable on demand or without specifying any terms or period of repayment to Promoters, related parties as defined in clause (76) of section 2 of the Act;
- iv. The Company has complied with the provisions of Section 185 and 186 of the Act, in respect of grant of loans, making investments and providing guarantees and securities, as applicable;
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits to which directives issued by the RBI and the provisions of sections 73 to 76 or any other relevant provisions of the Act and rules made thereunder apply. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company;
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable;
- vii. The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues applicable to it. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company;
 - a) There were no undisputed amounts payable in respect of goods and services tax, provident fund, income-tax, cess and other statutory dues, outstanding at the year end, for a period of more than six months from the date they became payable. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company;
 - b) There were no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes;
- viii. As disclosed by the management in note 48(d) and verified by us there are no unrecorded transactions which have been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961;
- ix.
 - a) During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
 - b) As disclosed by the management in note 48(e) and as confirmed by us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;
 - c) During the year Company has not availed any term loans and hence reporting under clause 3(ix)(c) is not applicable;
 - d) On an overall examination of the financial statements of the Company and according to the information and explanations given by the Management, we report that no funds raised on short-term basis have been used for long-term purposes by the Company;
 - e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clauses 3(ix)(e) is not applicable to the Company;

- f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(f) is not applicable to the Company;
- x.
 - a) During the year Company has not raised money by way of initial public offer / further public offer (including debt instruments) and hence reporting under the clause 3(x)(a) of the Order is not applicable;
 - b) The Company has complied with the provisions of Section 62 of the Act with respect to the Rights issue of shares made by the Company during the year. In our opinion and according to the information and explanations given to us by the Management, the funds raised from the aforesaid Rights issue have been utilised for the purpose for which they were raised;
- xi.
 - a) We report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year;
 - b) No report under sub section (12) of section 143 of the Act has been filed in the form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with central government during the year and up to the date of this report;
 - c) As informed by the management, there were no whistle blower complaints received by the Company during the year;
- xii. The Company is not a Nidhi company and hence the reporting under clause 3(xii) of the order is not applicable to the Company;
- xiii. In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards;
- xiv.
 - a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business;
 - b) We have considered the internal audit reports of the Company issued till date, for the period under the audit;
- xv. During the year, the Company has not entered any non-cash transactions with its directors or persons connected with its directors and hence provision of section 192 of the Companies Act, 2013 are not applicable to the Company;
- xvi.
 - a) The Company had obtained registration as required under section 45IA of the Reserve Bank of India Act, 1934 as Infrastructure Debt Fund – Non Banking financial Company (IDF – NBFC). However, during the previous year, due to merger of Company's sponsor i.e. L&T Infrastructure Finance Company Limited ("LTIFC") with L&T Finance Limited ("LTFL"), Company lost its status as IDF – NBFC. Consequently, the Company had applied to Reserve Bank of India ("RBI") on June 11, 2021 for conversion of its status from IDF – NBFC to Investment Credit Company NBFC (NBFC-ICC). The Company received the Certificate of Registration as NBFC-ICC on June 22, 2022;

- b) The Company has not conducted any Non-Banking financial or Housing Finance Activities without a valid certificate of registration (CoR) from RBI as per The Reserve Bank of India Act, 1934;
 - c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly reporting under clause xiv(c) of the Order is not applicable;
 - d) There is one CICs as part of the Larsen & Toubro Limited Group;
- xvii. Based on overall examination of financial statements, the Company has not incurred cash losses in the current financial year and immediately preceding financial year;
- xviii. There has been no resignation of Statutory Auditors during the year;
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due”;
- xx. As disclosed by management in note 39 of the financial statements and as verified by us, the gross amount required to be spent by Company towards Corporate Social Responsibility (CSR) during the year has been duly spent during the year hence reporting under clause 3(xx)(a) and clause 3(xx)(b) of the Order is not applicable.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No: 101961W/W – 100036

sd/-

Hiren Shah
Partner
Membership No. 100052
UDIN: 23100052BGVTTY3944
Place: Mumbai
Date: April 26, 2023

ANNEXURE 2 to the Independent Auditor's Report of even date on Financial Statements of L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE I OF SUBSECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting L&T Infra Credit Limited (formerly known as L&T Infra Debt Finance Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the 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 the 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 with reference to these financial statements 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") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to these financial statements 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 over financial reporting with reference to these financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

A Company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements 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 WITH REFERENCE TO THESE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2023, 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.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No: 101961W/W – 100036

sd/-

Hiren Shah

Partner

Membership No. 100052

UDIN: 23100052BGVTTY3944

Place: Mumbai

Date: April 26, 2023

L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)
Balance Sheet as at March 31, 2023

(₹ in crore)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	2	1,178.10	534.91
(b) Bank balance other than (a) above	3	632.68	1,114.87
(c) Receivables	4		
(i) Trade receivables		-	9.32
(ii) Other receivables		38.88	-
(d) Loans	5	4,193.95	4,940.38
(e) Investments	6	558.63	2,508.07
(f) Other financial assets	7	0.66	1.17
2 Non-financial assets			
(a) Current tax assets (net)	8	99.76	72.54
(b) Deferred tax assets (net)	9	59.16	8.33
(c) Intangible assets under development	10	0.09	0.02
(d) Other intangible assets	11	0.16	0.26
(e) Other non-financial assets	12	0.61	1.20
Total Assets		6,762.68	9,191.07
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial liabilities			
(a) Payables - Trade payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1.52	3.47
(b) Payables - 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		-	-
(c) Debt securities	14	5,347.02	7,528.49
(d) Subordinated liabilities	15	-	285.91
(e) Other financial liabilities	16	1.41	1.39
2 Non-financial liabilities			
(a) Current tax liabilities (net)	17	-	28.77
(b) Provisions	18	0.37	0.92
(c) Other non-financial liabilities	19	1.02	1.74
3 Equity			
(a) Equity share capital	20	571.63	490.18
(b) Other equity	21	839.71	850.20
Total Liabilities and Equity		6,762.68	9,191.07
Significant accounting policies	1		
See accompanying notes forming part of the financial statements	2-53		

In terms of our report of even date.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No : 101961W/W-100036

sd/-

Hiren Shah

Partner

Membership No : 100052

For and on behalf of the Board of Directors of

L&T Infra Credit Limited

(Formerly known as L&T Infra Debt Fund Limited)

sd/-

Dinanath Dubhashi

Director

(DIN : 03545900)

sd/-

Rupa Rege Nitsure

Whole-time Director

(DIN : 07503719)

sd/-

Manish Jethwa

Chief Financial Officer

sd/-

Savita Kodain

Company Secretary

Place : Mumbai

Date : April 26, 2023

Place : Mumbai

Date : April 26, 2023

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L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)
Statement of Profit and Loss for the year ended March 31, 2023

(₹ in crore)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations			
(i) Interest income	22	641.13	711.02
(ii) Fees and commission income	23	1.24	11.70
(iii) Net gain on fair value changes	24	43.10	6.21
(I) Total revenue from operations		685.47	728.93
(II) Other income	25	-	2.25
(III) Total income (I + II)		685.47	731.18
Expenses			
(i) Finance costs	26	601.04	662.69
(ii) Impairment on financial instruments	27	12.77	31.83
(iii) Net loss on derecognition of financial instruments under amortised cost category	28	0.03	-
(iv) Employee benefits expenses	29	5.62	10.23
(v) Depreciation, amortization and impairment	30	0.12	0.08
(vi) Other expenses	31	10.22	15.35
(IV) Total expenses		629.80	720.18
(V) Profit before exceptional items and tax (III - IV)		55.67	11.00
(VI) Exceptional items (refer note 52)		237.00	-
(VII) Profit/(Loss) before tax (V-VI)		(181.33)	11.00
(VIII) Tax expense			
Current Tax	32	15.87	15.44
Deferred tax	32	(50.18)	(8.55)
(IX) Net Profit/(Loss) after tax for the year (VII-VIII)		(147.02)	4.11
(X) Other comprehensive income			
A.			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the net defined benefit Plans		0.12	0.05
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.03)	(0.01)
Subtotal (A)		0.09	0.04
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		(2.68)	0.83
(ii) Income tax relating to items that will be reclassified to profit or loss		0.67	(0.21)
Subtotal (B)		(2.01)	0.62
Total Other comprehensive income for the year (A+B)		(1.92)	0.66
(XI) Total comprehensive income for the year (IX + X)		(148.94)	4.77
(XII) Earnings per equity share			
(1) Basic (₹)	37	(2.89)	0.08
(2) Diluted (₹)	37	(2.89)	0.08
Significant accounting policies	1		
See accompanying notes forming part of the financial statements	2-53		

In terms of our report of even date.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No : 101961W/W-100036

sd/-

Hiren Shah

Partner

Membership No : 100052

For and on behalf of the Board of Directors of

L&T Infra Credit Limited

(Formerly known as L&T Infra Debt Fund Limited)

sd/-

Dinanath Dubhashi

Director

(DIN : 03545900)

sd/-

Rupa Rege Nitsure

Whole-time Director

(DIN : 07503719)

sd/-

Manish Jethwa

Chief Financial Officer

sd/-

Savita Kodain

Company Secretary

Place : Mumbai

Date : April 26, 2023

Place : Mumbai

Date : April 26, 2023

L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)
Statement of cash flows for the year ended March 31, 2023

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A Cash flow from operating activities:		
Profit before tax	(181.33)	11.00
Adjustments for :		
Depreciation and Amortisation expense	0.12	0.08
Exceptional items	237.00	-
Impairment on financial instruments	12.77	31.83
Provision for gratuity	0.09	0.13
Net loss on derecognition of financial instruments under amortised cost category	0.03	-
Net gain on fair value changes of financial instruments	(43.10)	(6.21)
Operating profit before working capital changes	25.58	36.83
Changes in working capital:		
Other financial assets	0.51	(0.28)
Other non financial assets	0.59	1.57
Trade and other receivables	(29.56)	(9.31)
Trade payable	(1.95)	(2.10)
Other financial liabilities	(83.52)	14.38
Provision	(0.61)	(0.25)
Other non financial liabilities	(0.72)	1.09
Cash (used in) / generated from operations	(89.68)	41.93
Net income tax paid	(71.87)	(81.25)
Loans disbursed (net of repayments)	523.85	3,463.78
Net cash generated from operating activities (A)	362.30	3,424.46
B Cash flow from investing activities		
Proceed from sale / (purchase) of short term investments	2,152.71	(2,342.17)
Purchase of long term investments	(190.00)	-
Expenditure on other intangible assets and intangible assets under development	(0.09)	(0.31)
Change in bank balances not available for immediate use	482.19	(1,114.87)
Net cash generated from / (used in) investing activities (B)	2,444.81	(3,457.35)
C Cash flow from financing activities		
Proceeds from issue of equity shares	219.92	-
Repayment of borrowings	(2,383.84)	(666.96)
Net cash used in financing activities (C)	(2,163.92)	(666.96)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	643.19	(699.85)
Cash and cash equivalents at beginning of the year	534.91	1,234.76
Cash and cash equivalents at end of the year	1,178.10	534.91
Net (decrease)/increase in cash and cash equivalents	643.19	(699.85)
Significant accounting policies	1	
See accompanying notes forming part of the financial statements	2-53	

Note:

- 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.
- Net cash generated from operating activity is determined after adjusting the following :

Interest received	672.75	746.70
Interest / Dividend paid	683.07	672.80
- Previous year's figures have been regrouped/reclassified wherever applicable.

In terms of our report of even date.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No : 101961W/W-100036

sd/-

Hiren Shah

Partner

Membership No : 100052

For and on behalf of the Board of Directors of

L&T Infra Credit Limited

(Formerly known as L&T Infra Debt Fund Limited)

sd/-

Dinanath Dubhashi

Director

(DIN : 03545900)

sd/-

Rupa Rege Nitsure

Whole-time Director

(DIN : 07503719)

sd/-

Manish Jethwa

Chief Financial Officer

sd/-

Savita Kodain

Company Secretary

Place : Mumbai

Date : April 26, 2023

Place : Mumbai

Date : April 26, 2023

L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)
Statement of changes in equity for the year ended March 31, 2023

A. Equity share capital

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	49,01,80,214	490.18	49,01,80,214	490.18
Add: Shares issued during the year	8,14,50,000	81.45	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	57,16,30,214	571.63	49,01,80,214	490.18

B. Other Equity

(₹ in crore)

Particulars	Reserves and Surplus						Total
	Securities premium reserve	Capital redemption reserve	Reserve u/s 45 1C of RBI Act 1934	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Impairment reserve	Retained earnings	
Balance as at April 01, 2021	133.83	-	147.97	-	23.42	540.21	845.43
Profit for the year	-	-	-	-	-	4.11	4.11
Actuarial gain/(loss) on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	0.04	0.04
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	0.62	0.62
Total comprehensive income for the year	-	-	-	-	-	4.77	4.77
Transfer from retained earnings	-	33.10	0.82	10.93	-	(44.85)	-
Balance as at March 31, 2022	133.83	33.10	148.79	10.93	23.42	500.13	850.20
Balance as at April 01, 2022	133.83	33.10	148.79	10.93	23.42	500.13	850.20
Profit /(loss) for the year	-	-	-	-	-	(147.03)	(147.03)
Securities premium on Issue of equity shares	138.46	-	-	-	-	-	138.46
Actuarial gain/(loss) on defined benefit plan (gratuity) (net of tax)	-	-	-	-	-	0.09	0.09
Other Comprehensive income for the year (net of tax)	-	-	-	-	-	(2.01)	(2.01)
Total comprehensive income for the year	272.29	33.10	148.79	10.93	23.42	351.18	839.71
Transfer from retained earnings	-	35.75	-	8.00	-	(43.75)	-
Balance as at March 31, 2023	272.29	68.85	148.79	18.93	23.42	307.43	839.71

Significant accounting policies

1

See accompanying notes forming part of the financial statements

2-53

In terms of our report of even date.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No : 101961W/W-100036

For and on behalf of the Board of Directors of

L&T Infra Credit Limited

(Formerly known as L&T Infra Debt Fund Limited)

sd/-

Hiren Shah

Partner

Membership No : 100052

sd/-

Dinanath Dubhashi

Director

(DIN : 03545900)

sd/-

Rupa Rege Nitsure

Whole-time Director

(DIN : 07503719)

sd/-

Manish Jethwa

Chief Financial Officer

sd/-

Savita Kodain

Company Secretary

Place : Mumbai

Date : April 26, 2023

Place : Mumbai

Date : April 26, 2023

L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)
Notes forming part of the financial statements for the year ended March 31, 2023

Brief Profile:

L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited) (the “Company”) has been incorporated under the Companies Act, 1956 on March 19, 2013 to carry out the business of a specialised financial institution classified as an Infrastructure Debt Fund – Non-Banking Financial Company (IDF-NBFC) under the Infrastructure Debt Fund – Non-Banking Financial Companies (Reserve Bank) Directions, 2011 of the Reserve Bank of India (“RBI”). The Company received the certificate of registration (“CoR”) from RBI as an IDF-NBFC on October 21, 2013. The Company falls under the overall categorisation as a systemically important non deposit taking NBFC (NBFC-ND-SI) and operates under RBI’s Master Directions for NBFC-ND-SIs, as applicable to IDF NBFCs, updated from time to time.

Pursuant to order of National Company Law Tribunal Benches, Mumbai and Kolkata dated March 15, 2021 and March 19, 2021 respectively, the scheme of amalgamation for merger of LTIFC and LTHFC with LTFL became effective from April 12, 2021 with appointed date being April 01, 2020. Prior to the merger, LTIFC was the sponsor of the Company (erstwhile L&T Infra Debt Fund Limited). Consequent to the merger of the sponsor (i.e., LTIFC with LTFL), the Company is no longer eligible to be regarded as NBFC-IDF. The Company has received the certification of registration dated June 22, 2022 as NBFC – ICC from the Reserve Bank of India.

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 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) and the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied.

1.2. Basis of preparation:

The financial statements have been prepared on historical cost basis except for certain financial instruments that are measured at fair values as 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, 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 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 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. Financial instruments:

Financial assets and financial liabilities are recognised in the 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 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 business model(s) (as may be permitted by RBI from time to time) 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. 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 also considers 3 Scenarios – Pessimistic, Base Case and Optimistic Scenarios during such assessment. 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).

L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)
Notes forming part of the financial statements for the year ended March 31, 2023

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 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 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.

(d) Debt instruments at amortised cost or at fair value through other comprehensive income (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. 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

All financial liabilities including borrowings are measured at amortised cost using Effective Interest Rate (EIR) method. A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

1.5. Impairment:

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;
- 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 unlikelihood to pay indicators and a back stop if amounts are overdue for more than 90 days. The 90 days 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. 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 assets unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial asset.

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. 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.

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, issued irrevocable loan commitments 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 PD will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

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 or guarantor if applicable, 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. 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 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.

1.8. Presentation of allowance for ECL in the Balance Sheet:

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.

1.9. 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 being received.

(i) Interest income

Interest income for all financial instruments is recognised as 'interest income' in the Statement of Profit and Loss using the effective interest rate method (EIR).

The calculation of the EIR includes fee income 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)).

(ii) Fee and commission income

Fee income is recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based the requirement of Ind AS 115 unless included in the EIR. The fees included in this part of the statement of profit and loss include other 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 advisory fee.

(iii) Net gain or fair value change

Any differences between the fair values of 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 case there is a net gain in the aggregate, the same is recognised in “Net gains on fair value changes” under Revenue from operations and if there is a net loss the same is disclosed under “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 are recognised in the statement of Profit and Loss account. Interest income on financial assets held at FVTPL are part of interest income.

(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.

1.10. Finance costs:

Finance costs include interest expense calculated using the effective interest method and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

1.11. 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.

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. 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 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.

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.

1.12. 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.

1.13. Impairment of tangible and intangible assets:

As at the end of each accounting year, the Company 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:

- (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 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 been 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.

1.14. 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 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 Company offers its employees defined benefits plans in the form of a gratuity scheme. Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (generally immediately before retirement). The gratuity scheme covers substantially all regular employees and the gratuity scheme is not funded. 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.

(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.

1.15. Lease:

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.

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.

1.16. 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.

1.17. Securities premium account:

Securities premium includes the difference between the face value of the equity shares and the consideration received in respect of equity shares issued. The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

1.18. Share-based payment arrangements:

The Employee Stock Option Scheme has been established by the holding company (i.e. L&T Finance Holdings Limited). The stock options granted to employees pursuant to the holding 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.

1.19. 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.

1.20. 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.

1.21. 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 profit 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.

1.22. Provisions, contingent liabilities and contingent assets:

Provisions are recognised only when:

- (i) an Company has a present obligation (legal or constructive) as a result of a past event; and
- (ii) it is probable that the 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.

1.23. 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.

1.24. 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 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.

1.25. 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.

1.26. Exceptional items:

An item of income or expense which by its size, type or incidence is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed as such in the financial statements.

1.27. Changes in Indian Accounting standards issued but not effective:

The Ministry of Corporate Affairs notified Companies (Indian Accounting Standards) Amendment Rules, 2023 on March 31, 2023 (G.S.R. 242 (E)). These amendments would be applicable from annual reporting periods beginning on or after 1 April 2023.

Ind AS 101 - First-time Adoption of Indian Accounting Standards

Ind AS 102 - Share-based Payment

Ind AS 103 - Business Combinations

Ind AS 107 - Financial Instruments: Disclosures

Ind AS 109 - Financial Instruments

Ind AS 115 - Revenue from Contracts with Customers

Ind AS 1 - Presentation of Financial Statements

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

Ind AS 12 - Income Taxes

Ind AS 34 - Interim Financial Reporting

The company is in process of evaluating the impact of such amendments.

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 losses on loan assets, 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.

Note 2 : Cash and cash equivalents		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
Balances with schedule banks	270.71	17.58
Fixed deposits with banks (maturity less than 3 months)*	907.39	517.33
Total	1,178.10	534.91

Note 3 : Bank balance other than above		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposits with banks maturity more than 3 months but less than 12 months*	632.68	1,114.87
Total	632.68	1,114.87

Note : * Out of the total mentioned above ₹ 1401.82 crs (P.Y. 1624.24 crs) was assigned against the security of Non Convertible Debenture issued.

L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)
Notes forming part of financial statements for the year ended March 31, 2023

Note 4 : Receivables

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables		
(i) Receivables - Credit impaired	6.49	9.32
Less : Impairment loss allowance	(6.49)	-
Total trade receivables (i)	-	9.32
Other receivables		
(ii) Receivables from related parties (refer note 41)	38.88	-
Total other receivables (ii)	38.88	-
Total receivables (i+ii)	38.88	9.32

(₹ in crore)

Particulars	As at March 31, 2023						Total
	Not due	Outstanding for following periods from the due date of payment					
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed							
-Considered good	-	38.88	-	-	-	-	38.88
-Significant Increase in credit risk	-	-	-	-	-	-	-
-Credit impaired	-	-		6.49	-	-	6.49
Disputed							
-Considered good	-	-	-	-	-	-	-
-Significant Increase in credit risk	-	-	-	-	-	-	-
-Credit impaired	-	-	-	-	-	-	-
Gross trade receivables	-	38.88	-	6.49	-	-	45.37
Less : Allowance for Doubtful debts	-	-		(6.49)	-	-	(6.49)
Total trade receivables (net of allowance for doubtful debts)	-	38.88	-	-	-	-	38.88

(₹ in crore)

Particulars	As at March 31, 2022						Total
	Not due	Outstanding for following periods from the due date of payment					
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed							
-Considered good	-	9.32	-	-	-	-	9.32
-Significant Increase in credit risk	-	-	-	-	-	-	-
-Credit impaired	-	-	-	-	-	-	-
Disputed							
-Considered good	-	-	-	-	-	-	-
-Significant Increase in credit risk	-	-	-	-	-	-	-
-Credit impaired	-	-	-	-	-	-	-
Gross trade receivables	-	9.32	-	-	-	-	9.32
Less : Allowance for Doubtful debts	-	-	-	-	-	-	-
Total trade receivables (net of allowance for doubtful debts)	-	9.32	-	-	-	-	9.32

Note 5 : Loans			(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022	
(A) Term loans			
(i) At amortised cost			
- Term loans	-	2,449.61	
- Debenture	-	2,556.25	
Less: Impairment loss allowance	-	(65.48)	
(ii) At Fair Value Through Profit & Loss			
- Term loans (Refer Note 52)	4,005.75	-	
- Debenture (Refer Note 52)	444.88	-	
Less: Impact of fair value change	(256.68)	-	
Total	4,193.95	4,940.38	
(B) Loans in India			
(i) At amortised cost			
- Secured by tangible assets	-	5,005.86	
- Unsecured	-	-	
Less: Impairment loss allowance	-	(65.48)	
(ii) At Fair Value Through Profit & Loss			
-Secured by tangible assets	4,450.63	-	
-Unsecured	-	-	
Less: Impact of fair value change	(256.68)	-	
Total	4,193.95	4,940.38	

Note : Out of the above mentioned loan Standard assets are hypothecated/ assigned against the security of Non Convertible Debenture issued.

Note 6 : Investments			(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022	
(A) Investments in India			
(i) At fair value through profit or loss (refer note 6(i))			
Mutual funds - (Quoted)	190.12	102.45	
Commercial Paper - (Unquoted)*	-	1,576.15	
Security Receipts - (Unquoted)	190.00	-	
(ii) At fair value through Other Comprehensive Income (refer note 6(ii))			
Investments in bonds - (Quoted)*	93.60	829.47	
Treasury Bills - (Quoted)	84.91	-	
Total	558.63	2,508.07	

Note : * Out of the total mentioned above, ₹ NIL (PY ₹ 1769.00 crore) was assigned against the security of Non Convertible Debenture issued.

Note 6 (i)

Details of Mutual Fund Investment:

(₹ in crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Face Value (₹)	Quantity (No.)	Net carrying value	Face Value (₹)	Quantity (No.)	Net carrying value
Investment carried at Fair Value through P&L						
L&T Liquid Fund - DP-Growth	-	-	-	-	3,46,367	100.96
ICICI Prudential Liquid Fund - DP- Growth	-	12,01,261	40.03	-	47,135	1.49
Axis Liquid Fund - Direct Plan - Growth Option	-	2,00,038	50.03	-	-	-
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	-	13,78,028	50.03	-	-	-
Kotak Liquid Fund - DP-Growth	-	1,09,996	50.03	-	-	-
Total		28,89,323	190.12		3,93,502	102.45

Details of Investments in Bonds :

(₹ in crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Face Value (₹)	Quantity (No.)	Net carrying value	Face Value (₹)	Quantity (No.)	Net carrying value
Investment carried at fair value through other comprehensive income (A)						
Investments in government securities						
National Highways Authority of India						
7.70% NHAI Sept 2029	10,00,000	64	66.97	10,00,000	64	69.38
8.27% NHAI Mar 29	10,00,000	15	15.56	10,00,000	15	16.87
8.36% NHAI May 29	10,00,000	10	11.07	10,00,000	10	10.79
182 DTB 06/04/2023	100	1	24.98	-	-	-
182 DTB 06/04/2023	100	1	59.94	-	-	-
		91	178.51	-	89	97.04
Non Convertible Debentures						
7.00% HDFC LTD	-	-	-	10,00,000	390	415.48
8.54% Bajaj Finance Limited	-	-	-	10,00,000	25	26.75
8.50% LIC Housing Finance Limited	-	-	-	10,00,000	100	107.24
8.05% HDFC Limited	-	-	-	10,00,000	25	25.20
Sundaram Finance Limited	-	-	-	10,00,000	60	61.10
		-	-	-	600	635.79
Public Sector Unit						
7.93% NTPC limited 22	-	-	-	10,00,000	40	43.02
7.85% NBARD 22	-	-	-	10,00,000	50	53.62
	-	-	-	-	90	96.64
Total			178.51			829.47

Details of Security Receipt:

(₹ in crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Face Value (₹)	Quantity (No.)	Net carrying value	Face Value (₹)	Quantity (No.)	Net carrying value
Investment carried at Fair Value through Profit & Loss						
CFMARC Trust-104	1,000	79,050	7.91	-	-	-
ARCIL-CPS-65-I Trust	1,000	18,70,000	182.10	-	-	-
Total			190.00			-

Details of Investments in Commercial Paper :

(₹ in crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Face Value (₹)	Quantity (No.)	Net carrying value	Face Value (₹)	Quantity (No.)	Net carrying value
Investment carried at Fair Value through Profit & Loss						
HDFC Limited	-	-	-	10,00,000	515	510.36
LIC Housing Finance Limited	-	-	-	10,00,000	575	570.92
HDFC Limited	-	-	-	10,00,000	500	494.87
Total			-			1,576.15

Note 7 : Other financials assets		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
Security deposit (refer note 41)	0.61	1.17
Advances to others	0.05	-
Total	0.66	1.17

Note 8 : Current tax assets (Net)		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
Advance taxes and TDS (net of provision for tax)	99.76	72.54
Total	99.76	72.54

Note 9 : Deferred tax assets (Net)		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets (Refer Note 49)	59.16	8.33
Total	59.16	8.33

Note 10 : Intangible assets under development		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
Intangible assets under development (refer note 10(ii))	0.09	0.02
Total	0.09	0.02

Note 10(i) Intangible assets under development

(i) Intangible assets under development aging schedule as at 31st March 2023

(₹ in crore)

Intangible assets under development	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.09	-	-	-	0.09
Projects temporarily suspended	-	-	-	-	-

Above intangible asset under development is not overdue or has exceeded its cost compared to its original plan.

(ii) Intangible assets under development aging schedule for 31st March 2022

(₹ in crore)

Intangible assets under development	Amount in Intangible asset under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.02	-	-	-	0.02
Projects temporarily suspended	-	-	-	-	-

Above intangible asset under development is not overdue or has exceeded its cost compared to its original plan.

Note 11 : Other intangible assets

(₹ in crore)

Description	Gross carrying amount				Accumulated depreciation				Net carrying amount	
Intangible	Opening as at April 1, 2022	Additions	Disposal	Closing as at March 31,2023	Up to April 1, 2022	Charge	Disposal	Up to March 31,2023	As at	
		during the year				during the year			March 31,2023	March 31,2022
	Computer Software	0.40	0.02	-	0.42	0.14	0.12	-	0.26	0.16
Total	0.40	0.02	-	0.42	0.14	0.12	-	0.26	0.16	0.26

* The Company has not revalued any of its Intangible assets during the year.

(₹ in crore)

Description	Gross carrying amount				Accumulated depreciation				Net carrying amount	
Intangible	Opening as at April 1, 2021	Additions	Disposal	Closing as at March 31,2022	Up to April 1, 2021	Charge	Disposal	Up to March 31,2022	As at	
		during the year				during the year			March 31,2022	March 31,2021
	Computer Software	0.12	0.28	-	0.40	0.07	0.08	-	0.14	0.26
Total	0.12	0.28	-	0.40	0.07	0.08	-	0.14	0.26	0.05

* The Company has not revalued any of its Intangible assets during the year.

Note 12 : Other non-financials Assets		(₹ in crore)
Particulars	As at	As at
	March 31, 2023	March 31, 2022
Prepaid expenses	0.30	0.89
GST credit receivable	0.31	0.31
Total	0.61	1.20

Note 13: Payables (₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Trade payables		
Micro enterprises and small enterprises	-	-
Others than micro and small enterprises		
Due to others	1.51	1.70
Due to related parties (refer note 41)	0.01	1.77
Total trade payables (i)	1.52	3.47
(ii) Other payables		
Micro enterprises and small enterprises	-	-
Others than micro and small enterprises	-	-
Total other payables (ii)	-	-
Total payables (i+ii)	1.52	3.47

Particulars	As at March 31, 2023						(₹ in crore)
	Unbilled dues	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed							
-MSME	-	-	-	-	-	-	-
-Others	1.51	-	0.01	-	-	-	1.52
Disputed							
-MSME	-	-	-	-	-	-	-
-Others	-	-	-	-	-	-	-
Total trade payable	1.51	-	0.01	-	-	-	1.52

Particulars	As at March 31, 2022						(₹ in crore)
	Unbilled dues	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed							
-MSME	-	-	-	-	-	-	-
-Others	1.65	-	1.82	-	-	-	3.47
Disputed							
-MSME	-	-	-	-	-	-	-
-Others	-	-	-	-	-	-	-
Total trade payable	1.65	-	1.82	-	-	-	3.47

Note 14 : Debt securities		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
At amortised cost		
Redeemable non-convertible debentures (Secured) (Refer Note 14(i))	5,347.02	7,528.49
Total	5,347.02	7,528.49
Debt securities in India	5,347.02	7,528.49
Total	5,347.02	7,528.49

Note 14(i): Secured Redeemable Non Convertible Debentures (privately placed) as at March 31, 2023

Series Details	Face Value per Debenture	Date of Allotment	Amount (₹ in crore)	Interest Rate %p.a.	Date of redemption	Redeemable Terms
Sr B FY17 OPT 2	₹ 25 Lakh each	06-May-16	1.08	8.67%	05-May-23	Redeemable at par at the end of 2555 days from the date of allotment
SR A 20-21	₹ 10 Lakh each	29-May-20	128.47	8.40%	29-May-23	Redeemable at par at the end of 1095 days from the date of allotment
Sr N FY 17-18	₹ 25 Lakh each	30-Jan-18	83.12	8.19%	30-May-23	Redeemable at par at the end of 1946 days from the date of allotment
Sr N FY18 Re 1	₹ 25 Lakh each	26-Feb-18	58.78	8.19%	30-May-23	Redeemable at par at the end of 1919 days from the date of allotment
Sr N FY18 Re 2	₹ 25 Lakh each	27-Mar-18	25.34	8.19%	30-May-23	Redeemable at par at the end of 1890 days from the date of allotment
Sr N FY18 Re 3	₹ 25 Lakh each	28-Mar-18	23.31	8.19%	30-May-23	Redeemable at par at the end of 1889 days from the date of allotment
Sr A FY 18-19	₹ 10 Lakh each	09-May-18	62.39	8.45%	23-Jun-23	Redeemable at par at the end of 1871 days from the date of allotment
Sr B FY 18-19	₹ 10 Lakh each	19-Jun-18	330.44	9.30%	18-Aug-23	Redeemable at par at the end of 1886 days from the date of allotment
Sr C FY19 Opt I	₹ 10 Lakh each	26-Jun-18	248.70	9.30%	25-Aug-23	Redeemable at par at the end of 1886 days from the date of allotment
Sr H FY 16-17	₹ 25 Lakh each	01-Sep-16	26.23	8.45%	01-Sep-23	Redeemable at par at the end of 2556 days from the date of allotment
MLD SR B 20-21	₹ 10 Lakh each	07-Jul-20	124.88	7.97%	06-Oct-23	Redeemable at par at the end of 1186 days from the date of allotment
Sr L FY 16-17	₹ 25 Lakh each	10-Oct-16	155.93	8.36%	10-Oct-23	Redeemable at par at the end of 2556 days from the date of allotment
Sr M FY17 OPT 1	₹ 25 Lakh each	13-Oct-16	77.88	8.25%	13-Oct-23	Redeemable at par at the end of 2556 days from the date of allotment
MLD F18-19	₹ 10 Lakh each	18-Sep-18	72.02	8.40%	18-Oct-23	Redeemable at par at the end of 1856 days from the date of allotment
MLD G18-19	₹ 10 Lakh each	21-Sep-18	44.80	8.49%	21-Nov-23	Redeemable at par at the end of 1887 days from the date of allotment
Sr S FY 16-17	₹ 25 Lakh each	15-Dec-16	25.59	8.05%	15-Dec-23	Redeemable at par at the end of 2556 days from the date of allotment
NCD SR H (18-19)	₹ 10 Lakh each	01-Feb-19	25.37	9.15%	11-Mar-24	Redeemable at par at the end of 2191 days from the date of allotment
Sr C FY 17-18	₹ 25 Lakh each	04-May-17	134.17	8.08%	03-May-24	Redeemable at par at the end of 2556 days from the date of allotment
Sr E FY 17-18	₹ 25 Lakh each	16-May-17	42.83	8.08%	16-May-24	Redeemable at par at the end of 2557 days from the date of allotment
Sr G FY18 Opt 1	₹ 25 Lakh each	31-May-17	37.36	8.07%	31-May-24	Redeemable at par at the end of 2557 days from the date of allotment
Sr A FY15 Op 3	₹ 25 Lakh each	10-Jun-14	102.45	9.70%	10-Jun-24	Redeemable at par at the end of 3653 days from the date of allotment
Sr H FY18 Opt 2	₹ 25 Lakh each	08-Jun-17	106.57	8.08%	10-Jun-24	Redeemable at par at the end of 2559 days from the date of allotment
Sr I FY18 Opt 2	₹ 25 Lakh each	14-Jun-17	26.60	8.07%	14-Jun-24	Redeemable at par at the end of 2557 days from the date of allotment
Sr J FY18 Opt 2	₹ 25 Lakh each	16-Jun-17	53.19	8.07%	14-Jun-24	Redeemable at par at the end of 2555 days from the date of allotment
SrC FY19 Opt II	₹ 10 Lakh each	26-Jun-18	265.29	9.30%	26-Jun-24	Redeemable at par at the end of 2192 days from the date of allotment
Sr D FY 18-19	₹ 10 Lakh each	06-Jul-18	170.95	9.30%	05-Jul-24	Redeemable at par at the end of 2191 days from the date of allotment
Sr B FY15 Opt I	₹ 25 Lakh each	28-Jan-15	101.34	8.49%	28-Jan-25	Redeemable at par at the end of 3653 days from the date of allotment
MLD SR D 19-20	₹ 10 Lakh each	31-Jan-20	20.93	8.17%	28-Feb-25	Redeemable at par at the end of 1855 days from the date of allotment
MLD SR E 19-20	₹ 10 Lakh each	25-Feb-20	213.91	8.70%	25-Mar-25	Redeemable at par at the end of 1855 days from the date of allotment
Sr E FY 18-19	₹ 10 Lakh each	23-Jul-18	15.93	9.05%	23-Jul-25	Redeemable at par at the end of 2557 days from the date of allotment
Sr C FY16 Opt 3	₹ 25 Lakh each	04-Dec-15	15.41	8.55%	04-Dec-25	Redeemable at par at the end of 3653 days from the date of allotment
Sr D FY16 Opt 3	₹ 25 Lakh each	07-Jan-16	155.93	8.63%	07-Jan-26	Redeemable at par at the end of 3653 days from the date of allotment
Sr E FY16 Opt 3	₹ 25 Lakh each	24-Feb-16	135.86	8.73%	24-Feb-26	Redeemable at par at the end of 3653 days from the date of allotment
Sr G FY16 OPT 3	₹ 25 Lakh each	22-Mar-16	90.04	8.75%	20-Mar-26	Redeemable at par at the end of 3650 days from the date of allotment
Sr H FY 15-16	₹ 25 Lakh each	29-Mar-16	298.82	8.72%	27-Mar-26	Redeemable at par at the end of 3650 days from the date of allotment
Sr B FY17 OPT 3	₹ 25 Lakh each	06-May-16	21.56	8.67%	06-May-26	Redeemable at par at the end of 3652 days from the date of allotment
Sr D FY17 OPT 3	₹ 25 Lakh each	10-Jun-16	10.71	8.75%	10-Jun-26	Redeemable at par at the end of 3652 days from the date of allotment
Sr E FY17 OPT 2	₹ 25 Lakh each	17-Jun-16	53.45	8.80%	17-Jun-26	Redeemable at par at the end of 3652 days from the date of allotment
Sr F FY17 OPT 2	₹ 25 Lakh each	23-Jun-16	112.08	8.80%	23-Jun-26	Redeemable at par at the end of 3652 days from the date of allotment
Sr G FY 16-17	₹ 25 Lakh each	13-Jul-16	15.94	8.77%	13-Jul-26	Redeemable at par at the end of 3652 days from the date of allotment
Sr J FY 16-17	₹ 25 Lakh each	28-Sep-16	75.82	8.43%	28-Sep-26	Redeemable at par at the end of 3652 days from the date of allotment
Sr K FY17 OPT 1	₹ 25 Lakh each	03-Oct-16	106.46	8.43%	01-Oct-26	Redeemable at par at the end of 3650 days from the date of allotment
Sr M FY17 OPT 2	₹ 25 Lakh each	13-Oct-16	77.87	8.30%	13-Oct-26	Redeemable at par at the end of 3652 days from the date of allotment
Sr N FY 16-17	₹ 25 Lakh each	20-Oct-16	134.76	8.30%	20-Oct-26	Redeemable at par at the end of 3652 days from the date of allotment
Sr P FY 16-17	₹ 25 Lakh each	15-Nov-16	25.76	8.15%	13-Nov-26	Redeemable at par at the end of 3650 days from the date of allotment
SR C 19-20	₹ 10 Lakh each	08-Jan-20	15.91	8.75%	08-Jan-27	Redeemable at par at the end of 2557 days from the date of allotment
NCD SR A(19-20)	₹ 10 Lakh each	24-Sep-19	701.29	8.42%	24-Sep-29	Redeemable at par at the end of 3653 days from the date of allotment
NCD SR B(19-20)	₹ 10 Lakh each	25-Oct-19	12.41	8.80%	25-Oct-29	Redeemable at par at the end of 3653 days from the date of allotment
Sr B FY15 Opt 2	₹ 25 Lakh each	28-Jan-15	101.23	8.51%	28-Jan-30	Redeemable at par at the end of 5479 days from the date of allotment
Sr D FY16 Opt 4	₹ 25 Lakh each	07-Jan-16	15.28	8.63%	07-Jan-31	Redeemable at par at the end of 5479 days from the date of allotment
Sr E FY16 Opt 4	₹ 25 Lakh each	24-Feb-16	5.02	8.73%	24-Feb-31	Redeemable at par at the end of 5479 days from the date of allotment
Sr K FY17 OPT 2	₹ 25 Lakh each	03-Oct-16	26.02	8.43%	03-Oct-31	Redeemable at par at the end of 5478 days from the date of allotment
NCD SRC STRPP 1	₹ 2 Lakh each	21-Oct-20	26.93	8.10%	21-Oct-31	Redeemable at par at the end of 4017 days from the date of allotment
NCD SRD STRPP 1	₹ 2 Lakh each	25-Nov-20	10.28	7.95%	25-Nov-31	Redeemable at par at the end of 4017 days from the date of allotment
Sr G FY18 Opt 2	₹ 25 Lakh each	31-May-17	112.09	8.20%	31-May-32	Redeemable at par at the end of 5479 days from the date of allotment
NCD SRC STRPP 2	₹ 2 Lakh each	21-Oct-20	26.93	8.10%	21-Oct-32	Redeemable at par at the end of 4383 days from the date of allotment
NCD SRD STRPP 2	₹ 2 Lakh each	25-Nov-20	10.28	7.95%	25-Nov-32	Redeemable at par at the end of 4383 days from the date of allotment
NCD SRC STRPP 3	₹ 2 Lakh each	21-Oct-20	26.93	8.10%	21-Oct-33	Redeemable at par at the end of 4748 days from the date of allotment
NCD SRD STRPP 3	₹ 2 Lakh each	25-Nov-20	10.28	7.95%	25-Nov-33	Redeemable at par at the end of 4748 days from the date of allotment
NCD SR I (18-19)	₹ 10 Lakh each	20-Feb-19	20.20	9.22%	20-Feb-34	Redeemable at par at the end of 5479 days from the date of allotment
NCD SRC STRPP 4	₹ 2 Lakh each	21-Oct-20	26.93	8.10%	20-Oct-34	Redeemable at par at the end of 5112 days from the date of allotment
NCD SRD STRPP 4	₹ 2 Lakh each	25-Nov-20	10.28	7.95%	24-Nov-34	Redeemable at par at the end of 5112 days from the date of allotment
NCD SRC STRPP 5	₹ 2 Lakh each	21-Oct-20	26.93	8.10%	19-Oct-35	Redeemable at par at the end of 5476 days from the date of allotment
NCD SRD STRPP 5	₹ 2 Lakh each	25-Nov-20	10.28	7.95%	23-Nov-35	Redeemable at par at the end of 5476 days from the date of allotment
Sr D FY16 Opt 5	₹ 25 Lakh each	07-Jan-16	10.18	8.63%	07-Jan-36	Redeemable at par at the end of 7305 days from the date of allotment
Sr E FY16 Opt 5	₹ 25 Lakh each	24-Feb-16	5.01	8.73%	22-Feb-36	Redeemable at par at the end of 7303 days from the date of allotment
Total			5,347.02			

The debentures mentioned above are secured by mortgage of a certain immovable property created under the terms of its operating lease arrangement and hypothecation of specific receivables.

Note 14(i): Secured Redeemable Non Convertible Debentures (privately placed) as at March 31, 2022

Series Details	Face Value per Debenture	Date of Allotment	Amount (₹ in crore)	Interest Rate %p.a.	Date of redemption	Redeemable Terms
Sr D FY 17-18	₹25 Lakh each	11-May-17	58.92	8.00%	11-May-22	Redeemable at the end of 1826 days from the date of allotment
Sr A FY18 Opt 2	₹25 Lakh each	13-Apr-17	80.82	8.02%	13-May-22	Redeemable at the end of 1856 days from the date of allotment
Sr B FY18 Opt 2	₹25 Lakh each	24-Apr-17	43.00	8.00%	24-May-22	Redeemable at the end of 1856 days from the date of allotment
Sr F FY 17-18	₹25 Lakh each	22-May-17	26.72	8.00%	01-Jun-22	Redeemable at the end of 1836 days from the date of allotment
Sr H FY18 Opt I	₹25 Lakh each	08-Jun-17	95.87	8.01%	08-Jun-22	Redeemable at the end of 1826 days from the date of allotment
Sr I FY18 Opt I	₹25 Lakh each	14-Jun-17	37.23	8.00%	14-Jun-22	Redeemable at the end of 1826 days from the date of allotment
Sr J FY18 Opt I	₹25 Lakh each	16-Jun-17	106.33	8.00%	16-Jun-22	Redeemable at the end of 1826 days from the date of allotment
Sr A FY 15-16	₹25 Lakh each	11-Sep-15	26.19	8.67%	09-Sep-22	Redeemable at the end of 2555 days from the date of allotment
Sr K FY 17-18	₹25 Lakh each	06-Nov-17	216.56	7.85%	07-Nov-22	Redeemable at the end of 1827 days from the date of allotment
Sr B FY16	₹25 Lakh each	09-Nov-15	155.08	8.65%	09-Nov-22	Redeemable at the end of 2557 days from the date of allotment
Sr M FY18 Opt I	₹25 Lakh each	21-Dec-17	515.60	8.15%	28-Dec-22	Redeemable at the end of 1833 days from the date of allotment
Sr D FY16 Opt 2	₹25 Lakh each	07-Jan-16	47.93	8.60%	06-Jan-23	Redeemable at the end of 2556 days from the date of allotment
Sr L FY 17-18	₹25 Lakh each	21-Dec-17	399.79	8.15%	16-Jan-23	Redeemable at the end of 1852 days from the date of allotment
Sr E FY16 Opt 2	₹25 Lakh each	24-Feb-16	55.42	8.70%	24-Feb-23	Redeemable at the end of 2557 days from the date of allotment
Sr M FY18 Opt 2	₹25 Lakh each	28-Dec-17	188.88	8.15%	10-Mar-23	Redeemable at the end of 1898 days from the date of allotment
Sr B FY16 Opt 2	₹25 Lakh each	22-Mar-16	20.03	8.75%	22-Mar-23	Redeemable at the end of 2556 days from the date of allotment
Sr B FY17 OPT 2	₹25 Lakh each	06-May-16	1.08	8.67%	05-May-23	Redeemable at the end of 2555 days from the date of allotment
SR A 20-21	₹10 Lakh each	29-May-20	128.43	8.40%	29-May-23	Redeemable at the end of 1095 days from the date of allotment
Sr N FY 17-18	₹25 Lakh each	30-Jan-18	83.11	8.19%	30-May-23	Redeemable at the end of 1946 days from the date of allotment
Sr N FY18 Re 1	₹25 Lakh each	26-Feb-18	58.68	8.19%	30-May-23	Redeemable at the end of 1919 days from the date of allotment
Sr N FY18 Re 2	₹25 Lakh each	27-Mar-18	25.29	8.19%	30-May-23	Redeemable at the end of 1890 days from the date of allotment
Sr N FY18 Re 3	₹25 Lakh each	28-Mar-18	23.29	8.19%	30-May-23	Redeemable at the end of 1889 days from the date of allotment
Sr A FY 18-19	₹10 Lakh each	09-May-18	62.39	8.45%	23-Jun-23	Redeemable at the end of 1871 days from the date of allotment
Sr B FY 18-19	₹10 Lakh each	19-Jun-18	330.42	9.30%	18-Aug-23	Redeemable at the end of 1886 days from the date of allotment
Sr C FY19 Opt I	₹10 Lakh each	26-Jun-18	248.68	9.30%	25-Aug-23	Redeemable at the end of 1886 days from the date of allotment
Sr H FY 16-17	₹25 Lakh each	01-Sep-16	26.23	8.45%	01-Sep-23	Redeemable at the end of 2556 days from the date of allotment
MLD SR B 20-21	₹10 Lakh each	07-Jul-20	115.66	7.97%	06-Oct-23	Redeemable at the end of 1186 days from the date of allotment
Sr L FY 16-17	₹25 Lakh each	10-Oct-16	155.88	8.36%	10-Oct-23	Redeemable at the end of 2556 days from the date of allotment
Sr M FY17 OPT 1	₹25 Lakh each	13-Oct-16	77.87	8.25%	13-Oct-23	Redeemable at the end of 2556 days from the date of allotment
MLD F18-19	₹10 Lakh each	18-Sep-18	66.22	8.40%	18-Oct-23	Redeemable at the end of 1856 days from the date of allotment
MLD G18-19	₹10 Lakh each	21-Sep-18	46.50	8.49%	21-Nov-23	Redeemable at the end of 1887 days from the date of allotment
Sr S FY 16-17	₹25 Lakh each	15-Dec-16	25.59	8.05%	15-Dec-23	Redeemable at the end of 2556 days from the date of allotment
NCD SR H (18-19)	₹10 Lakh each	01-Feb-19	25.36	9.15%	11-Mar-24	Redeemable at the end of 1865 days from the date of allotment
Sr C FY 17-18	₹25 Lakh each	04-May-17	134.16	8.08%	03-May-24	Redeemable at the end of 2556 days from the date of allotment
Sr E FY 17-18	₹25 Lakh each	16-May-17	42.83	8.08%	16-May-24	Redeemable at the end of 2557 days from the date of allotment
Sr G FY18 Opt 1	₹25 Lakh each	31-May-17	37.35	8.07%	31-May-24	Redeemable at the end of 2557 days from the date of allotment
Sr A FY15 Op 3	₹25 Lakh each	10-Jun-14	102.45	9.70%	10-Jun-24	Redeemable at the end of 3653 days from the date of allotment
Sr H FY18 Opt 2	₹25 Lakh each	08-Jun-17	106.57	8.08%	10-Jun-24	Redeemable at the end of 2559 days from the date of allotment
Sr I FY18 Opt 2	₹25 Lakh each	14-Jun-17	26.60	8.07%	14-Jun-24	Redeemable at the end of 2557 days from the date of allotment
Sr J FY18 Opt 2	₹25 Lakh each	16-Jun-17	53.18	8.07%	14-Jun-24	Redeemable at the end of 2555 days from the date of allotment
Sr C FY19 Opt II	₹10 Lakh each	26-Jun-18	265.28	9.30%	26-Jun-24	Redeemable at the end of 2192 days from the date of allotment
Sr D FY 18-19	₹10 Lakh each	06-Jul-18	170.93	9.30%	05-Jul-24	Redeemable at the end of 2191 days from the date of allotment
Sr B FY15 Opt I	₹25 Lakh each	28-Jan-15	101.35	8.49%	28-Jan-25	Redeemable at the end of 3653 days from the date of allotment
MLD SR D 19-20	₹10 Lakh each	31-Jan-20	58.54	8.17%	28-Feb-25	Redeemable at the end of 1855 days from the date of allotment
MLD SR E 19-20	₹10 Lakh each	25-Feb-20	297.79	8.70%	25-Mar-25	Redeemable at the end of 1855 days from the date of allotment
Sr E FY 18-19	₹10 Lakh each	23-Jul-18	15.93	9.05%	23-Jul-25	Redeemable at the end of 2557 days from the date of allotment
Sr C FY16 Opt 3	₹25 Lakh each	04-Dec-15	15.41	8.55%	04-Dec-25	Redeemable at the end of 3653 days from the date of allotment
Sr D FY16 Opt 3	₹25 Lakh each	07-Jan-16	155.99	8.63%	07-Jan-26	Redeemable at the end of 3653 days from the date of allotment
Sr E FY16 Opt 3	₹25 Lakh each	24-Feb-16	135.76	8.73%	24-Feb-26	Redeemable at the end of 3653 days from the date of allotment
Sr G FY16 OPT 3	₹25 Lakh each	22-Mar-16	89.98	8.75%	20-Mar-26	Redeemable at the end of 3650 days from the date of allotment
Sr H FY 15-16	₹25 Lakh each	29-Mar-16	298.35	8.72%	27-Mar-26	Redeemable at the end of 3650 days from the date of allotment
Sr B FY17 OPT 3	₹25 Lakh each	06-May-16	21.56	8.67%	06-May-26	Redeemable at the end of 3652 days from the date of allotment
Sr D FY17 OPT 3	₹25 Lakh each	10-Jun-16	10.71	8.75%	10-Jun-26	Redeemable at the end of 3652 days from the date of allotment
Sr E FY17 OPT 2	₹25 Lakh each	17-Jun-16	53.45	8.80%	17-Jun-26	Redeemable at the end of 3652 days from the date of allotment
Sr F FY17 OPT 2	₹25 Lakh each	23-Jun-16	112.06	8.80%	23-Jun-26	Redeemable at the end of 3652 days from the date of allotment
Sr G FY 16-17	₹25 Lakh each	13-Jul-16	15.94	8.77%	13-Jul-26	Redeemable at the end of 3652 days from the date of allotment
Sr J FY 16-17	₹25 Lakh each	28-Sep-16	75.81	8.43%	28-Sep-26	Redeemable at the end of 3652 days from the date of allotment
Sr K FY17 OPT 1	₹25 Lakh each	03-Oct-16	106.42	8.43%	01-Oct-26	Redeemable at the end of 3650 days from the date of allotment
Sr M FY17 OPT 2	₹25 Lakh each	13-Oct-16	77.86	8.30%	13-Oct-26	Redeemable at the end of 3652 days from the date of allotment
Sr N FY 16-17	₹25 Lakh each	20-Oct-16	134.75	8.30%	20-Oct-26	Redeemable at the end of 3652 days from the date of allotment
Sr P FY 16-17	₹25 Lakh each	15-Nov-16	25.76	8.15%	13-Nov-26	Redeemable at the end of 3650 days from the date of allotment

Note 14(i): Secured Redeemable Non Convertible Debentures (privately placed) as at March 31, 2022

Series Details	Face Value per Debenture	Date of Allotment	Amount (₹ in crore)	Interest Rate %p.a.	Date of redemption	Redeemable Terms
SR C 19-20	₹10 Lakh each	08-Jan-20	15.91	8.75%	08-Jan-27	Redeemable at the end of 2557 days from the date of allotment
NCDSR A(19-20)	₹10 Lakh each	24-Sep-19	701.29	8.42%	24-Sep-29	Redeemable at the end of 3653 days from the date of allotment
NCDSR B(19-20)	₹10 Lakh each	25-Oct-19	12.41	8.80%	25-Oct-29	Redeemable at the end of 3653 days from the date of allotment
Sr B FY15 Opt 2	₹25 Lakh each	28-Jan-15	101.25	8.51%	28-Jan-30	Redeemable at the end of 5479 days from the date of allotment
Sr D FY16 Opt 4	₹25 Lakh each	07-Jan-16	15.28	8.63%	07-Jan-31	Redeemable at the end of 5479 days from the date of allotment
Sr E FY16 Opt 4	₹25 Lakh each	24-Feb-16	5.01	8.73%	24-Feb-31	Redeemable at the end of 5479 days from the date of allotment
Sr K FY17 OPT 2	₹25 Lakh each	03-Oct-16	26.01	8.43%	03-Oct-31	Redeemable at the end of 5478 days from the date of allotment
NCD SRC STRPP 1	₹2 Lakh each	21-Oct-20	26.93	8.10%	21-Oct-31	Redeemable at the end of 4017 days from the date of allotment
NCD SRD STRPP 1	₹2 Lakh each	25-Nov-20	10.28	7.95%	25-Nov-31	Redeemable at the end of 4017 days from the date of allotment
Sr G FY18 Opt 2	₹25 Lakh each	31-May-17	112.08	8.20%	31-May-32	Redeemable at the end of 5479 days from the date of allotment
NCD SRC STRPP 2	₹2 Lakh each	21-Oct-20	26.93	8.10%	21-Oct-32	Redeemable at the end of 4383 days from the date of allotment
NCD SRD STRPP 2	₹2 Lakh each	25-Nov-20	10.28	7.95%	25-Nov-32	Redeemable at the end of 4383 days from the date of allotment
NCD SRC STRPP 3	₹2 Lakh each	21-Oct-20	26.93	8.10%	21-Oct-33	Redeemable at the end of 4748 days from the date of allotment
NCD SRD STRPP 3	₹2 Lakh each	25-Nov-20	10.28	7.95%	25-Nov-33	Redeemable at the end of 4748 days from the date of allotment
NCDSR I (18-19)	₹10 Lakh each	20-Feb-19	20.20	9.22%	20-Feb-34	Redeemable at the end of 5479 days from the date of allotment
NCD SRC STRPP 4	₹2 Lakh each	21-Oct-20	26.93	8.10%	20-Oct-34	Redeemable at the end of 5112 days from the date of allotment
NCD SRD STRPP 4	₹2 Lakh each	25-Nov-20	10.28	7.95%	24-Nov-34	Redeemable at the end of 5112 days from the date of allotment
NCD SRC STRPP 5	₹2 Lakh each	21-Oct-20	26.93	8.10%	19-Oct-35	Redeemable at the end of 5476 days from the date of allotment
NCD SRD STRPP 5	₹2 Lakh each	25-Nov-20	10.28	7.95%	23-Nov-35	Redeemable at the end of 5476 days from the date of allotment
Sr D FY16 Opt 5	₹25 Lakh each	07-Jan-16	10.18	8.63%	07-Jan-36	Redeemable at the end of 7305 days from the date of allotment
Sr E FY16 Opt 5	₹25 Lakh each	24-Feb-16	5.00	8.73%	22-Feb-36	Redeemable at the end of 7303 days from the date of allotment
Total			7,528.49			

The debentures mentioned above are secured by mortgage of a certain immovable property created under the terms of its operating lease arrangement and hypothecation of specific receivables.

Note 15 : Subordinated liabilities		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
At Amortised Cost		
Cumulative non convertible redeemable preference share (CPRS)	-	285.91
Total	-	285.91
Subordinated liabilities in India	-	285.91
Total	-	285.91

Terms/rights attached to shares

Cumulative Non Convertible Redeemable Preference Shares ("CRPS")

i. The CRPS do not have voting rights other than in respect of matters directly affecting the rights attached to the CRPS. In the event any due and payable dividends remain unpaid for an aggregate period of at least 2 years prior to the start of any general meeting of the equity shareholders, CRPS holders shall have voting rights in line with the voting rights of the equity shareholders. On winding up or redemption, CRPS holders enjoy preferential rights vis-a-vis equity shareholders, for redemption of capital paid up and shall include any unpaid Dividends and any fixed premium (if applicable).

ii. Details for CRPS:

a. Details relating to ISIN INE235P04024:

The CRPS are redeemable in three annual tranches beginning from 01-October-2020 and the payment of dividend and redemption premium would be in accordance with the terms agreed at the time of issuance of Preference Shares. The CRPS will be redeemed in annual tranches of ₹ 33.10 crore for tranches 1 & 2 and ₹ 34.10 crore for tranche 3. The holders of CRPS will be entitled to an annual dividend of 5% subject to the provisions of the applicable laws and regulations.

b. Details relating to ISIN INE235P04040:

The CRPS are redeemable in three annual tranches beginning from 29-August-2022 and the payment of dividend and redemption premium would be in accordance with the terms agreed at the time of issuance of Preference Shares. The CRPS will be redeemed in annual tranches of ₹ 1.65 crore for tranches 1 & 2 and ₹ 1.70 crore for tranche 3. The holders of CRPS will be entitled to an annual dividend of 5% subject to the provisions of the applicable laws and regulations.

c. Details relating to ISIN INE235P04057:

The face value of the Preference Shares is ₹. 10 lakhs each, and the date of allotment was May 23, 2019. The CRPS are redeemable in three annual tranches beginning from 23-May-2025 and the payment of dividend and redemption premium would be in accordance with the terms agreed at the time of issuance of Preference Shares. The CRPS will be redeemed in annual tranches of ₹ 21.38 crore for tranches 1 & 2 and ₹ 22.03 crore for tranche 3. The holders of CRPS will be entitled to an annual dividend of 5% subject to the provisions of the applicable laws and regulations.

d. Details relating to ISIN INE235P04065:

The face value of the Preference Shares is ₹. 10 lakhs each, and the date of allotment was December 27, 2019. The CRPS are redeemable in three annual tranches beginning from 27-December-2025 and the payment of dividend and redemption premium would be in accordance with the terms agreed at the time of issuance of Preference Shares. The CRPS will be redeemed in annual tranches of ₹. 49.50 crore for tranches 1 & 2 and ₹ 51.00 crore for tranche 3. The holders of CRPS will be entitled to an annual dividend of 5.25% subject to the provisions of the applicable laws and regulations.

iii. During the year ended March 31, 2023, the Company has fully redeemed CRPS of ₹ 100 each fully paid amounting to ₹ 253.90 crore and paid dividend of ₹ 17.62 crore (PY ₹ 12.09 crore) and redemption premium of ₹ 56.84 crore (PY ₹ 9.81 crore).

There is no borrowing from the bank and financial institution during the year.

Note 16 : Other financial liabilities		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
Liability for expenses	1.41	1.39
Total	1.41	1.39

Note 17 : Current tax liabilities (net)		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
Provision for tax (net of advance tax)	-	28.77
Total	-	28.77

Note 18 : Provisions		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Compensated absences	0.07	0.20
Gratuity (refer note 40)	0.30	0.72
Total	0.37	0.92

Note 19: Other non-financial liabilities		(₹ in crore)
Particulars	As at March 31, 2023	As at March 31, 2022
Statutory liabilities	1.02	1.74
Total	1.02	1.74

Note 20: Equity share capital

(a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	(₹ in crore)	No. of Shares	(₹ in crore)
Authorised				
Equity shares of Rs. ₹ 10 each	1,00,00,00,000	1,000.00	1,00,00,00,000	1,000.00
	1,00,00,00,000	1,000.00	1,00,00,00,000	1,000.00
Issued, Subscribed and Paid up				
Equity shares of Rs. ₹ 10 each fully paid	57,16,30,214	571.63	49,01,80,214	490.18
	57,16,30,214	571.63	49,01,80,214	490.18

(b) Reconciliation of the number of equity shares and share capital:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	(₹ in crore)	No. of Shares	(₹ in crore)
Equity shares at the beginning of the year	49,01,80,214	490.18	49,01,80,214	490.18
Add: Shares issued during the year	8,14,50,000	81.45	-	-
Equity shares at the end of the year	57,16,30,214	571.63	49,01,80,214	490.18

(c) Equity shares in the Company held by the holding company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	(₹ in crore)	No. of Shares	(₹ in crore)
Equity Shares of ₹ 10 each fully paid held by L&T Finance Holdings Limited (Ultimate Holding company) and L&T Finance Limited (Holdings company) directly or through its beneficially nominees.	57,16,30,214	571.63	49,01,80,214	490.18

(d) Details of shareholders holding more than five percent equity shares in the Company are as under:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% holding	No. of Shares	% holding
<u>Equity Shares of ₹ 10 each fully paid held by</u>				
L&T Finance Limited	43,81,12,390	76.64	37,56,89,110	76.64
L&T Finance Holdings Limited	13,35,17,820	23.36	11,44,91,100	23.36

Amalgamation of L&T Infrastructure Finance Company Limited ("LTIFC"), L&T Housing Finance Limited ("LTHFC") and L&T Finance Limited ("LTFL"):

Pursuant to order of National Company Law Tribunal Benches, Mumbai and Kolkata dated March 15, 2021 and March 19, 2021 respectively, the scheme of amalgamation for merger of LTIFC and LTHFC with LTFL became effective from April 12, 2021 with appointed date being April 01, 2020. Prior to the merger, LTIFC was the sponsor of the Company (erstwhile L&T Infra Debt Fund Limited). Consequent to the merger of the sponsor (i.e., LTIFC with LTFL), the Company is no longer eligible to be regarded as NBFC-IDF. The Company has received the certification of registration dated June 22, 2022 as NBFC – ICC from the Reserve Bank of India.

Terms/rights attached to shares

Equity Shares

The Company has 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 Company has issued and allotted 8,14,50,000 equity shares have a par value of ₹ 10 per share through right issue to the existing shareholders and said shares shall rank pari passu in all respects with the existing equity shares.

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) Details of Shares held by Promoters:

Particulars	As at March 31, 2023		
	No. of Shares	% of total shares	% Change during the Year
<u>Equity Shares of ₹ 10 each fully paid held by</u>			
L&T Finance Limited	43,81,12,390	76.64	-
L&T Finance Holdings Limited	13,35,17,820	23.36	-

Note: 21: Other equity (₹ in crore)		
Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium account (refer note 21.1)	272.29	133.83
Reserve u/s 45 1C of RBI Act 1934 (refer note 21.2)	148.79	148.79
Retained earnings (refer note 21.3)	307.43	500.13
Impairment reserve (refer note 21.4)	23.42	23.42
Capital Redemption Reserves (refer note 21.5)	68.85	33.10
Reserve u/s 36(1)(viii) of Income tax Act, 1961 (refer note 21.6)	18.93	10.93
Total	839.71	850.20

Note 21.1 Securities premium account (₹ in crore)		
Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	133.83	133.83
Addition during the year	138.46	-
Balance at end of year	272.29	133.83

Securities premium includes the difference between the face value of the equity shares and the consideration received in respect of shares issued. The securities premium is eligible to be utilised in accordance with the provision of the companies Act, 2013.

Note 21.2 Reserve u/s 45 IC of RBI Act (₹ in crore)		
Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	148.79	147.97
Addition during the year	-	0.82
Balance at end of year	148.79	148.79

Reserve u/s 45-IC of Reserve Bank of India Act, 1934: The Company created a reserve pursuant to the Reserve Bank of India Act, 1934 by transfer a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. (Refer note 50(1))

Note 21.3 Retained earnings (₹ in crore)		
Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	500.13	540.21
Addition during the year	(147.02)	4.11
Remeasurement of defined benefit plan (net tax)	0.09	0.04
Change in fair value of debt instruments classified at fair value through other comprehensive income	(2.01)	0.62
Capital Redemption Reserves	(35.75)	(33.10)
Reserve u/s 36(1)(viii) of Income tax Act, 1961	(8.00)	(10.93)
Transfer to reserve u/s 45 IC of RBI Act	-	(0.82)
Balance at end of year	307.43	500.13

Retained earnings represent the amount of accumulated earnings of the Company.

Note 21.4 Impairment reserve (₹ in crore)		
Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	23.42	23.42
Addition during the year	-	-
Balance at end of year	23.42	23.42

As per the RBI circular RBI/2019-20/170 dated March 13, 2020, where the guidelines require NBFCs to hold impairment allowances as required by Ind AS. In parallel NBFCs are required to compute provisions as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). A comparison, as prescribed, between provisions required under IRACP and impairment allowances made under Ind AS 109 is required to be disclosed by NBFCs in the notes to their financial statements to provide a benchmark to their Boards, RBI supervisors and other stakeholders, on the adequacy of provisioning for credit losses. Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs are required to appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

Note 21.5 Capital Redemption Reserves (₹ in crore)		
Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	33.10	-
Addition during the year	35.75	33.10
Balance at end of year	68.85	33.10

In respect of redemption of preference share capital from distributable profit, an amount which is equal to the nominal value of the redeemed preference share capital is carried to such reserve account.

Note 21.6 Reserve u/s 36(1)(viii) of Income tax Act, 1961 (₹ in crore)		
Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	10.93	-
Addition during the year	8.00	10.93
Balance at end of year	18.93	10.93

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.

Note 22: Interest income			(₹ in crore)
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
(a) On financial assets measured at amortised cost			
Interest on loans	273.25	628.99	
Interest on deposits with Bank/Bonds	77.30	70.82	
Subtotal (a)	350.55	699.81	
(b) On financial assets measured at fair value through other comprehensive income			
Interest income on investments	10.84	6.96	
Subtotal (b)	10.84	6.96	
(c) On financial assets measured at fair value through profit & loss			
Interest on loans	259.16	-	
Interest income on investments	20.58	4.25	
Subtotal (c)	279.74	4.25	
Total (a+b+c)	641.13	711.02	
Note 23: Fees and commission income			(₹ in crore)
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Advisory fees	1.24	11.70	
Total	1.24	11.70	
Note 24: Net gain on fair value changes			(₹ in crore)
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
A) Net gain on financial instruments classified at fair value through profit or loss			
(i) On trading portfolio			
- Gain on sale of investments	12.78	7.71	
- Loss on loans	(19.00)	-	
- Fair value changes on investments	(1.74)	(1.48)	
- Fair value changes on loans	51.06	-	
Total net gain/(loss) on fair value changes (A)	43.10	6.23	
(B) Net gain on disposal of financial instruments classified at fair value through other comprehensive income			
- Gain/(Loss) on sale of Investments	-	(0.02)	
Total net gain/(loss) on fair value changes (B)	-	(0.02)	
Total net gain/(loss) on fair value changes (A+B)	43.10	6.21	
(C) Fair value changes:			
-Realised	(6.22)	7.69	
-Unrealised	49.32	(1.48)	
Total net gain/(loss) on fair value changes	43.10	6.21	
Note 25: Other income			(₹ in crore)
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Interest on income tax refund	-	2.25	
	-	2.25	
Note 26: Finance costs			(₹ in crore)
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Interest on debt securities	555.30	637.31	
Interest on subordinated liabilities	41.76	21.91	
Ancillary borrowing costs	3.94	3.43	
Other interest expense			
Interest cost on gratuity (refer note 40)	0.04	0.03	
Interest cost on compensated absences	-	0.01	
Total	601.04	662.69	

Note 27: Impairment on financial instruments (₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Loans		
On financial instruments measured at:		
Amortised cost	12.77	31.83
Total	12.77	31.83

Note 28: Net loss on derecognition of financial instruments under amortised cost category (₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Loans		
Loss on foreclosure and writeoff of loan	1.05	-
Less: Provision held reversed on derecognition of financial instruments	(1.02)	-
	0.03	-

Note 29: Employee benefits expenses (₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	3.98	8.10
Contribution provident and pension fund	0.15	0.33
Contribution to gratuity fund (refer note 40)	0.09	0.13
Expenses on employee stock option scheme	1.29	1.42
Staff welfare expenses	0.11	0.25
Total	5.62	10.23

Note 30: Depreciation, amortization and impairment (₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amortisation	0.12	0.08
Total	0.12	0.08

Note 31: Other expenses (₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent, rates & taxes	1.18	1.97
Property maintenance and other charges	0.19	0.42
Director's fees	0.19	0.16
Auditors' remuneration (Refer note below)	0.23	0.24
Legal and professional charges	1.05	0.49
Guarantee fees	0.70	1.24
Travelling and conveyance	-	0.04
Corporate social responsibility expenses	2.54	3.36
Management fees	3.20	6.80
Commission to non executive directors	0.44	0.26
Stamping charges	0.07	-
Miscellaneous expenses	0.43	0.15
Total	10.22	15.35

Note (i): Auditors' remuneration comprises the following (₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory audit fees	0.07	0.07
Limited review fees	0.09	0.06
Tax audit fees	0.01	0.01
Other service	0.06	0.10
Total	0.23	0.24

Note 32: Tax expense (₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Tax expense (Refer Note 49)	15.87	15.44
Deferred Tax expense (Refer Note 49)	(50.18)	(8.55)
Total	(34.31)	6.89

Note 33 : Disclosure pursuant to Ind AS 108 Operating Segment

The Company's business is to provide finance majorly for infrastructure projects. All other activities revolve around the Infrastructure business and are carried out within India. As such, there are no separate reportable segments as per the provisions of Ind As 108 operating segment.

Note 34 : Contingent liabilities and commitments

(₹ in crore)		
Particulars	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities:		
a) Claim against the Company not acknowledged as debt; - Income Tax matter in dispute	-	4.69
Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	0.01	0.13

Note 35 : Trade payable includes amount payable to Micro, Small and Medium Enterprises as follows

Based on the information received by the Company from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, there are no amounts due to any suppliers covered under this Act as at the balance sheet date and hence, disclosures relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.

Note 36 : Disclosures pursuant to Ind AS 116 "Leases"

Ind AS 116 provides a recognition exemption to lessees in regard to short term leases (a lease which has a lease term of not more than twelve months on the date of commencement) according to which the lease payments in those cases are recognized as expense over the lease term.

Note 37 : Basic and diluted Earnings per Share (EPS) computed in accordance with Ind AS 33 "Earnings per Share"

(₹ in crore)		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Basic earnings per share		
Profit after tax (₹ in Crore)	(147.02)	4.11
Net profit attributable to Equity share holders	(147.02)	4.11
Weighted average number of equity shares outstanding	50,82,55,419	49,01,80,214
Basic EPS per share (₹)	(2.89)	0.08
Diluted earnings per share		
Profit after tax (₹ in Crore)	(147.02)	4.11
Weighted average number of equity shares outstanding	50,82,55,419	49,01,80,214
Diluted EPS per share (₹)	(2.89)	0.08
Face value per share (₹)	10.00	10.00

Note 38 : Expenditure in foreign currencies

(₹ in crore)		
Nature of expense	For the year ended March 31, 2023	For the year ended March 31, 2022
Miscellaneous expenses	-	0.01

Note 39 : Disclosure pertaining to Corporate social responsibility (CSR) related activities

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year is ₹ 2.54 crore (previous year: ₹ 3.36 crore)

a) The amount recognised as expense in the statement of profit and loss on CSR related activities is ₹ 2.54 crore (previous year: ₹ 3.36 crore) is required under section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Accounts) Rules, 2014, which comprises of;

(₹ in crore)

Particulars	2022-23			2021-22		
	In cash	Set off from previous years	Total	In cash	Set off from previous years	Total
(a) Amount spent during the year on:						
(i) Construction/ acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	2.54	-	2.54	3.36	-	3.36

b) Amount of surplus to be carried forward in subsequent years for Set off :

Amount spent in excess of requirements as per Companies Act, 2013 as on March 31, 2022 available for set off in subsequent years	Actual amounts spent during FY 22-23	Amounts to be spent in FY 22-23 as per the requirements of Companies Act, 2013	Surplus carried forward to be set off in subsequent years
-	2.54	2.54	-

c) Nature of CSR activities during the financial year 2022-23 :

The payment for the CSR activities are done for Digital Financial Literacy & Entrepreneurship Development, creating awareness on Road Safety and Healthcare.

d) 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

Note 40 : Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(i) Defined Contribution plans :

The Company's state governed provident fund scheme is a defined contribution plan for its employees 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 thereon 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.

The Company recognised charges of ₹ 0.15 Crores (previous year ₹ 0.33 Crores) for provident fund contribution 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 favourable as compared to the obligation under Payment of Gratuity Act, 1972.

(a) The amounts recognised in Balance Sheet are as follows:

Particulars	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
A) Present Value of Defined Benefit Obligation		
- Wholly funded	-	-
- Wholly unfunded	0.30	0.72
	0.30	0.72
Less : Fair Value of plan assets	-	-
Amount to be recognised as liability or (asset)	0.30	0.72
B) Amounts reflected in Balance Sheet		
Liabilities	0.30	0.72
Assets	-	-
Net liability/(asset)	0.30	0.72
Net liability/(asset) - current	0.09	0.20
Net liability/(asset) - non-current	0.21	0.52

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
1 Current Service Cost	0.09	0.13
2 Interest Cost	0.04	0.03
3 Interest Income on Plan Assets	-	-
4 Actuarial losses/(gains) - others	(0.12)	(0.05)
5 Actuarial losses/(gains) - difference between actuarial return on plan assets	-	-
6 Past Service Cost	-	-
7 Actuarial gain/(loss) not recognised in Books	-	-
8 Translation adjustments	-	-
9 Amount capitalised out of the above/ recover from S&A	-	-
Total (1 to 9)	0.01	0.11
i Amount included in "employee benefits expenses"	0.09	0.13
ii Amount included in as part of "finance cost"	0.04	0.03
iii Amount included as part of "Other Comprehensive income"	(0.12)	(0.05)
Total (i + ii + iii)	0.01	0.11

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

Particulars	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
Opening balance of the present value of defined benefit obligation	0.72	0.73
Add : Current Service Cost	0.09	0.13
Add : Interest Cost	0.04	0.03
Add : Actuarial losses/(gains)		
i) Actuarial (gains)/losses arising from changes in financial assumptions	(0.01)	(0.02)
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
iii) Actuarial (gains)/losses arising from changes in experience adjustments	(0.11)	(0.03)
Less : Benefits paid	(0.33)	(0.04)
Add : Past service cost	-	-
Add : Liability assumed/(settled)*	(0.10)	(0.08)
Add/(less) : Translation adjustments	-	-
Closing balance of the present value of defined benefit obligation	0.30	0.72

*On account of inter group transfer during the year

Note 40 : Disclosure pursuant to Ind AS 19 "Employee Benefits" (continue):

(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, 2023	As at March 31, 2022
Opening balance of the fair value of the plan assets	-	-
Add : interest income of plan assets	-	-
Add/(less) : Actuarial gains/(losses)	-	-
(Difference between actual return on plan assets and interest income)		
Add : Contribution by the employer	0.33	0.04
Add/(less) : Contribution by plan participants	-	-
Less : Benefits paid	(0.33)	(0.04)
Add: Assets acquired/(settled)	-	-
Closing balance of plan assets	-	-

(e) The fair value of major categories of plan assets are as follows:

(₹ in crore)

Particulars	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
1 Government of India Securities	-	-
2 Corporate Bonds	-	-
3 Special Deposit Scheme	-	-
4 Insurer Managed Funds (Unquoted)	-	-
5 Others (quoted)	-	-
6 Others (unquoted)	-	-

(f) Principal actuarial assumptions at the valuation date:

Particulars	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
1 Discount rate (per annum)	7.25%	5.80%
2 Salary escalation rate (per annum)	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.

(g) Attrition Rate:

The attrition rate varies from 0% to 33% (previous year: 0% to 33%) for various age groups.

(h) Mortality:

Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

(i) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(j) 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	
	2022-23	2021-22	2022-23	2021-22
1 Discount rate (per annum)	(0.01)	(0.03)	0.01	0.03
2 Salary escalation rate (per annum)	0.01	0.03	(0.01)	(0.03)

Note 41: Related party disclosures: Ind AS -24 "Related party transaction":

(a) List of Related Parties (with whom transactions were carried out during current or previous year)

A. Ultimate Holding Company

1. Larsen & Toubro Limited
2. L&T Finance Holdings Limited

B. Holding Company

3. L&T Finance Limited

C. Fellow Subsidiary Companies

4. L&T Financial Consultants Limited

D. Key Management Personnel

5. Mr. Shiva Rajaraman (ceased as Whole-time Director with effect from May 17, 2022)
6. Mrs. Rupa Rege Nitsure (appointed as Whole-time Director with effect from October 20, 2022)
7. Mr. Thomas Mathew T.
8. Ms. Nishi Vasudeva

(b) Disclosure of related party transactions :

(₹ in crore)

Sr. No.	Nature of Transaction*	For the year ended March 31, 2023	For the year ended March 31, 2022
1	Equity Capital infused by (including securities premium)		
	L&T Finance Holdings Limited	51.37	-
	L&T Finance Limited	168.54	-
2	Inter-Corporate deposit given to		
	L&T Finance Limited	1,393.27	-
3	Inter-Corporate deposit received back from		
	L&T Finance Limited	1,393.27	-
4	Interest received on Inter-Corporate deposit given to		
	L&T Finance Limited	16.16	-
5	Loan assets transfer from		
	L&T Finance Limited	5,059.05	-
6	Loan assets transfer to		
	L&T Finance Limited	397.32	-
7	Processing fees received from		
	L&T Finance Limited	16.71	-
8	Rent paid to		
	L&T Financial Consultants Limited	0.72	1.59
9	Brand license fees		
	Larsen & Toubro Limited	-	0.21
10	Management fee paid to		
	L&T Finance Holdings Limited	0.32	0.73
	L&T Finance Limited	2.62	5.50
11	Other expenses paid to		
	Larsen & Toubro Limited	0.03	0.02
	L&T Financial Consultants Limited	0.18	0.39
12	Security deposit given to		
	L&T Financial Consultants Limited	-	0.28
13	Security deposit received back from		
	L&T Financial Consultants Limited	0.56	-
14	ESOP cost paid to		
	L&T Finance Holdings Limited	1.29	1.42

15 Compensation paid to key managerial personnel

(₹ in crore)

Name of Key Management Personnel	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Short-Term employee benefits	Other Long Term Benefits	Total	Short-Term employee benefits	Other Long Term Benefits	Total
Mr Shiva Rajaraman**	1.02	-	1.02	3.58	-	3.58
Ms. Rupa Rege Nitsure***	-	-	-	-	-	-
Mr. Thomas Mathew T.	0.21	-	0.21	0.17	-	0.17
Ms. Nishi Vasudeva	0.25	-	0.25	0.22	-	0.22

Note 41: Related party disclosures: Ind AS -24 "Related party transaction" (continue):

(c) Amount due to/from related parties:

(₹ in crore)

S. No.	Nature of transactions	As at March 31,2023	As at March 31,2022
1	Accounts Payable		
	Larsen & Toubro Limited	-	0.05
	L&T Finance Holdings Limited	0.01	-
	L&T Finance Limited	-	1.50
2	Accounts Receivable		
	Larsen & Toubro Limited	0.09	-
	L&T Finance Limited	38.79	-
3	Rent Deposits		
	L&T Financial Consultants Limited	0.36	0.92
4	Brand License Fees Payable		
	Larsen & Toubro Limited	-	0.22

* Transactions shown above are excluding of 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.

*** Remunerations of Key Managerial personnel are paid from the other Company of L&T Finance Group during the year.

Note 42: Disclosure pursuant to Ind AS 115 “Revenue from contracts with customers”

- 1 **Disaggregation of revenue for the year ended March 31, 2023 - Following table covers the revenue segregation in to Operating segments and Geographical areas:**

(₹ in crore)

Particulars	Revenue from contracts with customers	Total as per P&L for the year ended March 31, 2023
Segment	Domestic	Total
Advisory Fee Income	1.24	1.24
Total	1.24	1.24
Revenue Recognised based on performance obligations satisfied over a period of time	-	-
Revenue Recognised based on performance obligations satisfied at a point in time	1.24	1.24

- Disaggregation of revenue for the year ended March 31, 2022 - Following table covers the revenue segregation in to Operating segments and Geographical areas:**

(₹ in crore)

Particulars	Revenue from contracts with customers	Total as per P&L for the year ended March 31, 2022
Segment	Domestic	Total
Advisory Fee Income	11.70	11.70
Total	11.70	11.70
Revenue Recognised based on performance obligations satisfied over a period of time	-	-
Revenue Recognised based on performance obligations satisfied at a point in time	11.70	11.70

- 2 **Reconciliation of contracted price with revenue during the year :**

(₹ in crore)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue recognised in statement of profit & loss	1.24	11.70
Contracted prices	1.24	11.70

- 3 **Movement of trade receivables**

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	9.32	-
Revenue recognised during the year	1.24	11.70
Invoices raised during the year for point in time sale	1.24	11.70
Amount recovered	4.07	2.38
Closing Balance	6.49	9.32

- 4 The Company has not recognised any assets as on March 31, 2023 and March 31, 2022 from the costs to obtain or fulfil a contract with a customer.

Note 43: Financial 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 the Risk Management Committee (RMC) ensure that the 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 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 are the following:

- Credit risk
- Market risk
- Capital Risk

Credit risk management

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.

As a lending non-banking financial company, providing loans and loan commitments to borrowers, credit risks arise if borrowers do not meet their obligations vis-à-vis the Company. Credit risks may also arise from active financial positions (Cash and Cash equivalents). Credit risk could also arise from credit enhancements provided.

Credit risk is the single largest risk for the Company's business. Management therefore carefully plans and manages credit risk. Credit-worthiness is assessed and documented prior to entering into any contracts relating to lending, based on information from the prospective borrower and independently obtained market information. Management continuously endeavors 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 credit risk.

An independent risk management function oversees the risk management framework, which periodically presents an overview of credit risk of the portfolio to the RMC.

Loans and advances (including loan commitments and guarantees)

The estimation of credit risk is a complex process, as the risk varies with changes in market conditions, expected project 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 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.

Infrastructure Finance

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. Borrower and loan specific information collected at the time of application (such as past cash flows of borrower and its components, financial position of counterparties, regional economic trends etc.) and judgment based on market intelligence on the sector and the specific borrower is used in assigning the rating. Ratings provides a consistent and common scale for measurement of components of credit risk of a loan asset including the PD across products and sectors. The 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.

The Company's internal ratings for borrowers were benchmarked against the cumulative default rates for 1 year and 3 years periods of CRISIL (PD% at notch level) 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 an 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.

Expected Credit Loss

The Company prepares its financial statements in accordance with the IND AS framework.

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.

Management oversees the estimation of ECL including:

- setting requirements in policy, including key assumptions and the application of key judgments;
- the design and execution of models; and
- 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 summarized 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 1.5 for a description of how the Company determines when a significant increase in credit risk has occurred).
- If the financial instrument is credit-impaired, it is then moved to 'Stage 3'. (See note 1.5 for a description of how the Company defines credit-impaired and default).

PD was determined based on the internal credit rating assigned to the borrower as explained above. The Exposure at Default (EAD) is determined and the LGD estimated at the borrower level. 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 and verified market intelligence. This will determine the updated internal

credit rating and PD. The internal ratings-based PD (at notch level) has been benchmarked to the Cumulative Default Rates for 1 year and 3 years periods of CRISIL.

Collateral / Security Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral/ security, where applicable. The collateral/security comes in various forms, such as charge on cash flows & receivables, charge on bank & escrow accounts, cash (or equivalent) collateral, charge on contracts & rights thereof, hypothecation of movable assets and mortgage of immovable assets, pledge of shares, guarantees, etc.

To the extent possible and relevant, the Company uses market data for valuing collateral/ security. Collateral/ security which do not have readily determinable market values are valued using suitable models/ methodologies based on market practices.

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, have similar ownership/ decision makers 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 an established diversified borrower base as at 31st March, 2023. 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, group/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) which provides oversight and strategic direction for the prudent asset liabilities management. As a prudent practice, the Company has been maintaining positive cumulative liquidity gaps in the current market scenario. A Contingency Funding Plan has also been put into practice by the company 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.

In line with broad regulatory direction, rating covenants and internal assessments, the Company continues to maintain liquidity buffer in the form of High Quality Liquidity Assets which provides adequate cushion. The Company also periodically undertakes liquidity stress testing under various liquidity stress scenarios. To effectively manage the fallout of the COVID-19 pandemic related RBI measures on its funding and liquidity, the Company has been continuously maintaining adequate level of liquidity buffer as a safeguard against any likely disruption in fund-raising and market liquidity.

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 intervals. 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.

The Company does not envisage any market risk considering the reclassification of loan portfolio from amortised cost to fair value through the profit or loss.

Foreign Exchange Rate Risk:

In the normal course of its business, the Company does not deal in foreign exchange in a significant way. Any foreign exchange exposure on account of foreign exchange borrowings is hedged to safeguard against exchange rate risk.

Interest Rate Risk:

The Company generally borrows through the issue of fixed rate long term instruments and lends primarily through fixed rate bonds or loans. 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). Interest Rate Sensitivity Statement is prepared every month and put up to 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 at the Company level are also measured every month and captured in the Risk Dashboard.

Note 44 : Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures (read with note 52):

(a) Category-wise classification for applicable financial assets:		(` in crore)	
Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
I	Measured at fair value through Profit or Loss (FVTPL):		
	(i) Investment in mutual funds	190.12	102.45
	(ii) Investment in commercial paper	-	1,576.15
	(iii) Investment in Security receipt	190.00	-
	(iv) Loans	4,193.95	-
	Sub-total (I)	4,574.07	1,678.60
II	Measured at amortised cost:		
	(i) Loans	-	4,940.38
	(ii) Trade receivables	-	9.32
	(iii) Other receivables	38.88	-
	(iv) Cash and cash equivalents and other bank balances	1,810.78	1,649.78
	(v) Other financial assets	0.66	1.17
	Sub-total (II)	1,850.32	6,600.65
III	Measured at fair value through other comprehensive income (FVTOCI):		
	(i) Investment in bonds/Debentures	93.60	829.47
	(ii) Investment in Treasury Bill	84.91	-
	Sub-total (III)	178.51	829.47
	Total (I+II+III)	6,602.90	9,108.72

(b) Category-wise classification for applicable financial liabilities:		(` in crore)	
Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
I	Measured at amortised cost:		
	(i) Debt securities	5,347.02	7,528.49
	(ii) Subordinated Liabilities	-	285.91
	(iii) Trade & other payable	1.52	3.47
	(iv) Other financial liabilities	1.41	1.39
	Total	5,349.95	7,819.26

(c) Fair value of financial assets and financial liabilities measured at amortised cost:		(` in crore)			
Particulars	As at March 31, 2023		As at March 31, 2022		
	Carrying value	Fair value	Carrying value	Fair value	
Financial assets					
Loans	-	-	4,940.38	4,940.38	
Total	-	-	4,940.38	4,940.38	
Financial liabilities					
Debt securities	5,347.02	5,060.34	7,528.49	7,930.46	
Subordinated liabilities	-	-	285.91	304.52	
Total	5,347.02	5,060.34	7,814.40	8,234.98	

Note: 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) Maturity profile of financial liabilities (Amount at undiscounted value):		(` in crore)					
Particulars	As at March 31, 2023			As at March 31, 2022			
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	
Payable	1.52	-	1.52	3.47	-	3.47	
Borrowings, debt securities and subordinated liabilities	1,837.24	4,819.46	6,656.70	2643.40	7,160.40	9,803.80	
Other financial liabilities	1.41	-	1.41	1.39	-	1.39	

(e) Disclosure pursuant to Ind AS 113 "Fair value measurement" - Fair value hierarchy of financial assets and financial liabilities measured at fair value:		(` in crore)			
As at March 31, 2023	Level 1	Level 2	Level 3	Total	
Financial assets					
Investments					
- Mutual funds	190.12	-	-	190.12	
- Treasury Bill	-	84.91	-	84.91	
- Security Receipt	-	-	190.00	190.00	
- Bonds and Debentures	-	93.60	-	93.60	
Loans	-	-	4,193.95	4,193.95	
Total financial assets	190.12	178.51	4,383.95	4,752.58	

(f) 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	
Financial assets					
Investments					
- Mutual funds	102.45	-	-	102.45	
- Commercial Paper	-	1,576.15	-	1,576.15	
- Bonds and Debentures	-	829.47	-	829.47	
Loans	-	-	-	-	
Total financial assets	102.45	2,405.62	-	2,508.07	

(f) Disclosure pursuant to Ind AS 113 "Fair value measurement" - Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:		(` in crore)				Valuation technique for level 3 items
As at March 31, 2023	Level 1	Level 2	Level 3	Total		
Financial assets						
Loans	-	-	-	-		
Total financial assets	-	-	-	-		
Financial Liabilities						
Debt securities	-	-	5,060.34	5,060.34		Discounted cash flow approach
Subordinated liabilities	-	-	-	-		
Total financial liabilities	-	-	5,060.34	5,060.34		

(f) Disclosure pursuant to Ind AS 113 "Fair value measurement" - Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:		(` in crore)				Valuation technique for level 3 items
As at March 31, 2022	Level 1	Level 2	Level 3	Total		
Financial assets						
Loans	-	-	4,940.38	4,940.38		Discounted cashflow approach
Total financial assets	-	-	4,940.38	4,940.38		
Financial Liabilities						
Debt securities	-	-	7,930.46	7,930.46		Discounted cashflow approach
Subordinated liabilities	-	-	304.52	304.52		Discounted cashflow approach
Total financial liabilities	-	-	8,234.98	8,234.98		

(g) The following table presents the changes in level 3 items for the year ended March 31, 2022 and March 31, 2023 : (₹ in crore)

Particulars	Security Receipts	Loans	Total
Balance as at April 1, 2021	-	-	-
Addition during the year	-	-	-
Disposal during the year	-	-	-
Gains/(losses) recognised in Profit or Loss	-	-	-
Balance as at March 31, 2022	-	-	-
Reclassification from Amortised cost to Fair Value to profit & loss	-	6,508.92	6,508.92
Addition during the year	194.90	1,803.48	1,998.38
Disposal during the year	-	(3,913.51)	(3,913.51)
Gains/(losses) recognised in Profit or Loss	-	-	-
Impact of Fair Valuations - gains/(losses)	(4.90)	(204.94)	(209.84)
Balance as at March 31, 2023	190.00	4,193.95	4,383.95

(h) Fair value measurements using significant unobservable inputs (level 3) :
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			
	As at March 31, 2023	As at March 31, 2022		As at March 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2022
				Favourable	Unfavourable	Favourable	Unfavourable
Investments							
- Security Receipts	190.00	-	5.00%	9.50	(9.50)	-	-
Loans	4,193.95	-	0.25%	10.48	(10.48)	-	-
Total	4,383.95	-		19.98	(19.98)	-	-

(i) Maturity profile of assets and liabilities (₹ in crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Assets						
Cash and cash equivalents	1,178.10	-	1,178.10	534.91	-	534.91
Bank balance other than (a) above	632.68	-	632.68	1,114.87	-	1,114.87
Loans	4,193.95	-	4,193.95	379.41	4,560.97	4,940.38
Investments	368.63	190.00	558.63	2,411.02	97.04	2,508.07
Trade Receivables	-	-	-	9.32	-	9.32
Other Receivable	38.88	-	38.88	-	-	-
Other financial assets	0.05	0.61	0.66	-	1.17	1.17
Non-Financial Assets						
Current tax assets (Net)	-	99.76	99.76	-	72.54	72.54
Deferred tax assets	-	59.16	59.16	-	8.33	8.33
Intangible assets under development	0.09	-	0.09	0.02	-	0.02
Other intangible assets	-	0.16	0.16	-	0.26	0.26
Other non-financial assets	0.30	0.31	0.61	0.89	0.31	1.20
Total	6,412.68	350.00	6,762.68	4,450.44	4,740.62	9,191.07
Financial Liabilities						
Debt Securities	1,631.42	3,715.59	5,347.02	2,257.27	5,271.22	7,528.49
Subordinated liabilities	-	-	-	68.45	217.46	285.91
Trade Payables	1.52	-	1.52	3.47	-	3.47
Other financial liabilities	1.41	-	1.41	1.39	-	1.39
Non-Financial Liabilities						
Provisions	0.23	0.14	0.37	0.28	0.64	0.92
Other non-financial liabilities	1.02	-	1.02	1.74	-	1.74
Current tax liabilities	-	-	-	28.77	-	28.77
Total	1,635.60	3,715.74	5,351.34	2,361.37	5,489.33	7,850.69

(j) Expected credit loss - Loans at amortised cost: (₹ in crore)

Particulars		As at March 31, 2023			As at March 31, 2022		
		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	-	-	-	4,605.09	18.43	4,586.66
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	-	-	-	400.77	47.05	353.72
	Financial assets for which credit risk has increased significantly and credit-impaired	-	-	-	-	-	-
Total		-	-	-	5,005.86	65.48	4,940.38

(k) 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, 2021	8,221.60	248.04	-	8,469.64
New assets originated or purchased	-	42.25	-	42.25
Amount written off	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(118.84)	118.84	-	-
Transfers to Stage 3	-	-	-	-
Decrease in existing financial asset	(3,497.67)	(8.36)	-	(3,506.03)
Gross carrying amount as on March 31, 2022	4,605.09	400.77	-	5,005.86
New assets originated or purchased	3,255.57	-	-	3,255.57
Reclassification from Amortised cost to Fair Value to profit & loss	(6,123.72)	(385.20)	-	(6,508.92)
Amount written off	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Decrease in existing financial asset	(1,736.94)	(15.58)	-	(1,752.51)
Gross carrying amount as on March 31, 2023	-	-	-	-

(l) Reconciliation of loss allowance provision - Loans at amortised cost:				(₹ in crore)
Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on March 31, 2021	32.69	0.96	-	33.65
New assets originated or purchased	-	4.23	-	4.23
Amount written off	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(0.58)	0.58	-	-
Transfers to Stage 3	-	-	-	-
Impact on year end ECL of Exposure transferred between stages during the year	-	-	-	-
Increase / (Decrease) provision on existing financial assets including recovery	(13.69)	41.29	-	27.60
ECL as on March 31, 2022	18.42	47.06	-	65.48
New assets originated or purchased	12.40	-	-	12.40
Reclassification from Amortised cost to Fair Value to profit & loss	(24.56)	(46.19)	-	(70.74)
Amount written off	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Impact on year end ECL of Exposure transferred between stages during the year	-	-	-	-
Decrease provision on existing financial assets including recovery	(6.27)	(0.87)	-	(7.14)
ECL as on March 31, 2023	-	-	-	-

(m) Market rate risk management

(i) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	(₹ in crore)	
	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings	-	-
Fixed rate borrowings	5,054.60	7,438.60
Total borrowings	5,054.60	7,438.60

As at the end of the reporting period, the Company does not have variable rate borrowings and interest rate swap contracts outstanding

(ii) Sensitivity :

Particulars	Impact on profit after tax		Impact on other components of equity	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Interest rates – increase by 25 basis points *	-	-	-	-
Interest rates – decrease by 25 basis points*	-	-	-	-

There are no variable rate borrowings hence it is NIL.

* Impact on P/L upto 1 year, holding all other variables constant

(n) Capital risk 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, including non-controlling interests).

The Company's gearing ratios were as follows:

Particulars	(₹ in crore)	
	As at March 31, 2023	As at March 31, 2022
Net debt	4,168.92	7,279.49
Total equity	1,411.34	1,340.38
Net debt to equity ratio	2.95	5.43

(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.

L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)
Notes forming part of financial statements as at March 31, 2023

Note 44 (o): Liquidity Risk

Background:

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, 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, 2023 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	17	3,057	N.A.	54%

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
2,471	49%

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	Private Non-Convertible Debentures	5,055	90%
2	Preference Shares	-	-
	Total	5,055	90%

Note:

- A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to 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.

L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)
Notes forming part of financial statements as at March 31, 2023

(v) Stock Ratios:

Sr. No.	Stock Ratio	%
1	Commercial papers as a % of total liabilities	0%
2	Commercial papers as a % of total assets	0%
3	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0%
4	Non-convertible debentures (original maturity of less than one year) as a % of total assets	0%
5	Other short-term liabilities as a % of total liabilities	29%
6	Other short-term liabilities as a % of total assets	23%

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

Background:

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:

L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)

Notes forming part of financial statements as at March 31, 2023

From	December 1, 2020	December 1, 2021	December 1, 2022	December 1, 2023	December 1, 2024
Minimum LCR	50%	60%	70%	85%	100%

Further, NBFC are required to publicly disclose the information related to Liquidity Coverage Ratio on a quarterly basis. Accordingly, the disclosure on Liquidity Coverage Ratio of L&T Infra Credit Limited (Formerly known as L& T Infra Debt Fund Limited) for FY2022-23 is as under:

LCR Disclosure		Q1 FY 2022-23		Q2 FY 2022-23		Q3 FY 2022-23		Q4 FY 2022-23	
₹ in crore		Total Unweighted ¹ Value (average)	Total Weighted ² Value (average)	Total Unweighted ¹ Value (average)	Total Weighted ² Value (average)	Total Unweighted ¹ Value (average)	Total Weighted ² Value (average)	Total Unweighted ¹ Value (average)	Total Weighted ² Value (average)
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)	97.85	84.13	105.19	91.52	164.32	150.78	220.08	206.59
	Cash in hand & Bank balance	6.42	6.42	14.08	14.08	2.35	2.35	31.73	31.73
	Government Securities (unencumbered)	-	-	-	-	71.71	71.71	98.40	98.40
	Marketable Securities issued by sovereigns, PSEs or multidevelopment banks with < 20% risk weight (not by bank/FI/NBFC)	91.43	77.72	91.10	77.44	90.26	76.72	89.95	76.45
	Corporate bonds with LT credit rating AA- (not by bank/FI/NBFC)	-	-	-	-	-	-	-	-
Cash Outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	-	-	11.66	13.41	-	-	70.29	80.84
4	Secured wholesale funding	138.46	159.23	8.15	9.38	358.59	412.38	154.44	177.61
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	67.67	77.82	31.19	35.87	59.07	67.93	60.76	69.88
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	TOTAL CASH OUTFLOWS	206.13	237.05	51.00	58.65	417.66	480.31	285.50	328.32
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	23.07	17.31	46.93	35.20	26.07	19.55	30.53	22.90
11	Other cash inflows ³	3,351.36	2,513.52	1,935.49	1,451.62	1,654.25	1,240.69	1,639.27	1,229.45
12	TOTAL CASH INFLOWS	3,374.43	2,530.83	1,982.42	1,486.82	1,680.32	1,260.24	1,669.80	1,252.35
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	TOTAL HQLA		84.13		91.52		150.78		206.59
14	TOTAL NET CASH OUTFLOWS OVER 30 DAYS PERIOD		59.26		14.66		120.08		82.08
15	LIQUIDITY COVERAGE RATIO (%)⁴		142%		624%		126%		252%

Notes:

- 1 Unweighted values calculated as outstanding balances maturing or callable within one month (for inflows and outflows). Averages are calculated basis simple average of daily observations for FY 2022-23
- 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 as well as Fixed deposit placed with banks
- 4 All of the HQLA, cash inflows and outflows are in rupee terms and there is no currency mismatch

Note 45 : Disclosure pursuant to Ind AS 7 "Statement of Cash Flows" - Changes in liabilities arising from financing activities:

(₹ in crore)					
Particulars	April 1, 2022	Cash flows	Changes in fair values	Other	March 31, 2023
Debt securities	7,528.49	(2,130.10)	-	-51.37	5,347.02
Subordinated debt	285.91	(253.74)	-	-32.17	-
Total liabilities from financing activities	7,814.40	(2,383.84)	-	-83.54	5,347.02

(₹ in crore)					
Particulars	April 1, 2021	Cash flows	Changes in fair values	Other	March 31, 2022
Debt securities	8,144.00	(633.86)	-	18.34	7,528.49
Subordinated debt	322.68	(33.10)	-	(3.67)	285.91
Total liabilities from financing activities	8,466.68	(666.96)	-	14.67	7,814.40

Notes 46 : 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	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 periods
(A)	(B)	(C)	(D)	(E) = (B-C)
March 31, 2023	8.44	7.22	1.29	1.22
March 31, 2022	7.97	5.93	1.42	2.04

Note 47

(a) Amalgamation of L&T Infrastructure Finance Company Limited ("LTIFC"), L&T Housing Finance Limited ("LTHFC") and L&T Finance Limited ("LTFL"):

Pursuant to order of National Company Law Tribunal Benches, Mumbai and Kolkata dated March 15, 2021 and March 19, 2021 respectively, the scheme of amalgamation for merger of LTIFC and LTHFC with LTFL became effective from April 12, 2021 with appointed date being April 01, 2020. Prior to the merger, LTIFC was the sponsor of the Company (erstwhile L&T Infra Debt Fund Limited). Consequent to the merger of the sponsor (i.e., LTIFC with LTFL), the Company is no longer eligible to be regarded as NBFC-IDF. The Company has received the certification of registration dated June 22, 2022 as NBFC – ICC from the Reserve Bank of India.

(b) Amalgamation of the Company, L&T Finance Limited and L&T Mutual Fund Trustee Limited with L&T Finance Holdings Limited:

The Board of Directors of the Company has, in its meeting dated January 13, 2023, approved the proposed amalgamation of the Company, L&T Finance Limited and L&T Mutual Fund Trustee Limited with L&T Finance Holdings Limited, with appointed date from April 1, 2023, by way of merger by absorption pursuant to a scheme of arrangement under the provisions of Sections 230 – 232 read with Section 52 and other relevant provisions of the Companies Act, 2013 (including the rules thereunder), subject to, inter alia, the sanction of the National Company Law Tribunal ("NCLT") and other regulatory approvals, as may be required. The Reserve Bank of India vide its letter dated March 24, 2023 to L&T Finance Holdings Limited granted its "No Objection" for the proposed amalgamation.

Note 48: 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:-

- There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period as applicable.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year 2022-2023.
- The Company has no transactions and no balances outstanding with the struck off
- There is no proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- There were no instances of transactions which are not recorded in the books of accounts that has been surrendered or disclosed in the tax assessments under the Income Tax Act, 1961 during the year (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company is not declared wilful defaulter by any bank or financial institution or other lender.
- 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 :
 - 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
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
 - repayable on demand or
 - without specifying any terms or period of repayment.

(a) Major components of tax expense/(income):

(₹ in crore)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a)	Consolidated statement of Profit and Loss:		
	Profit and Loss section:		
	(i) Current Income tax :		
	Current income tax expense	15.87	15.44
		15.87	15.44
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences (including MAT Credit)	(50.18)	(8.55)
		(50.18)	(8.55)
	Income tax expense reported in the consolidated statement of profit or loss[(i)+(ii)]	(34.31)	6.89
(b)	Other Comprehensive Income (OCI) Section:		
	(i) Items not to be reclassified to profit or loss in subsequent periods:		
	(A) Current tax expense/(income):		
	On re-measurement of defined benefit plans	-	-
		-	-
	(B) Deferred tax expense/(income):		
	On re-measurement of defined benefit plans	(0.03)	(0.01)
		(0.03)	(0.01)
	(ii) Items to be reclassified to profit or loss in subsequent periods:		
	(A) Current tax expense/(income):		
	On gain/(loss) on fair value of debt securities	0.67	(0.21)
		0.67	(0.21)
	Income tax expense reported in the other comprehensive income [(i)+(ii)]	0.64	(0.22)
(c)	Retained earnings:		
	Current income tax	-	-
	Deferred tax	-	-
	Income tax expense reported in retained earnings	-	-
	Total tax expense	(33.66)	6.67

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

(₹ in crore)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a)	Profit before tax	(181.33)	11.00
(b)	Corporate tax rate as per Income tax Act, 1961	25.168%	25.168%
(c)	Tax on accounting profit	(45.64)	2.78
(d)	(c)=(a)*(b)		
	(i) Tax on Income exempt from tax :		
	(A) Deduction of Special reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	(2.74)
	(ii) Tax on expense not tax deductible :		
	(A) Corporate Social Responsibility (CSR) expenses	0.64	0.85
	(B) Dividend / Interest on Preference Shares and share issue expense	10.68	6.00
	Total effect of tax adjustments [(i) to (iii)]	11.32	4.11
(e)	Tax expense recognised during the year	(34.31)	6.89
(f)	Effective tax Rate	18.92%	62.63%
	(e)=(c)-(d)		
	(f)=(e)/(a)		

Note 49 : Disclosure pursuant to Ind AS 12 "Income taxes"

(c) Major components of Deferred Tax Liabilities and Deferred Tax Assets:

(₹ in crore)

Particulars	Deferred tax liabilities/(assets) as at April 01, 2022	Charge/(credit) to Statement of Profit and Loss	Remeasurement of net defined benefit plan	Charge/(credit) to other comprehensive income	Deferred tax liabilities/(assets) as at March 31, 2023
Deferred tax (liabilities):					
-Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	(0.01)	0.00	-	-	(0.01)
Deferred tax (liabilities):	(0.01)	0.00	-	-	(0.01)
Offsetting of deferred tax liabilities with deferred tax assets					
Net Deferred tax (liabilities)					
Deferred tax assets:					
-Fair value changes on Investments	0.16	0.45	-	0.68	1.29
-Provision on standard assets	8.01	48.12	-	-	56.13
-Items disallowed under Section 43B	0.05	0.01	-	(0.04)	0.02
- Provision for Expenses	0.13	(0.03)	-	-	0.10
-Provision on Trade receivables	-	1.63	-	-	1.63
Deferred tax assets:	8.35	50.18	-	0.64	59.17
Offsetting of deferred tax assets with deferred tax (liabilities)					
Net Deferred tax assets					
Net deferred tax assets / (liability)	8.33	50.18	-	0.64	59.16

Note 50 : The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of Master Direction - Non-Banking Financial Company - Systemically Important, Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
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.

Note 50 (1) : No appropriations to the Special Reserve under Section 45-IC of Reserve Bank of India Act, 1934 are carried out since the company has incurred loss for the year ended March 31, 2023.

Note 50 (2) : Resolution of stressed assets

During the year ended March 31, 2023, the Company implemented resolution plan (RP) for 1 borrower amounting to ₹ 119.50 crore (previous year NIL) 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 .

Note 50 (3): Capital

Capital to Risk Assets Ratio (CRAR)	As at March 31, 2023	As at March 31, 2022
(i) CRAR (%)	44.52%	31.67%
(ii) CRAR - Tier I Capital (%)	43.27%	25.69%
(iii) CRAR - Tier II Capital (%)	1.25%	5.98%
(iv) Amount of subordinated debt raised as Tier-II capital raised during the year	-	-
(v) Amount raised by issue of Perpetual Debt Instruments raised during the year	-	-
(vi) Amount of Perpetual Debt Instruments outstanding at the end of the financial year	-	-

Note 50 (4): Ratios Analysis as required by Schedule III of the Companies Act, 2013

Particulars	As at March 31, 2023	As at March 31, 2022	% Variance
(i) Capital ratio ¹	44.52%	31.67%	40.60% ³
(ii) Liquidity coverage ratio ²	192.80%	217.00%	-11.15% ⁴

Note:

- Capital ratio = Adjusted net worth/ Risk weighted assets, calculated as per applicable RBI guidelines
- Liquidity coverage ratio = Stock of high quality liquid assets / Total net cash outflows over the next 30 calendar days
- Increase in Tier-I capital is mainly due to fresh equity capital infusion amounting to ₹ 219.91 crores (including share premium) by holding company.
- Reasoning is not required since the variance is less than 25%.

Note 50 (5): Investment

		(₹ in crore)	
Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Value of Investment		
(i)	Gross value of Investment		
(a)	In India	563.53	2,508.07
(b)	Outside India	-	-
(ii)	Provision for Depreciation		
(a)	In India	4.90	-
(b)	Outside India	-	-
(iii)	Net Value of Investment		
(a)	In India	558.63	2,508.07
(b)	Outside India	-	-
2	Movement of Provision held towards depreciation of Investment		
(i)	Opening balance	-	-
(ii)	Add: Provisions made during the year	4.90	-
(iii)	Less: Write off/write back of excess provision during the year	-	-
(iv)	Closing balance	4.90	-

Note 50 (6): Derivatives:

Note 50 (6) (i): Forward rate agreement/ Interest rate swap (also includes Currency Interest rate Swaps): The company has not entered into forward rate agreements/ interest rate swaps during the financial year ended March 31, 2023 (Previous year: Nil)

Note 50 (6) (ii): Exchange trading Interest rate (IR) Derivatives: The company has not traded in Interest rate Derivative during the financial year ended March 31, 2023 (Previous year: Nil)

Note 50 (6) (iii) : Disclosure on Risk Exposure in Derivatives: Nil (Previous year –Nil)

Note 50 (7): Securitisation:

Note 50 (7) (i) : No transaction for Special Purpose Vehicle during the Financial year (Previous year – Nil)

Note 50 (7) (ii) : 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) The details of loans transferred and acquired through assignment/novation by the Company during the year ended March 31, 2023 are as under :

Sr. No	Particulars	Loan transferred	Loan acquired
1	Count of loans	21	41
2	Amount of loan account assigned (₹ in Cr.)	1,840.10	5,059.05
3	Weighted average maturity (In years)	7.27	7.89
4	Weighted holding period (In years)	3.50	Not applicable
5	Retention of beneficial interest	NIL	Not applicable
6	Security coverage (times)	Greater than 1x	Greater than 1x
7	Rating	Category AA to BB	Category AA to D

ii) Details of stressed loans transferred during the year ended March 31, 2023[#]

Sr. No.	Particulars	To ARC's	To permitted transferees	To other transferees
1	No. of accounts sold	4	-	-
2	Aggregate principal outstanding of loans transferred (in crores)	240.90	-	-
3	Weighted average residual tenor of the loans transferred (months)	53.60	-	-
4	Net book value of loans transferred (at the time of transfer) (in crores)	224.43	-	-
5	Aggregate consideration (in crores)	229.30	-	-
6	Additional consideration realised in respect of accounts transferred in earlier	-	-	-
7	Provision reversed to the profit and loss account	24.92	-	-

[#] excludes other receivables not in the nature of loans and advances.

Note 50 (7) (iv): Details of Non performing Financial assets purchased: During the current and previous year, the Company has not purchased any Non performing Financial Assets from other NBFCs.

Note 50(8): Maturity pattern of certain items of assets and liabilities

(₹ in crore)

Particulars	1 to 7 Days	8 to 14 Days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Assets:											
Deposits	291.05	200.00	-	606.69	330.13	378.75	1.03	-	-	-	1,807.65
Loans	2.75	8.31	1.10	4.44	64.38	439.15	916.52	724.63	612.77	1,679.84	4,453.88
Investment	275.02	-	-	90.17	-	-	-	-	-	190.00	555.19
Liabilities:											
Borrowing	-	-	-	309.00	58.00	565.20	457.20	1,867.60	620.60	1,177.00	5,054.60

The above bucketing has been arrived, based on the extant regulatory guidelines and the ALM policy last approved by the Board of Directors at its meeting held on October 18, 2022.

Note 50(9): Exposures:

(i) Exposures to Real Estate Sector:

Category	(₹ in crore)	
	As at March 31, 2023	As at March 31, 2022
a) Direct Exposure		
(i) Residential Mortgages	Nil	Nil
(ii) Commercial Real Estate	Nil	Nil
(iii) Investment in Mortgage Backed Securities(MBS) and other securitised exposures	Nil	Nil
- Residential	Nil	Nil
- Commercial Real Estate	Nil	Nil
b) Indirect Exposure	Nil	Nil
Total exposure to Real Estate	Nil	Nil

(ii) Exposures to Capital Market:

Sr No	Category	(₹ in crore)	
		As at March 31, 2023	As at March 31, 2022
(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;	Nil	Nil
(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;	Nil	Nil
(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;	Nil	Nil
(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;	Nil	Nil
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
(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;	Nil	Nil
(vii)	Bridge loans to companies against expected equity flows / issues;	Nil	Nil
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	Nil	Nil
(ix)	Financing to stockbrokers for margin trading		
(x)	All exposures to Alternative Investment Funds:		
	(i) Category I	Nil	Nil
	(ii) Category II		
	(iii) Category II		
	Total exposure to Capital Market	Nil	Nil

(iii) Sectoral Exposure:

Sr No	Sectors	As at March 31, 2023			As at March 31, 2022		
		Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
(i)	Agriculture and Allied Activities	-	-	-	-	-	-
ii)	Industry	-	-	-	-	-	-
a)	Roads	372.39	-	-	1,615.44	-	-
b)	Electricity Generation	3,666.15	-	-	2,979.22	-	-
c)	Electricity Transmission	247.93	-	-	411.20	-	-
d)	Cement & Cement Products	164.16	-	-	-	-	-
iii)	Services	-	-	-	-	-	-
iv)	Personal Loans	-	-	-	-	-	-
v)	Others	-	-	-	-	-	-
a)	Inter Corporate Deposit	-	-	-	-	-	-
	Total	4,450.63	-	-	5,005.86	-	-

(iv) Intra-group exposures

S. No.	Particulars	(₹ in crore)	
		As at March 31, 2023	As at March 31, 2022
1)	Total amount of intra-group exposures	-	-
2)	Total amount of top 20 intra-group exposures	-	-
3)	Percentage of intra-group exposures to total exposure of the NBFC on borrowers/ customers	-	-

Note 50(10): Provisions and contingencies

(₹ in crore)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2023	As at March 31, 2022
Provisions for depreciation on Investment	-	-
Provision towards Non Performing Assets	-	-
Provision made towards Income tax	(34.31)	6.89
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	-	-
Impairment / fair value changes on financial instruments	206.67	25.62

Note 50(11): Drawdown from reserves: No drawdown from reserves during the year (previous year: Nil).

Note 50(12) (i): Concentration of deposits:

(₹ in crore)

Sr No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Total deposit of twenty largest depositors	Not Applicable	Not Applicable
2	Percentage of deposit of twenty large depositors to total deposit of NBFC	Not Applicable	Not Applicable

Note 50(12) (ii): Concentration of advances:

(₹ in crore)

Sr No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Total advances to twenty largest borrowers	3,731.62	3,433.17
2	Percentage of advances to twenty largest borrowers to total advances of NBFC	83.84%	68.58%

Note 50(12) (iii): Concentration of exposures:

(₹ in crore)

Sr No	Particulars	As at March 31, 2023	As at March 31, 2021
1	Total exposure to twenty largest depositors/customers	3,731.62	3,433.17
2	Percentage of exposure to twenty large borrowers/customers to total exposure of NBFC on borrowers/customers.	83.84%	68.58%

Note 50(12) (iv): Concentration of Non Performing Assets: (see footnote 1 below)

(₹ in crore)

Sr No	Particulars	As at March 31, 2023	As at March 31, 2022
1	Total exposure to top four NPA accounts	Nil	Nil

Note 50(12) (v): Sector wise Non Performing Assets: (see footnote 1 below)

Percentage of Non Performing Assets to total advances in that sector

Sr No	Sector	As at March 31, 2023	As at March 31, 2022
1.	Agriculture & Allied activities	Nil	Nil
2.	MSME		
3.	Corporate borrowers		
4.	Services		
5.	Unsecured personal loans		
6.	Auto loans		
7.	Other personal loans		

Note 50(13): Financing of parent company products: Nil (Previous Year - Nil).

Note 50(14): Details of Single borrower limit (SBL)/ Group borrower limit (GBL) exceeded by NBFC: Nil (Previous Year - Nil)

Note 50(15): Unsecured advances: Nil (Previous Year - Nil).

Note 50(16): Registration obtained from other financial sector regulators: No registration has been obtained from other financial sector regulators.

Note 50(17): Penalties imposed by RBI or other regulators: No Penalties has been imposed by RBI or other regulators during the year (Previous Year- Nil).

Particulars	As at March 31, 2023			As at March 31, 2022		
	CRISIL	CARE	ICRA	CRISIL	CARE	ICRA
Non Convertible Debentures	AAA (stable)	AAA (stable)	AAA (stable)	AAA (stable)	AAA (Stable)	AAA (stable)
Term Loan	-	A1+	AAA (stable)	-	A1+	-
Redeemable Preference Shares	AAA (stable)	-	-	AAA (Stable)	-	-
Commercial Paper	A1+	A1+	A1+	A1+	A1+	A1+
Principal Protected Market Linked Debentures	PP-MLD AAA (Stable)	PP-MLD AAA (Stable)	PP-MLD AAA (Stable)	PP-MLD AAAr (Stable)	PP-MLD AAA (Stable)	PP-MLD AAA (Stable)

Note 50(19): Non- Performing Assets (see footnote 1 below) : NIL

Note 50(20): Overseas Assets: Nil (Previous Year Nil)

Note 50(21): Off Balance sheet Special purpose Vehicles (SPV) sponsored (which are required to consolidated as per accounting norms): Nil (Previous Year Nil)

Note 50(22) : Postponement of revenue recognition: Nil

Note 50(23): Disclosures on Flexible Structuring of Existing Loans: Nil

Note 50(24): Disclosures on Strategic Debt Restructuring Scheme (accounts which are currently under the stand-still period): Nil

Note 50(25): Disclosures on Change in Ownership of Projects Under Implementation (accounts which are currently under the stand-still period): Nil

Footnotes:

- In terms of RBI Circular on Implementation of Indian Accounting Standards dated March 13, 2020, the regulatory ratios, limits and disclosures are based on Ind AS figures and only impaired assets (Stage 3) are considered as non-performing assets (NPA) for calculation of NPA ratios. Therefore, a loan asset with principal and interest dues outstanding for more than 90 days which has been classified as Stage 2 loan asset in the preparation of financial statements, after taking into consideration qualitative factors including the availability of the liquidity to pay out its obligations to lenders, has not been regarded as an NPA for the above purpose. Had this amount been classified as an NPA, Gross NPA would have been ₹ NIL (previous year ₹ 119.50 crore) and Net Non performing asset would have been ₹ NIL (previous year ₹ 83.65 crore).

Note 50(26): 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"

Loss Allowances (Provisions) as required under Ind AS 109						
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	4,202.92	233.69	3,969.22	16.83	216.86
	Stage 2	247.72	22.99	224.73	12.54	10.45
Subtotal (a)		4,450.63	256.68	4,193.95	29.37	227.31
Non-Performing Assets (NPA)						
Doubtful - 1 to 3 years	Stage 2	-	-	-	-	-
Subtotal for doubtful (b)		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for Non-Performing Assets (c)		-	-	-	-	-
Total (d=(a+b+c))		4,450.63	256.68	4,193.95	29.37	227.31
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	Stage 1	-	-	-	-	-
Subtotal (e)		-	-	-	-	-
Total (d+e)	Stage 1	4,202.92	233.69	3,969.22	16.83	216.86
	Stage 2	247.72	22.99	224.73	12.54	10.45
	Stage 3	-	-	-	-	-
Total		4,450.63	256.68	4,193.95	29.37	227.31

* includes Fair value impact of the loan assets measured at fair value through Profit or Loss (FVTPL).

Note 50(27) : Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 06, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) as at March 31, 2023 are given below:

(₹ 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 i.e. September 30, 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***	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e. March 31, 2023
	(A)	(B)	(C)	(D)	(E)
Personal Loans	-	-	-	-	-
Corporate persons*	234.87	234.87	19.00	220.00	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	234.87	234.87	19.00	220.00	-

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

**includes restructuring implemented during the quarter ended June 2021 and September 2021 under the Resolution Framework 1.0 and 2.0

***includes ₹ 220 crores received on account of sale to ARC.

Note 50(28) : 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)

Liability Side:

1. Loans and advances availed by the Non Banking Financial Company inclusive of interest accrued thereon but not paid:

(₹ in crore)

	Particular	As at March 31, 2023		As at March 31, 2022	
		Amount outstanding	Amount Overdue	Amount outstanding	Amount Overdue
(a)	Debentures :				
	Secured	5,347.02	Nil	7,528.49	Nil
	Unsecured	-	Nil	285.91	Nil
	(Other than falling within the meaning of public deposits)				
(b)	Deferred Credits	Nil	Nil	Nil	Nil
(c)	Term Loans	Nil	Nil	Nil	Nil

Asset Side:

2. Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]

(₹ in crore)

	Particular	As at March 31, 2023	As at March 31, 2022
		Amount outstanding	Amount outstanding
(a)	Secured	4,193.95	4,940.38
(b)	Unsecured	Nil	Nil

3. Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities

(₹ in crore)

Sr. No	Particular	As at March 31, 2023	As at March 31, 2022
		Amount outstanding	Amount outstanding
(i)	Lease assets including lease rentals under sundry debtors		
(a)	Financial Lease	Nil	Nil
(b)	Operating Lease	Nil	Nil
(ii)	Stock on hire including hire charges under sundry debtors		
(a)	Assets on hire	Nil	Nil
(b)	Repossessed assets	Nil	Nil
(iii)	Other loans counting towards AFC activities		
(a)	Loans where assets have been repossessed	Nil	Nil
(b)	Loans other than (a) above	Nil	Nil

4. Break-up of Investments

(₹ in crore)

Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022
		Amount outstanding	Amount outstanding
1	Current Investments		
	Quoted		
	(i) Shares : (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii) Debentures and Bonds	Nil	Nil
	(iii) Units of Mutual Funds	190.12	102.45
2	(iv) Government Securities	178.51	193.68
	(v) Others	Nil	2,211.94
	Unquoted :		
	(i) Shares : (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii) Debentures and Bonds	Nil	Nil
3	(iii) Units of Mutual Funds	Nil	Nil
	(iv) Government Securities	Nil	Nil
	(v) Others	Nil	Nil

(₹ in crore)

Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022
		Amount outstanding	Amount outstanding
1	Long Term Investments		
	Quoted		
	(i) Shares : (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii) Debentures and Bonds	Nil	Nil
	(iii) Units of Mutual Funds	Nil	Nil
2	(iv) Government Securities	Nil	Nil
	(v) Others	Nil	Nil
	Unquoted :		
	(i) Shares : (a) Equity	Nil	Nil
	(b) Preference	Nil	Nil
	(ii) Debentures and Bonds	Nil	Nil
3	(iii) Units of Mutual Funds	Nil	Nil
	(iv) Government Securities	Nil	Nil
	(v) Others	190.00	Nil

5. Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	(₹ in crore)	
	As at March 31, 2023	As at March 31, 2022
	Amount outstanding	Amount outstanding
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties (Secured)	4,193.95	4,940.38
Total	4,193.95	4,940.38

6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): (see footnote 3 below)

Category	As at March 31, 2023		As at March 31, 2022	
	Market Value/Breakup Value/ Fair value /NAV	Book Value(Net of Provisions)	Market Value/Breakup Value/ Fair value /NAV	Book Value(Net of Provisions)
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	558.63	558.63	2,508.07	2508.07
Total	558.63	558.63	2508.07	2508.07

7. Other information

(₹ in crore)			
Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	Gross Non-Performing Assets		
(a)	Related parties	Nil	Nil
(b)	Other than related parties	Nil	Nil
(ii)	Net Non-Performing Assets		
(a)	Related parties	Nil	Nil
(b)	Other than related parties	Nil	Nil
(iii)	Assets acquired in satisfaction of debt	Nil	Nil

Footnotes:

- As defined in point xxvii of paragraph 3 of Chapter -II of these Directions.
- Provisioning norms shall be applicable as prescribed in Indian Accounting Standards by MCA.
- All Indian Accounting Standards issued by MCA are applicable including for valuation of investments.

In terms of RBI Circular on Implementation of Indian Accounting Standards dated March 13, 2020, the regulatory ratios, limits and disclosures are based on Ind AS figures and only impaired assets (Stage 3) are considered as non-performing assets (NPA) for calculation of NPA ratios. Therefore, a loan asset with principal and interest dues outstanding for more than 90 days which has been classified as Stage 2 loan asset in the preparation of financial statements, after taking into consideration qualitative factors including the availability of the liquidity to pay out its obligations to lenders, has not been regarded as an NPA for the above purpose. Had this amount been classified as an NPA, Gross NPA would have been ₹ NIL (previous year ₹ 119.50 crore) and Net Non performing asset would have been ₹ NIL (previous year ₹ 83.65 crore).

Note 51: The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of RBI circular DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 on 'Scale Based Regulation (SBR): A Revised Regulatory Framework' for NBFCs, which inter-alia envisages certain specific disclosures read with circular no. DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 for "Disclosures in Financial Statements - Notes to Accounts of NBFCs".

Note 51(1): Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman.

Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	Nil	Nil
2	Number of complaints received during the year	Nil	Nil
3	Number of complaints disposed during the year	Nil	Nil
	Of which, number of complaints rejected by the NBFC	Nil	Nil
4	Number of complaints pending at the end of the year	Nil	Nil
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	Nil	Nil
	1) Number of complaints resolved in favour of the NBFC by Office of Ombudsman	Nil	Nil
	2) Number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	Nil	Nil
	3) Number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Nil	Nil
6*	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil
Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.			
* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021			

2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
For the year ended March 31, 2023					
Grounds	Nil	Nil	Nil	Nil	Nil
For the year ended March 31, 2022					
Grounds	Nil	Nil	Nil	Nil	Nil

Note 51(2): Breach of Covenant

During the year ended March 31, 2023, there is no instance of breach of covenant of loan availed or debt securities issued (applicable if any) by the company.

Note 51(3): Unhedged foreign currency exposure

The company does not have any unhedged foreign currency exposures as at March 31, 2023.

Note 51(5): Divergence in Asset Classification and Provisioning*

a) the additional provisioning requirements assessed by RBI exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for financial year 2021-22 : **Nil**

b) the additional Gross NPAs identified by RBI exceeds 5 percent of the reported Gross NPAs for financial year 2021-22 : **Nil**

Foot Note

*Final Inspection report for the financial year 2021-22 is not issued by the Reserve Bank of India as on March 31, 2023.

Note 51(6) : Related Party Disclosure

i) Related party transactions for the year ended

(Amount in ₹ crore)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
Items	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances														
Inter corporate deposits given L&T Finance Limited	1,393.27	-	-	-	-	-	-	-	-	-	-	-	1,393.27	-
Inter corporate received back L&T Finance Limited	1,393.27	-	-	-	-	-	-	-	-	-	-	-	1,393.27	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets														
Loan assets transfer from L&T Finance Limited	5,059.05	-	-	-	-	-	-	-	-	-	-	-	5,059.05	-
Sale of fixed/other assets														
Loan assets transfer to L&T Finance Limited	397.32	-	-	-	-	-	-	-	-	-	-	-	397.32	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received														
L&T Finance Limited	16.16	-	-	-	-	-	-	-	-	-	-	-	16.16	-
Others														
Management fees paid to														
L&T Finance Holdings Limited	0.32	0.73	-	-	-	-	-	-	-	-	-	-	0.32	0.73
L&T Finance Limited	2.62	5.50	-	-	-	-	-	-	-	-	-	-	2.62	5.50
ESOP cost paid to														
L&T Finance Holdings Limited	1.29	1.42	-	-	-	-	-	-	-	-	-	-	1.29	1.42
Rent paid to														
L&T Financial Consultants Limited	-	-	-	-	-	-	-	-	-	-	0.72	1.59	0.72	1.59
Equity Infusion by														
L&T Finance Limited	51.37	-	-	-	-	-	-	-	-	-	-	-	51.37	-
L&T Finance Holdings Limited	168.54	-	-	-	-	-	-	-	-	-	-	-	168.54	-
Compensation paid to Directors														
Mr. Shiva Rajaraman ⁽¹⁾	-	-	-	-	-	-	1.02	3.58	-	-	-	-	1.02	3.58
Mrs. Rupa Rege Nitsure ⁽²⁾⁽³⁾	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Thomas Mathew T.	-	-	-	-	-	-	0.21	0.17	-	-	-	-	0.21	0.17
Ms. Nishi Vasudeva	-	-	-	-	-	-	0.25	0.22	-	-	-	-	0.25	0.22
Compensation paid to Other KMPs														
Mr. Manish Jethwa ⁽³⁾	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Savita Kodian ⁽³⁾	-	-	-	-	-	-	0.50	0.39	-	-	-	-	0.50	0.39
Other transactions														
L&T Finance Limited	16.71	-	-	-	-	-	-	-	-	-	-	-	16.71	-
L&T Financial Consultants Limited	-	-	-	-	-	-	-	-	-	-	0.74	0.67	0.74	0.67
Larsen & Tourbro	0.03	0.23	-	-	-	-	-	-	-	-	-	-	0.03	0.23

⁽¹⁾ ceased as Whole-time Director with effect from May 17, 2022

⁽²⁾ appointed as Whole-time Director with effect from October 20, 2022

⁽³⁾ Remunerations of Key Managerial personnel are paid from the other Company of L&T Finance Group during the reporting period.

ii) Related Party Balances as at the year end

(Amount in ₹ crore)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances (i) L&T Finance Limited	38.79	-	-	-	-	-	-	-	-	-	-	-	38.79	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-

iii) Related Party maximum balances during the year ended

(Amount in ₹ crore)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances L&T Finance Limited	38.79	-	-	-	-	-	-	-	-	-	-	-	38.79	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note 52: Reclassification of Wholesale loan asset portfolio

As on September 30, 2022, the Business Model being followed by the Company involved accounting the Wholesale loan asset portfolio in its books of account at Amortised cost.

As part of its four-year Business Strategy - Lakshya 2026, the L&T Finance Group is aiming to increase its retail asset book to a minimum level of 80% by 2026 and this is targeted to be achieved through a CAGR growth of 25% in its retail portfolio as well as bringing down its wholesale loan asset portfolio through accelerated sell down. In line with this objective, the Group is taking steps to align the Infrastructure and Real Estate loan portfolio (Wholesale loan asset portfolio) to this strategy.

Consequent to the above, the Board has approved the change in business model for the Wholesale loan asset portfolio which would lead to conversion of its amortised cost portfolio to fair value through profit & loss account portfolio in line with the principles in Ind AS 109, Financial Instruments, which require a reclassification when an entity changes its business model by shifting its focus completely from fresh sanctions to accelerated sell down of its wholesale loan asset portfolio.

Based on the change in the Business model and in accordance with para 4.4.1 of Ind AS 109 "Financial Instruments", the Company had reclassified its wholesale loan asset portfolio previously measured at "Amortised cost" to "Fair value through profit & loss" as on October 1, 2022.

Effective from October 01, 2022, the Company has reclassified its Wholesale loan asset portfolio measured at amortised cost amounting to ₹ 6,508.92 crores to fair value through profit & loss account. The Company has carried out an independent fair valuation of wholesale loan asset portfolio as at October 01, 2022 by external registered valuer and one time impact of such reclassifications consequent to change in business model and fair valuation of its wholesale loan asset portfolio, amounting to ₹ 237 crore has been presented as an "Exceptional Item".

Note 53: Previous year figures have been regrouped/reclassified whenever necessary, to make them comparable with the current year figures.

In terms of our report of even date.

For C N K & Associates LLP

Chartered Accountants

Firm Registration No : 101961W/W-100036

For and on behalf of the Board of Directors of

L&T Infra Credit Limited

(Formerly known as L&T Infra Debt Fund Limited)

sd/-

Hiren Shah

Partner

Membership No : 100052

sd/-

Dinanath Dubhashi

Director

(DIN : 03545900)

sd/-

Rupa Rege Nitsure

Whole-time Director

(DIN : 07503719)

sd/-

Manish Jethwa

Chief Financial Officer

sd/-

Savita Kodain

Company Secretary

Place : Mumbai

Date : April 26, 2023

Place : Mumbai

Date : April 26, 2023

L&T Mutual Fund Trustee Limited
Financial Statements as at March 31, 2023
IND AS (Division III of Schedule III)

INDEPENDENT AUDITOR’S REPORT

To The Members of L&T Mutual Fund Trustee Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of L&T Mutual Fund Trustee Limited (“the Company”), which comprise the Balance Sheet as at 31st March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow 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 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 31 March 2023, 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 financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the 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 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 financial statements.

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. We have determined that there are no key audit matters to communicate in our report.

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, but does not include the, financial statements and our auditor’s report thereon.
- Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is

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materially inconsistent with the 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.

Responsibilities of Management and Those Charged with Governance for the 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 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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

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143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 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 financial statements, including the disclosures, and whether the 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 Company to express an opinion on the financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

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.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account
 - d) In our opinion, the aforesaid 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 and taken

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on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- g) With respect to the adequacy of the internal financial controls with reference to financial statements 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 with reference to financial statements.

- h) 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, during the year ended March 31, 2023, no remuneration has been paid by the company to its directors otherwise than by way of fee for attending meeting of the Board thereof, is in accordance with the provisions of section 197 of the Act.

- i) 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 does not have any pending litigations which would impact its financial position.
- 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.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 34 to the financial statements no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 34 to the financial statements no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities.
(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

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- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- 2. As required by the Companies (Auditor's Report) Order, 2020 ("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)

sd/-

Rishabh Sanghvi
Partner
(Membership No. 066926)
(UDIN: 23066926BGUCOV1453)

Place: Mumbai
Date: April 25, 2023

Deloitte Haskins & Sells LLP

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **L&T Mutual Fund Trustee** Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the 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 with reference to financial statements based on the internal control with reference to financial statements 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ("the 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 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

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Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to financial statements established by the respective Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

sd/-

Rishabh Sanghvi
Partner
(Membership No. 066926)
(UDIN: 23066926BGUCOV1453)

Place: Mumbai
Date: April 25, 2023

Deloitte Haskins & Sells LLP

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)

Report on Companies (Auditor's Report) Order, 2020 (the Order) issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 (the Act) of L&T Mutual Fund Trustee Limited ("the Company")

To the best of our information and according to the explanation provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) As the Company does not hold any property, plant and equipment, (capital work-in-progress, investment properties and right-of-use assets) and intangible assets, during the year ended March 31, 2023, reporting under clause 3(i) of the Order is not applicable.
- (ii)
 - (a) The Company was engaged primarily in providing trusteeship services to a specific mutual fund and therefore does not hold any inventory. Therefore, reporting under clause 3(ii)(a) of the Order is not applicable.
 - (b) The Company has not been sanctioned any working capital facility at any point of time of the year, by banks or financial institutions. Therefore, hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii)
 - (a) The Company has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Therefore, reporting under clauses 3(iii)(a), (c), (d), (e) and (f) of the Order are not applicable.
 - (b) During the year, in the ordinary course of its business, the Company has made investments in mutual fund schemes. In our opinion, having regard to the nature of the Company's business, the investments made are not prejudicial to the Company's interest.
- (iv) The Company has not granted any loans or provided guarantees or securities and has not made investments to parties covered by section 185 and 186 of the Companies Act, 2013. Hence reporting under clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company. Hence reporting under clause 3(vi) of the Order is not applicable.
- (vii) In respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Service tax, Income-tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities. We have been informed that the provisions of the Employees' State Insurance Act, 1948 and the Employees Provident Funds & Miscellaneous Provisions Act, 1952 are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

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- (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2023.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix)
 - (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year. Therefore, reporting under clause 3(ix)(c) of the Order is not applicable.
 - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
 - (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x)
 - (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)
 - (a) No material fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (c) There were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv)
 - (a) In our opinion, based on the reports provided to us, the Company has an adequate internal audit system commensurate with the size and the nature of its business, for the period covered by the internal audit report i.e. April 1, 2022 to September 30, 2022. We are unable to comment on the balance period of the financial year as this period was not required to be covered by the internal auditor.

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- (b) We have considered, the internal audit reports issued to the Company during the year covering transactions entered into by the Company during the period April 1, 2022 to September 30, 2022. The scope of work did not include transactions entered into by the Company during the period October 1, 2022 to March 31, 2023.
- (xv) During the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In the group (in accordance with Core Investment Companies (Reserve Bank) Directions, 2016), there is one company forming part of the promoter/promoter group of the Company which is CIC.
- (xvii) The Company has incurred cash losses amounting to Rs. 5.92 lakhs during the financial year and Rs. 0.36 lakhs in the immediately preceding financial year covered by our audit.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, asset liability maturity pattern, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company does not have net worth of rupees five hundred crore or more as at 31st March, 2022 and for the year ended on that date, its turnover (i.e. revenue from operations) was less than ₹1,000 crore and its net profit was less than ₹5 crore. Therefore, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

sd/-

Rishabh Sanghvi
Partner
(Membership No. 066926)
(UDIN: 23066926BGUCOV1453)

Mumbai, April 25, 2023

L&T Mutual Fund Trustee Limited
Balance Sheet as at March 31, 2023

(₹ in lakhs)

Particulars		Notes	As at March 31, 2023	As at March 31, 2022
ASSETS				
1	Financial Assets			
	(a) Cash and cash equivalents	2	3.74	3.91
	(b) Receivables - Trade receivables	3	-	8.22
	(c) Investments	4	68.83	67.36
	(d) Other financial assets	5	-	0.16
2	Non-Financial Assets			
	(a) Current tax assets (net)	6	21.86	23.68
	(b) Other non-financial assets	7	13.77	0.14
Total Assets			108.20	103.47
LIABILITIES AND EQUITY				
LIABILITIES				
1	Financial Liabilities			
	(a) Payables - Trade payables			
	- total outstanding dues of micro enterprises and small enterprises		-	-
	- total outstanding dues of creditors other than micro enterprises and small enterprises	8	4.41	3.74
	(b) Other financial liabilities	9	-	2.30
2	Non-Financial Liabilities			
	(a) Provision	10	-	1.06
	(b) Other non-financial liabilities	11	0.08	0.28
	(c) Deferred tax liabilities (Net)	12	0.02	-
3	Equity			
	(a) Equity share capital	13	15.00	15.00
	(b) Other equity	14	88.69	81.09
Total Liabilities and Equity			108.20	103.47
Significant accounting policies		1		
See accompanying notes forming part of financial statements		21 to 40		

As per our report attached.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

For and on behalf of the Board of Directors of

L&T Mutual Fund Trustee Limited

sd/-

Rishabh Sanghvi

Partner

sd/-

Raju Dodti

Director

DIN 06550896

sd/-

Santosh Parab

Director

DIN 09361578

Place : Mumbai

Date : April 25, 2023

Place : Mumbai

Date : April 25, 2023

L&T Mutual Fund Trustee Limited
Statement of Profit and Loss for the year ended March 31, 2023

(₹ in lakhs)

Particulars		Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
I	Revenue from operations			
	(i) Fees and commission income	15	3.26	5.00
	(ii) Net gain on fair value changes	16	3.47	2.18
	Total Revenue from operations		6.73	7.18
II	Other income	17	14.16	2.73
III	Total income (I + II)		20.89	9.91
IV	Expenses			
	(i) Employee benefit expenses	18	-	-
	(ii) Other expenses	19	13.27	5.98
	Total expenses		13.27	5.98
V	Profit before tax (III - IV)		7.62	3.93
VI	Tax expense	20		
	(1) Current tax		-	-
	(2) Deferred tax		0.02	-
VII	Profit for the year (V-VI)		7.60	3.93
VIII	Total other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement of defined benefit plans		-	-
IX	Total comprehensive income for the year (VII+VIII)		7.60	3.93
X	Earnings per share:	30		
	Basic and Diluted (₹)		5.07	2.62
	Nominal value per share (₹)		10	10
	Significant accounting policies	1		
	See accompanying notes forming part of financial statements	21 to 40		

As per our report attached.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants

For and on behalf of the Board of Directors of

L&T Mutual Fund Trustee Limited

sd/-

Rishabh Sanghvi
Partner

 Place : Mumbai
Date : April 25, 2023

sd/-

Raju Dodti
Director
DIN 06550896

 Place : Mumbai
Date : April 25, 2023

sd/-

Santosh Parab
Director
DIN 09361578

L&T Mutual Fund Trustee Limited

Statement of changes in equity for the year ended March 31, 2023

a. Equity share capital

(₹ in lakhs)

Particulars	Number of Shares	Equity share capital
Issued and Paid up Capital at April 1, 2022	1,50,000	15.00
Balance at April 1, 2022	1,50,000	15.00
- Changes in equity share capital due to prior period errors	-	-
Restated the balance during the year	1,50,000	15.00
Issue of equity shares	-	-
Balance at March 31, 2023	1,50,000	15.00
Balance at April 1, 2021	1,50,000	15.00
- Changes in equity share capital due to prior period errors	-	-
Restated the balance during the year	1,50,000	15.00
Issue of equity shares	-	-
Balance at March 31, 2022	1,50,000	15.00

b. Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus		Total
	Capital reserve	Retained earnings	
Balance at April 1, 2022	157.76	(76.67)	81.09
Profit for the year	-	7.60	7.60
Total comprehensive income for the year	-	7.60	7.60
Balance at March 31, 2023	157.76	(69.07)	88.69
Balance at April 1, 2021	157.76	(80.60)	77.16
Profit for the year	-	3.93	3.93
Total comprehensive income for the year	-	3.93	3.93
Balance at March 31, 2022	157.76	(76.67)	81.09

As per our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

For and on behalf of the Board of Directors of

L&T Mutual Fund Trustee Limited

sd/-

Rishabh Sanghvi
Partner

sd/-

Raju Dodti
Director
DIN 06550896

sd/-

Santosh Parab
Director
DIN 09361578

Place : Mumbai
Date : April 25, 2023

Place : Mumbai
Date : April 25, 2023

L&T Mutual Fund Trustee Limited
Statement of Cash Flow for the year ended March 31, 2023

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax	7.62	3.93
<u>Adjustments for :</u>		
(Reversal)/ Provision for ITC Receivable	(13.99)	(2.73)
Fair value gain on investment	(3.92)	(0.62)
Profit on redemption of investments (net)	0.45	(1.56)
Operating loss before working capital changes	(9.84)	(0.98)
<u>Movement in working capital:</u>		
<u>Adjustments for increase in operating assets-</u>		
Other financial and non financial assets	0.52	2.43
Trade receivables	8.22	(6.84)
<u>Adjustments for increase / (decrease) in operating liabilities-</u>		
Trade Payable	0.67	(2.74)
Other financial liabilities	(2.30)	0.63
Provision	(1.06)	0.84
Other non financial liabilities	(0.20)	0.06
Cash used in operations	(3.99)	(6.60)
Net taxes refunded/ (paid)	1.82	(4.19)
Net cash used in operating activities (A)	(2.17)	(10.79)
B. Cash flow from investing activities		
Purchase of investments	(128.00)	(33.00)
Proceeds on redemption of investments	130.00	42.00
Net cash generated from investing activities (B)	2.00	9.00
C. Cash flow from financing activities		
Net cash generated from / (used in) financing activities (C)	-	-
Net decrease in cash and cash equivalents (A+B+C)	(0.17)	(1.79)
Cash and cash equivalents at the beginning of the year	3.91	5.70
Cash and cash equivalents at the end of the year	3.74	3.91

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 per our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

sd/-

Rishabh Sanghvi
Partner

Place : Mumbai
Date : April , 2023

For and on behalf of the Board of Directors of
L&T Mutual Fund Trustee Limited

sd/-

Raju Dodti
Director
DIN 06550896

Place : Mumbai
Date : April , 2023

sd/-

Santosh Parab
Director
DIN 09361578

L&T Mutual Fund Trustee Limited

Notes forming part of Financial Statements

Background

L&T Mutual Fund Trustee Limited ("LTMFTL") is a public company, incorporated on April 30, 1996, under the Companies Act, 1956, LTMFTL") having CIN:U65993MH1996PLC211198 and having its registered office at Brindavan, Plot No.177, C.S.T Road, Kalina, Santacruz (East), Mumbai – 400098 (Maharashtra). LTMFTL's principal activity was to provide trusteeship services to a mutual fund however with the divestment of stake in the mutual fund business, it no longer acts as a trustee company for any mutual fund. Further, vide letter dated November 25, 2022, LTMFTL voluntarily surrendered the approvals held by it to act as a mutual fund trustee. The request for surrender has been accepted by SEBI vide its letter dated April 6, 2023. LTMFTL is a wholly owned subsidiary of L&T Finance Holdings Limited ("LTFH").

The Board of Directors of LTMFTL have, in their meeting dated January 13, 2023, approved the amalgamation of L&T Finance Limited, L&T Infra Credit Limited and LTMFTL, with LTFH, by way of a merger by absorption, pursuant to a scheme of arrangement under the provisions of Sections 230 - 232 read with Section 52 and other relevant provisions of the Companies Act, 2013 ("Scheme"), subject to the sanction of the National Company Law Tribunal and approvals from other regulatory authorities, as may be required. RBI vide its letter dated March 24, 2023 has provided it's no objection to the Scheme.

The Financial Statements were authorised for issue in accordance with a resolution of the Board of Directors passed in their meeting held on April 25, 2023.

Note 1 : Summary of Significant Accounting Policies:

(a) Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 read with Section 133 of the Companies Act, 2013 with effect from April 1, 2016. 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.

(b) Presentation of financial statements:

The financial statements are presented in 'Indian Rupees'(INR), which is Company's functional and presentation currency and the same has been rounded off to the nearest lakhs.

(c) Revenue Recognition

The Company is in the business of providing trusteeship services. Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Trusteeship fees is recognised in the statement of profit and loss over the period of service, net of GST.

(d) Other Income

Other income 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.

(e) Share Capital

Ordinary equity shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

(f) Financial instruments

Financial instruments are recognised when the Company becomes party to a contract.

At initial recognition, the Company measures a financial asset at its fair value plus the transaction costs that are directly attributable to the acquisition of the financial asset. In case of financial assets carried at fair value through profit or loss, transaction costs are expensed in Statement of profit and loss as incurred.

Financial assets

All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:

a) The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; 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.

The Company currently classifies cash and cash equivalents, trade receivables and other financial assets that meet the above definition are classified at amortised cost.

b) Debt instruments that meet the following conditions shall be subsequently measured at fair value through other comprehensive income (FVOCI):

- 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.

c) Assets that do not meet the above criteria for amortised cost or FVOCI are measured at fair value through profit or loss (FVTPL).

Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.

For financial assets that are measured at FVOCI, income by way of interest is recognised in profit or loss and changes in fair value (other than on account of such income) are recognised in Other Comprehensive Income and accumulated in other equity. On disposal of debt instruments measured at FVOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments measured at FVOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.

L&T Mutual Fund Trustee Limited
Notes forming part of Financial Statements

A financial asset is primarily derecognised when:

1. the right to receive cash flows from the asset has expired, or
2. 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 (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.

On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

Impairment of financial assets: The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 - Impairment loss on investments.

Financial liabilities

A. The Company measures all the financial liabilities including trade payables as 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.

(g) 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 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, long service award etc. 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.

(h) Taxation

Current Tax

The income tax expense or credit for the period is the tax payable on the current periods taxable income based on the applicable income tax rate adjusted by changes in deferred tax asset and liabilities attributable to temporary differences and to unused tax losses.

Current 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. This is assessed periodically by the management.

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.

L&T Mutual Fund Trustee Limited
Notes forming part of Financial Statements

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it 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.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intend either to settle on net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or direct in equity, respectively.

(i) Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognised only when:

- (i) an 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 not recognised in the financial statements. 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.

(j) Earning 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.

(k) Cash and cash equivalents

For the purposes of presentation in the statement of cash flow, cash and cash equivalents comprise cash on hand and balance with banks.

(l) Statement of cash flow

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 foreign currency gains and losses, and
- iii) all other items for which the cash effects are investing or financing cash flows.

(m) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer note 20 for segment information.

(n) Fair value Measurement

The Company measures financial instruments such as investments in mutual funds at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy (refer note 21).

(o) Critical Estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires that the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The estimates and underlying assumptions are reviewed on an ongoing basis. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

The areas involving critical estimates or judgements are:

- (i) Recognition of deferred tax assets for carried forward tax losses :- The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.
- (ii) Goods and Services tax input credit is recognised for in the books in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits

L&T Mutual Fund Trustee Limited
Notes forming part of Financial Statements

Note 2 : Cash and cash equivalents		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks	3.74	3.91
Total	3.74	3.91

Note 4 : Investments		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
(A)		
(i) Fair Value Through Profit & Loss		
- Mutual funds		
- L&T Overnight Fund (G) Direct Plan -CY Nil units (PY 4,620.116 units)	-	41.96
NAV as on March 31, 2023 : Nil (NAV as on March 31, 2022: 1,658.3830)		
-HSBC - Liquid Fund - Direct (Formerly known as L&T Liquid Fund (G) Direct Plan - CY 3,069.738 units (PY 871.520 units)	68.83	25.40
NAV as on March 31, 2023 : 2,242.1310 (NAV as on March 31, 2022 : 2,914.9581)		
Total (A)	68.83	67.36
(B)		
(I) Investments in India		
(i) Fair Value Through Profit & Loss	68.83	67.36
Total (B)	68.83	67.36
Total (B) to tally with (A)	-	-

Note 5 : Other Financials assets		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Receivable from related party	-	0.16
Total	-	0.16

Note 6 : Current tax assets (net)		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax	21.86	23.68
Total	21.86	23.68

Note 7 : Other non-financials assets		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues recoverable	13.77	-
Advances to suppliers	-	0.14
Total	13.77	0.14

L&T Mutual Fund Trustee Limited
Notes forming part of Financial Statements

Note 9: Other financial liabilities		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Employee Benefits Payable	-	2.30
Total	-	2.30

Note 10: Provision		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Compensated Absences	-	0.68
Gratuity (Note No: 24)	-	0.38
Total	-	1.06

Note 11: Other non-financial liabilities		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Statutory liabilities	0.08	0.28
Total	0.08	0.28

Note 12 : Deferred tax liabilities (Net)		₹ in lakhs
Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
Provision for expenses	(0.31)	-
Business losses	-	0.44
Deferred tax liabilities		
Gain on FVTPL of investments made in mutual fund	0.33	(0.44)
Total	0.02	-

Note: 14: Other equity		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve	157.76	157.76
Retained earnings	(69.07)	(76.67)
Other comprehensive income	-	-
Total	88.69	81.09

Note 14.1 Capital reserve		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	157.76	157.76
Addition during the year	-	-
Balance at end of year	157.76	157.76

Non-distributable Reserve created in accordance with the Scheme of Arrangement approved by the Honourable High Court of Judicature at Bombay, upon amalgamation of an erstwhile subsidiary (viz. L&T Trustee Services Private Limited) with the Company.

Note 14.2 Retained earnings		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	(76.67)	(80.60)
Addition during the year	7.60	3.93
Balance at end of year	(69.07)	(76.67)

Retained Earnings represents the Company's cumulative losses

Note 14.3 Other comprehensive income		(₹ in lakhs)
Particulars	As at March 31, 2023	As at March 31, 2022
Remeasurement of defined benefit plans	-	(0.04)
Reimbursement of Income	-	0.04
Balance at end of year	-	-

L&T Mutual Fund Trustee Limited
Notes forming part of financial statements

Note 3 : Receivables (₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables		
Receivables considered good - Unsecured	-	8.22
Total	-	8.22

(₹ in lakhs)							
Particulars	As at March 31, 2023						Total
	Not due	Outstanding for following periods from the due date of payment*					
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed							
-Considered good	-	-	-	-	-	-	-
-Increase in credit risk	-	-	-	-	-	-	-
-Credit impaired	-	-	-	-	-	-	-
Disputed							
-Considered good	-	-	-	-	-	-	-
-Increase in credit risk	-	-	-	-	-	-	-
-Credit impaired	-	-	-	-	-	-	-
Gross trade receivables	-	-	-	-	-	-	-
Less : Allowance for Doubtful debts	-	-	-	-	-	-	-
Total trade receivables (net of allowance for doubtful debts)	-	-	-	-	-	-	-

(₹ in lakhs)							
Particulars	As at March 31, 2022						Total
	Not due	Outstanding for following periods from the due date of payment*					
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed							
-Considered good	-	8.22	-	-	-	-	8.22
-Increase in credit risk	-	-	-	-	-	-	-
-Credit impaired	-	-	-	-	-	-	-
Disputed							
-Considered good	-	-	-	-	-	-	-
-Increase in credit risk	-	-	-	-	-	-	-
-Credit impaired	-	-	-	-	-	-	-
Gross trade receivables	-	8.22	-	-	-	-	8.22
Less : Allowance for Doubtful debts	-	-	-	-	-	-	-
Total trade receivables (net of allowance for doubtful debts)	-	8.22	-	-	-	-	8.22

*Date of the transaction is considered as due date of payment.

L&T Mutual Fund Trustee Limited
Notes forming part of financial statements

Note 8 : Payables

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Micro enterprises and small enterprises	-	-
Trade payables	4.05	3.74
Due to related parties	0.36	-
Total	4.41	3.74

(₹ in lakhs)

Particulars	As at March 31, 2023						Total
	Unbilled dues	Not due	Outstanding for following periods from the due date of payment*				
			Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed							
-MSME	-	-	-	-	-	-	-
-Others	4.21	-	0.20	-	-	-	4.41
Disputed							
-MSME	-	-	-	-	-	-	-
-Others	-	-	-	-	-	-	-
Total trade payable	4.21	-	0.20	-	-	-	4.41

(₹ in lakhs)

Particulars	As at March 31, 2022						Total
	Unbilled dues	Not due	Outstanding for following periods from the due date of payment*				
			Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Undisputed							
-MSME	-	-	-	-	-	-	-
-Others	3.74	-	-	-	-	-	3.74
Disputed							
-MSME	-	-	-	-	-	-	-
-Others	-	-	-	-	-	-	-
Total trade payable	3.74	-	-	-	-	-	3.74

*Date of the transaction is considered as due date of payment.

L&T Mutual Fund Trustee Limited
Notes forming part of Financial Statements

Note 13 : Equity share capital

The Company has issued equity share capital, the details in respect of which are given below

(a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Authorised				
Equity shares of ₹ 10 each	2,50,000	25.00	2,50,000	25.00
	2,50,000	25.00	2,50,000	25.00
Issued, subscribed and paid up				
Equity shares of ₹ 10 each	1,50,000	15.00	1,50,000	15.00
	1,50,000	15.00	1,50,000	15.00

(b) Reconciliation of the number of equity shares and share capital:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Issued, subscribed and fully paid up equity share outstanding at the beginning of the year	1,50,000	15.00	1,50,000	15.00
Add: Shares issued during the year	-	-	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	1,50,000	15.00	1,50,000	15.00

(c) Shares held by Holding Company (L&T Finance Holdings Limited)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of Rs. 10 each	1,50,000	15.00	1,50,000	15.00
	1,50,000	15.00	1,50,000	15.00

(d) Details of shareholders holding more than five percent equity shares in the Company as at the reporting date are as under:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of holding	No. of Shares held	% of holding
L&T Finance Holdings Limited	1,50,000	100%	1,50,000	100%
	1,50,000	100%	1,50,000	100%

(e) Shares held by Promoters :

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
L&T Finance Holdings Limited (including its nominee) (Equity Shares of ₹10/- each fully paid)	1,50,000	15.00	1,50,000	15.00

(f) Shares held by Promoters at the end of the year :

Particulars	No. of Shares	% of total shares	% change during the year
L&T Finance Holdings Limited (including its nominee) (Equity Shares of ₹10/- each fully paid)	1,50,000	100%	NIL

(g) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per 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.

(h) There are no shares allotted for consideration other than cash during 5 years immediately preceding March 31, 2023.

(i) There are no shares allotted as fully paid up by way of bonus shares during 5 years immediately preceding March 31, 2023.

(j) There are no shares bought back during 5 years immediately preceding March 31, 2023.

L&T Mutual Fund Trustee Limited

Notes forming part of Financial Statements

Note 15: Fees and commission Income		(₹ in lakhs)
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Trusteeship fees	3.26	5.00
Total	3.26	5.00

Note 16: Net gain on fair value changes		(₹ in lakhs)
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	3.47	2.18
Total Net gain on fair value changes (A)	3.47	2.18
(B) Fair Value changes:		
-Realised	3.92	0.62
-Unrealised	(0.45)	1.56
Total net gain on fair value changes (B)	3.47	2.18
Total Net gain on fair value changes(A) to tally with (B)	-	-

Note 17: Other income		(₹ in lakhs)
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest received on income tax refund	0.17	-
Reversal of provision for ITC Receivable	13.99	2.73
Total	14.16	2.73

Note 18: Employee benefit expense		(₹ in lakhs)
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries	9.96	17.78
Contribution to provident and other funds	-	(0.01)
Gratuity (Note No: 24)	(0.38)	0.42
Staff welfare expenses	0.46	0.74
Reimbursement of expenses	(10.04)	(18.93)
Total	-	-

L&T Mutual Fund Trustee Limited
Notes forming part of Financial Statements

Note 19: Other expenses		(₹ in lakhs)
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Director's fees, allowances and expenses	14.00	18.00
Reimburesment of expenses	(10.20)	(18.00)
<u>Auditor's remuneration</u>		
Audit fees	4.00	3.60
Expenses reimbursed	-	0.03
Other attestation services	3.00	-
Legal and professional charges	1.75	2.22
Rates and taxes	0.21	-
Filing fees	0.16	0.10
Bank charges	0.19	0.03
Brand license fees	0.16	-
Total	13.27	5.98

Note 20: Tax expense		(₹ in lakhs)
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax expense	-	-
Deferred tax expense	0.02	-
Total	0.02	-

L&T Mutual Fund Trustee Limited
Notes forming part of financial statements

Note 21: Fair value measurements

Financial instruments by category

(₹ in lakhs)

Particulars	March 31, 2023		March 31, 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments				
- Mutual funds	68.83	-	67.36	-
Trade receivables	-	-	-	8.22
Cash and cash equivalents	-	3.74	-	3.91
Other financial assets	-	-	-	0.16
Total financial assets	68.83	3.74	67.36	12.29
Financial liabilities				
Trade payables				
(i) total outstanding dues to micro enterprises and small enterprises	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	4.41	-	3.74
Other Financial Liabilities	-	-	-	2.30
Total financial liabilities	-	4.41	-	6.04

FVTPL : Fair value through profit and loss account

Items of Income, expense, gains or losses

(₹ in lakhs)

Particulars	March 31, 2023		March 31, 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Net gain/ (losses) on financial assets and financial liabilities				
Gain/ (loss) on redemption of investment in mutual fund units	3.92	-	0.62	-
Gain/ (loss) on fair valuation of mutual fund units	(0.45)	-	1.56	-

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in lakhs)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
As at March 31, 2023				
Financial assets				
<i>Financial Investments at FVTPL</i>				
Mutual funds	68.83	-	-	68.83
Total financial assets				

(₹ in lakhs)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
As at March 31, 2022				
Financial assets				
<i>Financial Investments at FVTPL</i>				
Mutual funds	67.36			67.36
Total financial assets				

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

(ii) Valuation processes:

The carrying amounts of trade receivables, cash and cash equivalents, other financial assets, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

L&T Mutual Fund Trustee Limited
Notes forming part of financial statements

Note 22: Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, other financial assets measured at amortised cost	Aging analysis	High quality credit rating of Bank
Liquidity risk	Trade payables and other financial liabilities	Rolling cash flow forecasts	Working Capital Management
Market Risk – security prices	Investments in units of mutual funds	Sensitivity analysis	Portfolio diversification

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities including deposits with banks. On account of Ind AS 109, the Company uses simplified approach for recognition of impairment loss allowance under the expected credit loss model.

Trade receivable

The Company renders services to related entities only and as such credit risk of trade receivable is not expected to be significant considering the credit worthiness of the related entities. The Company closely monitors the ageing of its trade receivables to ensure the non-receipt of payment is escalated and recovered. The Company uses a provision matrix to compute impairment loss allowance for trade receivable.

Deposits with banks

The Company performs a qualitative assessment of credit risk on its cash and cash equivalents. The Company maintains its current deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities as and when they are due.

The Company aims to maintain an adequate level of its cash and cash equivalent at an amount in excess of expected cash outflows, arising from operations.

Currently, the Company's financial liabilities only include trade payables and other financial liabilities which are payable within a period of 12 months.

(C) Market Risk

The Company's exposure to investment in mutual funds held as FVTPL exposes it to price risk. To manage this risk, the Company diversifies its portfolio. The Company's total exposure in investments in mutual fund carried at FVTPL is Rs. 68.83 Lakhs as at March 31, 2023 (Previous Year: Rs. 67.36 Lakhs as at March 31, 2022).

(₹ in lakhs)

Financial instruments by category	FY 22-23	FY 21-22
	Impact on profit or (loss)	Impact on profit or (loss)
Investment in mutual fund (impact of increase and decrease)		
Liquid mutual funds-NAV increased by 1%	0.69	0.67
Liquid mutual funds-NAV decreased by 1%	(0.69)	(0.67)

L&T Mutual Fund Trustee Limited
Notes forming part of financial statements

Note 23: Income Taxes

(a) Major components of tax expense/(income):

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Consolidated statement of Profit and Loss:		
Profit and Loss section:		
(i) Current Income tax :		
Current income tax expense	0.02	-
	0.02	-
(ii) Deferred Tax:	-	-
Income tax expense reported in the statement of profit or loss[(i)+(ii)]	0.02	-

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/(loss) before tax (a)	7.62	3.93
Corporate tax rate as per Income tax Act, 1961 (b)	25.1680%	25.17%
Tax on accounting profit/(loss) (c)=(a)*(b)	1.92	0.99
Total effect of tax adjustments		
(i) Unrecognised temporary differences (losses on which no deferred tax asset is recognised)	1.73	0.09
(ii) Adjustment in respect to deferred tax of previous years	(0.11)	(0.39)
(iii) Unrecognised temporary differences (provisions on which no deferred tax asset is recognised)	(3.52)	(0.69)
Total effect of tax adjustments (d)	(1.90)	(0.99)
Less:Mat Credit Entitlement	0.02	-
Tax expense recognised during the year (e)=(c)-(d)	0.00%	0.00%
Effective tax Rate (f)=(e)/(a)	0.29%	0.00%

(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, 2023		As at March 31, 2022	
	₹ in lakhs	Expiry year	₹ in lakhs	Expiry year
Tax losses (Business loss and unabsorbed depreciation)				
Business losses on which no DTA is created				
- Amount of losses having expiry				
AY2017-18	-	AY 2025-26	0.13	AY 2025-26
AY2018-19	-	AY 2026-27	11.56	AY 2026-27
AY2019-20	-	AY 2027-28	13.70	AY 2027-28
AY2020-21	-	AY 2028-29	14.83	AY 2028-29
AY2021-22	-	AY 2029-30	16.03	AY 2029-30
AY2022-23	-	AY 2030-31	0.34	AY 2030-31
Total	-		56.60	

* On account of proposed merger unused tax losses and unused total credits are not available for carry forward (Refer note 40)

(ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet

Particulars	March 31, 2023	March 31, 2022
(a) Towards provision for expenses	-	1.12
(b) Towards provision for Gratuity	-	0.38
(c) Towards provision for Leave encashment	-	0.46
Total	-	1.96

(d) Major components of Deferred Tax Liabilities and Deferred Tax Assets:

Particulars	Deferred tax liabilities/(assets) as at April 01, 2022	Charge/(credit) to Statement of Profit and Loss	Deferred tax liabilities/(assets) as at March 31, 2023
Deferred tax liabilities:			
--Fair value of investments (routed through FVTPL)	0.44	(0.11)	0.33
Deferred tax liabilities	0.44	(0.11)	0.33
Net Deferred tax liabilities (A)	0.44	(0.11)	0.33
Deferred tax (assets):			
-Deferred Tax asset created to the extent of brought forward losses	(0.44)	0.44	0.00
-Provision for expenses	-	(0.31)	(0.31)
Deferred tax (assets)	(0.44)	0.13	(0.31)
Offsetting of deferred tax (assets) with deferred tax liabilities			
Net Deferred tax (assets) (B)	(0.44)	0.13	(0.31)
Net deferred tax liability/(assets) (A) + (B)	-	0.02	0.02

Particulars	Deferred tax liabilities/(assets) as at April 01, 2021	Charge/(credit) to Statement of Profit and Loss	Deferred tax liabilities/(assets) as at March 31, 2022
Deferred tax liabilities:			
--Fair value of investments (routed through FVTPL and FVTOCI)	0.05	0.39	0.44
Deferred tax liabilities	0.05	0.39	0.44
Offsetting of deferred tax liabilities with deferred tax (assets)	-	-	-
Net Deferred tax liabilities (A)	0.05	0.39	0.44
Deferred tax (assets):			
-Unutilised MAT credit			-
-Other items giving rise to temporary differences			-
-Deferred Tax asset created to the extent of brought forward losses	(0.05)	(0.39)	(0.44)
Deferred tax (assets)	(0.05)	(0.39)	(0.44)
Offsetting of deferred tax (assets) with deferred tax liabilities			
Net Deferred tax (assets) (B)	(0.05)	(0.39)	(0.44)
Net deferred tax liability/(assets) (A) + (B)	-	-	-

L&T Mutual Fund Trustee Limited
Notes forming part of financial statements

Note 24 : Disclosure pursuant to Ind AS 19 "Employee Benefits"

(i) Defined benefits Gratuity Plan

(a) The amounts recognised in Balance Sheet are as follows:

		(₹ in lakhs)	
		Gratuity Plan	
Particulars		As at March 31, 2023	As at March 31, 2022
A)	Present Value of Defined Benefit Obligation		
	- Wholly funded	-	-
	- Wholly unfunded	-	0.38
		-	0.38
	Less : Fair Value of plan assets	-	-
	Amount to be recognised as liability or (asset)	-	0.38
B)	Amounts reflected in Balance Sheet		
	Liabilities	-	0.38
	Assets	-	-
	Net liability/(asset)	-	0.38
	Net liability/(asset) - current*	-	-
	Net liability/(asset) - non-current	-	0.38

*Amount is less than Rs.1000/-

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

		(₹ in lakhs)	
		Gratuity Plan	
Particulars		As at March 31, 2023	As at March 31, 2022
1	Current Service Cost	(0.42)	0.42
2	Interest Cost	-	-
3	Interest Income on Plan Assets	-	-
4	Actuarial losses/(gains) - others	0.04	(0.04)
5	Actuarial losses/(gains) - difference between actuarial return on plan assets	-	-
Total (1 to 5)		(0.38)	0.38
i	Amount included in "employee benefits expenses"	(0.42)	0.42
ii	Amount included in as part of "finance cost"	-	-
iii	Amount included as part of "Other Comprehensive income"	0.04	(0.04)
Total (i + ii + iii)		(0.38)	0.38

* Amount less than Rs. 1 Lakhs

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

		(₹ in lakhs)	
		Gratuity Plan	
Particulars		As at March 31, 2023	As at March 31, 2022
Opening balance of the present value of defined benefit obligation		0.38	-
Add : Current Service Cost		(0.42)	0.42
Add : Interest Cost		-	-
Add : Actuarial losses/(gains)			
i) Actuarial (gains)/losses arising from changes in financial assumptions		0.03	(0.03)
ii) Actuarial (gains)/losses arising from changes in demographic assumptions		-	-
ii) Actuarial (gains)/losses arising from changes in experience adjustments		0.01	(0.01)
Less : Benefits paid		-	-
Add : Past service cost		-	-
Add : Liability assumed/(settled)		-	-
Add/(less) : Translation adjustments		-	-
Closing balance of the present value of defined benefit obligation		-	0.38

Note 24 : Disclosure pursuant to Ind AS 19 "Employee Benefits" (Continued)

- (d) **Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows**
(₹ in lakhs)

Particulars	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
Opening balance of the fair value of the plan assets	-	-
Add : interest income of plan assets	-	-
Add/(less) : Actuarial gains/(losses)		
(Difference between actual return on plan assets and interest income)	-	-
Add : Contribution by the employer	-	-
Add/(less) : Contribution by plan participants	-	-
Less : Benefits paid	-	-
Closing balance of plan assets	-	-

- (e) **The fair value of major categories of plan assets are as follows:**

Particulars	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
1 Government of India Securities	-	-
2 Corporate Bonds	-	-
3 Special Deposit Scheme	-	-
4 Insurer Managed Funds (Unquoted)	-	-
5 Others	-	-

- (f) **Principal actuarial assumptions at the valuation date:**

Particulars	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
1 Discount rate (per annum)	-	7.35%
2 Salary escalation rate (per annum)	-	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.

- (g) **Mortality:**
Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

- (h) The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- (i) **Sensitivity Analysis**

One percentage point change in actuarial assumption would have the following effects on the defined benefit obligation:

Particulars	Gratuity Plan			
	Effect of 1% increase		Effect of 1% decrease	
	2022-23	2021-22	2022-23	2021-22
1 Discount rate (per annum)	-	(0.07)	-	0.09
2 Salary escalation rate (per annum)	-	0.09	-	(0.07)

L&T Mutual Fund Trustee Limited
Notes forming part of financial statements

Note 25: Disclosure pursuant to Ind AS 115 "Revenue from contracts with customers"

(₹ in lakhs)

- 1 Disaggregation of revenue for the year ended March 31, 2023 - Following table covers the revenue segregation in to Operating segments and Geographical areas

Particulars	Revenue from contracts with customers	Total as per P&L for the year ended March 31, 2023
Segment	Domestic	Total
Trusteeship Fee Income	3.26	3.26
Total	3.26	3.26
Revenue Recognised based on performance obligations satisfied over a period of time	3.26	3.26
Revenue Recognised based on performance obligations satisfied at a point in time	-	-

Disaggregation of revenue for the year ended March 31, 2022 - Following table covers the revenue segregation in to Operating segments and Geographical areas

(₹ in lakhs)

Particulars	Revenue from contracts with customers	Total as per P&L for the year ended March 31, 2022
Segment	Domestic	Total
Trusteeship Fee Income	5.00	5.00
Total	5.00	5.00
Revenue Recognised based on performance obligations satisfied over a period of time	5.00	5.00
Revenue Recognised based on performance obligations satisfied at a point in time	-	-

- 2 Reconciliation of contracted price with revenue during the year

(₹ in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue recognised in statement of profit & loss	3.26	5.00
Contracted prices	3.26	5.00

- 3 Movement of trade receivables

(₹ in lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	1.38	1.35
Revenue recognised during the year	3.26	5.00
Invoices raised during the year for point in time sale	3.26	5.00
Amount recovered	4.64	4.97
Closing Balance	-	1.38

- 4 The Company has not recognised any assets as on March 31, 2022 and March 31, 2023 from the costs to obtain or fulfill a contract with a customer.

L&T Mutual Fund Trustee Limited
Notes forming part of financial statements

Note 26: Capital management

The Company's objectives when managing capital are to 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 maintain an optimal capital structure.

Note 27: Contingent liabilities and Capital commitments

The Company does not have any contingent liabilities / capital commitments as at March 31, 2023 (Previous Year: Nil)

Note 28: Segment Reporting

The Board of directors are the Company's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the chief operating decision-maker for the purposes of allocating resources and assessing performance.

The company operates in only one segment viz 'providing trusteeship services' to L&T Mutual fund. Further all activities are carried out within India. As such, there are no separate reportable segments as per Ind AS 108 'Operating Segments'. There exists concentration risk as 100 percentage of revenue (Trusteeship Fees) is from one single customer i.e. L&T Mutual Fund.

Note 29: Micro and Small Enterprises

There are no dues to micro and small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 which are outstanding as at the Balance Sheet date. This information has been determined on the basis of information available with the Company.

Note 30: Earning Per Share:

EPS is computed by dividing the net profit after tax by the weighted average number of equity shares.

Particulars	Unit	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit available to equity shareholders (A)			
Profit after tax	₹ in lakhs	7.60	3.93
Weighted average number of equity shares			
Number of shares at the beginning of the year	No.	1,50,000	1,50,000
Shares issued during the year	No.	-	-
Total number of equity shares outstanding at the end of the year	No.	1,50,000	1,50,000
Weighted average number of equity shares (B)	No.	1,50,000	1,50,000
Nominal value of equity shares	Rs.	10/-	10/-
Basic and Diluted earnings per share [(A)/(B)]	Rs.	5.07	2.62

Note 31: Related party disclosures

A Name of the related parties and description of relationship (With whom transactions are carried out during current / previous period)

(i)	Ultimate Holding Company	Larsen & Toubro Limited
(ii)	Holding Company	L&T Finance Holdings Limited*
(iii)	Fellow Associate	L&T Investment Management Limited* (till November 25, 2022)
(ii)	Key Managerial Personnel	Mr. S. V. Haribhakti - Chairman & Non Executive Director (ceased to be a director w.e.f November 26, 2022) Mr. Shrinivas Joshi - Independent Director (ceased to be a director w.e.f November 26, 2022) Mr. Jayant Gokhale - Independent Director (ceased to be a director w.e.f November 26, 2022) Mr. Hemant Joshi - Independent Director (ceased to be a director w.e.f December 14, 2021) Mr. Syed Waqar Abbas Naqvi - Independent Director (appointed w.e.f March 17, 2022 and ceased to be a director w.e.f November 26, 2022) Mr. Raju Francis Dodti - Additional Director (appointed w.e.f November 25, 2022) Mr. Santosh Bhanu Parab - Additional Director (appointed w.e.f November 25, 2022) Mr. Abhishek Sharma - Additional Director (appointed w.e.f November 25, 2022)

*No Transactions during the year

B Details of Transaction with Related Parties

(₹ in lakhs)		
Nature of Transactions	For the year ended March 31, 2023	For the year ended March 31, 2022
Shared service cost - Larsen & Toubro Limited	1.57	2.24

(₹ in lakhs)		
Amount due to / from Related Parties		
Nature of transaction	As at March 31, 2023	As at March 31, 2022
Larsen & Toubro Limited (payable)/receivable	(0.36)	0.16

(₹ in lakhs)		
Compensation paid to Key Managerial Personnel		
Name of Key Managerial Personnel	For the year ended March 31, 2023	For the year ended March 31, 2022
Mr. S. V. Haribhakti	4.00	5.50
Mr. Hemant Joshi	-	3.50
Mr. Shrinivas Joshi	4.00	5.50
Mr. Jayant Gokhale	3.50	3.50
Mr. Syed Waqar Abbas Naqvi	2.50	-

L&T Mutual Fund Trustee Limited
Notes forming part of financial statements

(₹ in lakhs)

Note 32: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial Assets						
Cash and cash equivalents	3.74	-	3.74	3.91	-	3.91
Trade Receivables	-	-	-	8.22	-	8.22
Investments	68.83	-	68.83	67.36	-	67.36
Other financial Assets	-	-	-	0.16	-	0.16
Non-financial Assets						
Current tax asset	-	21.86	21.86	-	23.68	23.68
Other non-financial assets	13.77	-	13.77	0.14	-	0.14
Total assets	86.34	21.86	108.20	79.79	23.68	103.47
LIABILITIES						
Financial Liabilities						
Trade payables	-	-	-	-	-	-
(i) total outstanding dues to micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	4.41	-	4.41	3.74	-	3.74
Other financial liabilities	-	-	-	2.30	-	2.30
Non-financial Liabilities						
Other non-financial liabilities	0.08	-	0.08	0.28	-	0.28
Provisions	-	-	-	0.04	1.02	1.06
Total liabilities	4.49	-	4.49	6.36	1.02	7.38
Net	81.85	21.86	103.71	73.43	22.66	96.09

Note 33 : a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 34 : Going concern assessment :

The Company is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's principal activity was to provide trusteeship service to L&T Mutual Fund ("LTMF"). L&T Finance Holdings Limited ("LTFH"), the Holding Company of L&T Investment Management Limited ("LTIM") which is Asset Management Company for LTMF, had entered into an agreement with HSBC Asset Management (India) Private Limited ("HSBC AMC") to sell 100% equity shares of LTIM and the said transaction was concluded on November 25, 2022. Post completion of the sale transaction to HSBC AMC, the Company ceases to provide trusteeship services to LTMF.

The Board of Directors of LTMFTL have, in their meeting dated January 13, 2023, approved the amalgamation of LTMFTL with LTFH, by way of a merger by absorption, on a going concern basis, pursuant to a scheme of arrangement under the provisions of Sections 230 - 232 read with Section 52 and other relevant provisions of the Companies Act, 2013, subject to the sanction of the National Company Law Tribunal and approvals from other regulatory authorities, as may be required. RBI vide its letter dated March 24, 2023 has provided it's no objection to the Scheme.

Accordingly, these financial statements are prepared on going concern basis.

Note 35 : The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

Note 36 : The Company did not have any pending litigations as on March 31, 2023 (Previous Year: Nil)

Note 37 : The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses.

Note 38 : The Company did not have transactions with struck off companies during the year ended March 31, 2023

Note 39 : There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

Note 40 : Previous year figures have been reclassified to conform to current year's classification.

As per our report attached.
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

For and on behalf of the Board of Directors of
L&T Mutual Fund Trustee Limited

sd/-

sd/-

sd/-

Rishabh Sanghvi
Partner

Raju Dodti
Director
DIN 06550896

Santosh Parab
Director
DIN 09361578

Place : Mumbai
Date : April 25, 2023

Place : Mumbai
Date : April 25, 2023

L&T Finance Holdings Limited
Standalone Financial Statements
March 31, 2023

Independent Auditor's Report

To
The Members of
L&T Finance Holdings Limited

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone Ind AS financial statements of L&T Finance Holdings Limited ('the Company'), which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ('the Standalone Financial Statements').
2. 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

4. 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 year. 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.

Key Audit Matter	How the matter was addressed in our audit
Impairment of Investments in subsidiaries: We have identified impairment testing of investments in subsidiaries as a Key Audit Matter due to the magnitude of the carrying value of investments in subsidiaries of the Company,	Our audit procedures included the following: Design / controls ➤ Understanding of the process, evaluating the design and testing the operating effectiveness in respect of

Key Audit Matter	How the matter was addressed in our audit
<p>which were more than 82% of the total assets of the Company as on 31 March 2023. Considering that the Company is a Core Investment Company ('CIC') which is primarily required to hold investments and loans in group companies as per Reserve Bank of India Master Directions for CICs, impairment testing of investments in such group companies continues to remain an area of focus for the audit.</p> <p>The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of impairment are:</p> <ul style="list-style-type: none"> ➤ As part of such impairment assessment, management considers financial information, liquidity and solvency position of investments in subsidiaries. Management also considers other factors such as assessment of the investee company's operations, business performance and modifications, if any, in the auditors' report of such subsidiaries. <p>Hence, we determined that the impairment of investments in subsidiaries which involves management judgement, with a potential range of reasonable outcomes greater than our materiality for the Standalone Financial Statements as a whole.</p>	<p>impairment assessment of investments done by management.</p> <ul style="list-style-type: none"> ➤ Evaluating management's controls over collation of relevant information used for determining estimates for impairment value of investments. <p>Substantive tests</p> <ul style="list-style-type: none"> ➤ Testing appropriate implementation of policy of impairment by management. ➤ Reconciling the financial information mentioned in impairment assessment to underlying source details. Also, testing the reasonableness of management's estimates considered in such assessment. ➤ Obtaining and reading latest audited/ management certified financial statements of subsidiaries and noting key financial attributes / potential indicators of impairment. <p>Assessing the factual accuracy and appropriateness of the disclosures made in the Standalone Financial Statements.</p>

Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.
6. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. 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 in the 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. 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 state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the Standalone Financial Statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone Financial Statements

11. 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.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - 12.1. 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.
 - 12.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

- 12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 12.4. Conclude on the appropriateness of the 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.
- 12.5. 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.
13. 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.
14. 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.
15. 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 year 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

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. As required by Section 143(3) of the Act, we report that:
 - 17.1. 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.
 - 17.2. 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.
 - 17.3. The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account.
 - 17.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.

- 17.5. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- 17.6. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- 17.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
18. 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, in our opinion and to the best of our information and according to the explanations given to us:
- 18.1. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its Standalone Financial Statements – Refer Note 44 to the Standalone Financial Statements;
- 18.2. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 56 to the Standalone Financial Statements;
- 18.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 18.4. The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 18.5. The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 18.6. Based on such audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under para 18.4 and 18.5 contain any material misstatement.

- 18.7. In our opinion and according to the information and explanations given to us and as stated in Note No. 54(7) to the Financial Statements, the final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- 18.8. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), provides for the feature of recording of audit trail (edit log) facility in the accounting software used by the Company for maintenance of books of account, which is applicable to the Company from financial year beginning 1 April 2023. The reporting under clause (g) of Rule 11 of Companies (Audit and Auditors) Rules, 2014 would be done from financial year 2023-24 onwards.

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Sd/-

Hasmukh B Dedhia

Partner

ICAI Membership No: 033494

UDIN: 23033494BGWSRD1883

Place: Mumbai

Date: 28 April 2023

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of L&T Finance Holdings Limited for the year ended 31 March 2023

(Referred to in paragraph 16 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 ('PPE').
The Company does not have any intangible assets.
- (b) The PPE were physically verified by the Management 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 explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under paragraph 3(i)(c) of the Order is not applicable.
- (d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) during the year. The Company does not have any intangible assets.
- (e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company and as stated in Note No 57(3) to Standalone Financial Statements, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, reporting under paragraph 3(ii)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under paragraph 3(ii)(b) of the Order is not applicable.
- iii. (a) Since the Company's principal business is to give loans, the provisions of clause (iii)(a) of the Order are not applicable to it.
- (b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.
- (c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular during the year.
- (d) In our opinion and according to the information and explanations given to us, no amount is overdue in respect of loans and advances in the nature of loans.

- (e) Since the Company's principal business is to give loans, the provisions of clause 3(iii)(e) of the Order are not applicable to it.
- (f) In our opinion and according to the information and explanations given to us, the Company has granted loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.

(₹ in crore)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	2,357.25	-	2,357.25
- Agreement does not specify any terms or period of repayment (B)			
Total (A+B)	2,357.25	-	2,357.25
Percentage of loans/ advances in nature of loans to the total loans	100%	-	100%

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act with respect to the loans given, investments made, guarantees given and security provided.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- vii. (a) In our opinion and according to the information and explanations given to us the amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities during the year.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us, we confirm that there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any

other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute.

- viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Refer Note No 57(4) of the Standalone Financial Statements.
- ix. (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender during the year. The Company does not have any borrowings from the Government.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender. Refer Note No. 57(5) to the Standalone Financial Statements.
- (c) The Company has neither taken any term loan during the year nor there are unutilized term loans at the beginning of the year; hence, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have, prima facie, been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x. (a) In our opinion and according to the information and explanations given to us and procedures performed by us, the money raised by way of further public offer by the Company during the previous years have been utilized during the year for the purpose for which they were raised. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year and hence, paragraph 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any material fraud on the Company that has been noticed or reported during the year nor have we been informed of any such case by the Management.

- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - (c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.
- xii. (a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, during the course of our audit, the reports of the internal Auditor for the period under audit in accordance with the guidance provided in SA 610 "Using the work of Internal Auditors".
- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
 - (c) The Company is a Core Investment Company ("CIC") as defined in the regulations made by Reserve Bank of India. The Company has obtained the required registration with Reserve Bank of India and continues to fulfil the criteria of a CIC.
 - (d) According to the information and explanation given to us by the Management, in the group (in accordance with Core Investment Companies (CICs) (Reserve Bank) Directions, 2016) there is 1 company (i.e., the Company) forming part of the promoter/promoter group of the Company which is CIC.
- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly paragraph 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the

Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. In our opinion, as per section 135 of the Act, no amount was required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year. Accordingly, reporting under clause (xx) is not applicable to the Company.
- xxi. Reporting under clause xxi of the Order is not applicable at the standalone level.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Sd/-

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 23033494BGWSRD1883

Place: Mumbai
Date: 28 April 2023

Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of L&T Finance Holdings Limited for the year ended 31 March 2023

(Referred to in paragraph 17.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').

Opinion

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of L&T Finance Holdings Limited ('the Company') as at 31 March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal controls 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 ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.
5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, 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 Standalone Financial Statements, whether due to fraud or error.

6. 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 with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

7. A company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Standalone Financial Statements include 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 Standalone 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, 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 with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For KKC & Associates LLP

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621

Sd/-

Hasmukh B Dedhia

Partner

ICAI Membership No: 033494

UDIN: 23033494BGWSRD1883

Place: Mumbai

Date: 28 April 2023

L&T Finance Holdings Limited
Standalone Balance sheet as at March 31, 2023
(₹ in crore)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS:			
(1) Financial assets			
(a) Cash and cash equivalents	2	33.52	141.20
(b) Bank balance other than (a) above	3	31.06	30.21
(c) Derivative financial instruments	4	-	3.08
(d) Receivables	5		
(I) Trade receivables		-	-
(II) Other receivables		1.37	-
(e) Loans	6	2,357.25	1,150.25
(f) Investments	7	11,391.51	9,202.12
(g) Other financial assets	8	3.05	3.27
(2) Non-financial assets			
(a) Current tax assets (net)	9	28.90	25.17
(b) Deferred tax assets (net)	10	0.60	-
(c) Property, plant and equipment	11	0.29	0.56
(d) Other non-financial assets	12	0.30	0.60
(3) Group(s) of assets classified as held for sale	43	-	867.56
Total Assets		13,847.85	11,424.02
LIABILITIES AND EQUITY:			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables	13		
(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		53.94	3.83
(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		-	7.29
(b) Borrowings (other than debt securities)	14	5.00	5.00
(c) Subordinated liabilities	15	-	99.82
(d) Other financial liabilities	16	9.22	7.45
(2) Non financial liabilities			
(a) Current tax liabilities (net)	17	24.35	26.23
(b) Provisions	18	1.41	1.00
(c) Deferred tax liabilities (net)	19	-	0.32
(d) Other non-financial liabilities	20	1.16	1.95
(3) Equity			
(a) Equity share capital	21	2,479.67	2,474.04
(b) Other equity	22	11,273.10	8,797.09
TOTAL LIABILITIES AND EQUITY:		13,847.85	11,424.02
Significant accounting policies	1		
See accompanying notes forming part of the financial statements	2 to 61		

In terms of our report attached of even date
For KKC & Associates LLP
Chartered Accountants
(Formerly Khimji Kunverji & Co. LLP)
FRN: 105146W/W100621

Sd/-

Hasmukh B Dedhia
Partner
Membership no. 033494

For and on behalf of the Board of Directors of
L&T FINANCE HOLDINGS LIMITED

Sd/-

S. N. Subrahmanyam
Non-Executive Chairman
(DIN: 02255382)

Sd/-

Dinanath Dubhashi
Managing Director &
Chief Executive Officer
(DIN: 03545900)

Sd/-

Apurva Rathod
Company Secretary

Sd/-

Sachinn Joshi
Chief Financial Officer

Place : Mumbai
Date : April 28, 2023

Place : Mumbai
Date : April 28, 2023

L&T Finance Holdings Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2023

(₹ in crore)

Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations			
(i) Interest income	23	152.17	84.05
(ii) Dividend income	24	191.49	251.82
(iii) Net gain on fair value changes	25	3.71	-
(I) Total revenue from operations		347.37	335.87
(II) Other income	26	12.66	14.59
(III) Total income (I+II)		360.03	350.46
Expenses			
(i) Finance costs	27	6.05	73.49
(ii) Impairment on financial instruments	28	0.24	0.02
(iii) Employee benefit expenses	29	12.73	14.70
(iv) Depreciation, amortization and impairment	30	0.26	0.37
(v) Other expenses	31	57.64	7.45
(IV) Total expenses		76.92	96.03
(V) Profit before exceptional items and tax (III-IV)		283.11	254.43
(VI) Exceptional items (refer note 43)		2,858.09	-
(VII) Profit before tax (V+VI)		3,141.20	254.43
(VIII) Tax expense /(benefit) :			
(1) Current tax		569.61	36.40
(2) Deferred tax		(0.11)	(0.15)
(IX) Profit for the year (VII-VIII)		2,571.70	218.18
(X) Other comprehensive income			
A Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans (net of tax)		0.04	0.11
B Items that will be reclassified to profit or loss			
(i) The effective portion of gains and loss on hedging instruments in a cash flow hedge (net of tax)		(2.31)	2.31
Other comprehensive income		(2.27)	2.42
(XI) Total comprehensive income for the year (IX+X)		2,569.43	220.60
(XII) Earnings per equity share			
Basic (₹)	41	10.38	0.88
Diluted (₹)		10.35	0.88
Significant accounting policies	1		
See accompanying notes forming part of the financial statements	2 to 61		

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Dinanath Dubhashi
 Managing Director &
 Chief Executive Officer
 (DIN: 03545900)

Sd/-

Sachinn Joshi
 Chief Financial Officer

L&T Finance Holdings Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2023
a. Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	(₹ in crore)	No. of Shares	(₹ in crore)
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	2,47,40,35,488	2,474.04	2,46,94,45,704	2,469.45
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting year	-	-	-	-
Add: Shares issued during the year	-	-	-	-
- On a preferential basis	-	-	-	-
- against rights issue	-	-	-	-
- against employee stock option	56,35,629	5.64	45,89,784	4.59
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	2,47,96,71,117	2,479.67	2,47,40,35,488	2,474.04

b. Other equity

Particulars	Securities premium account	General Reserve	Reserve w/s 45-4C of Reserve Bank of India Act, 1934	Employee stock option outstanding account	Retained earnings	Impairment Reserve	Cash flow hedging reserve	Total
Balance at April 1, 2021	7,707.39	6.87	497.84	199.76	124.04	4.94	-	8,540.84
Change in accounting policy / prior period errors (a)	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year (b)	-	-	-	-	-	-	-	-
Profit for the year (c)	-	-	-	-	218.18	-	-	218.18
Actuarial loss on defined benefit plan (gratuity) net of income tax (d)	-	-	-	-	0.11	-	-	0.11
Other Comprehensive income for the year (net of tax) (e)	-	-	-	-	-	-	2.31	2.31
Total comprehensive income for the year (a+b+c+d+e)	-	-	-	-	218.29	-	2.31	220.60
Issue of equity shares	44.75	-	-	-	-	-	-	44.75
Share issue expenses	(0.52)	-	-	-	-	-	-	(0.52)
Employee stock option (net)	-	-	-	(8.58)	-	-	-	(8.58)
Transfer to general reserve	-	8.50	-	(8.50)	-	-	-	-
Transfer from retained earnings	-	-	43.63	-	(43.63)	-	-	-
Balance at March 31, 2022	7,751.62	15.37	541.47	182.68	298.70	4.94	2.31	8,797.09
Balance at April 1, 2022	7,751.62	15.37	541.47	182.68	298.70	4.94	2.31	8,797.09
Change in accounting policy / prior period errors (a)	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting year (b)	-	-	-	-	-	-	-	-
Profit for the year (c)	-	-	-	-	2,571.70	-	-	2,571.70
Actuarial loss on defined benefit plan (gratuity) net of income tax (d)	-	-	-	-	0.04	-	-	0.04
Other Comprehensive income for the year (net of tax) (e)	-	-	-	-	-	-	(2.31)	(2.31)
Total comprehensive income for the year (a+b+c+d+e)	-	-	-	-	2,571.74	-	(2.31)	2,569.43
Issue of equity shares	50.45	-	-	-	-	-	-	50.45
Employee stock option (net)	-	-	-	(20.12)	-	-	-	(20.12)
Transfer to general reserve	-	21.53	-	(21.53)	-	-	-	-
Transfer from retained earnings	-	-	514.34	-	(518.37)	4.03	-	-
Dividend paid	-	-	-	-	(123.75)	-	-	(123.75)
Balance at March 31, 2023	7,802.07	36.90	1,055.81	141.03	2,228.32	8.97	-	11,273.10

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Non-Executive Chairman
(DIN: 02255392)

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Dhanash Dubhashi
Managing Director &
Chief Executive Officer
(DIN: 03545900)

Sd/-

Apurva Rathod
Company Secretary

Sd/-

Sachin Joshi
Chief Financial Officer

Place : Mumbai
Date : April 28, 2023

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Date : April 28, 2023

L&T Finance Holdings Limited
Standalone Statement of cash flows for the year ended March 31, 2023

(₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax	3,141.20	254.43
Adjustments for:		
Depreciation, amortization and impairment	0.26	0.37
Impairment on financial instruments	0.24	0.02
Share based payment to employees	1.44	4.47
Contribution to gratuity	0.10	0.14
Contribution to superannuation fund	0.27	0.26
Fair value changes on financial instruments	(3.71)	-
Gain from sale of investment in subsidiary	(2,858.09)	-
Operating profit before working capital changes	281.71	259.69
Changes in working capital:		
Decrease / (increase) in financial assets	(1,208.39)	165.29
Decrease / (increase) in non-financial assets	(0.19)	1.33
Increase in financial liabilities	45.11	4.44
Increase in non-financial liabilities	23.97	20.25
Cash (used in) / generated from operations	(857.79)	451.00
Net income tax paid	(575.22)	(42.85)
Net cash (used in) / generated from operating activities (A)	(1,433.01)	408.15
B. Cash flow from investing activities		
Purchase of short term investments (net)	(10.30)	-
Investment in subsidiaries	(2,175.38)	-
Proceeds from sale of Investment in subsidiary	3,725.65	-
Change in other bank balance not available for immediate use	(1.18)	(0.77)
Net cash generated from / (used in) investing activities (B)	1,538.79	(0.77)
C. Cash flow from financing activities		
Proceeds from issue of equity shares including securities premium	10.29	8.32
Payment on redemption of preference shares	(100.00)	(1,024.10)
Share issue expenses	-	(0.52)
Dividend paid	(123.75)	-
Repayment of borrowings	-	(647.98)
Net cash (used in) / generated from financing activities (C)	(213.46)	(1,664.28)
Net decrease in cash and cash equivalents (A+B+C)	(107.68)	(1,256.90)
Cash and cash equivalent at the beginning of the year	141.20	1,398.10
Cash and cash equivalent at the end of the year	33.52	141.20

Foot note:

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. Net cash used in operating activity is determined after adjusting the following:

Interest received	173.18	43.18
Dividend received	191.49	251.82
Interest paid	5.65	67.79

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Sachinn Joshi

Chief Financial Officer

Place : Mumbai

Date : April 28, 2023

Place : Mumbai

Date : April 28, 2023

L&T Finance Holdings Limited

Notes forming part of standalone financial statements

Brief Profile:

L&T Finance Holdings Limited (the "Company" or "LTFH") is a subsidiary of Larsen & Toubro Limited. The Company is registered with the Reserve Bank of India ("RBI") as a Systemically Important Non-Deposit Accepting Core Investment Company ("NBFC-CIC"). As an NBFC-CIC, the Company is a primary holding company, holding investments in its subsidiaries and other group companies and carries out only such activities as are permitted under the guidelines issued by RBI for NBFC-CICs.

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 the 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 the Reserve Bank of India (RBI) and the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied.

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 categorized 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, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

1.3 Presentation of financial statements:

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 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 Non-current assets held for sale:

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

L&T Finance Holdings Limited

Notes forming part of standalone financial statements

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.

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.

1.5 Business combination

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:

- (a) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (b) No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- (c) 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.
- (d) 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:

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. 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:

L&T Finance Holdings Limited

Notes forming part of standalone financial statements

(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 reasonably expects to occur and not 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; 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 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 result in reclassifying the 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.

L&T Finance Holdings Limited

Notes forming part of standalone financial statements

(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.

(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.

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.

(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 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.

L&T Finance Holdings Limited

Notes forming part of standalone financial statements

(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.

(iii) Equity Instruments

Investments in Subsidiaries, Associates and Joint Ventures are out of scope of Ind AS 109, and, hence, the Company has accounted for its investments in Subsidiaries, Associates and Joint Ventures at cost.

- (a) Investment in preference shares of the subsidiary companies are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares not meeting the aforesaid conditions are classified as debt instruments at FVTPL.
- (b) Investments in equity instruments issued by other than subsidiaries are classified as at FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income

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

L&T Finance Holdings Limited

Notes forming part of standalone financial statements

- 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: 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. 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 assets unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial asset.

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 (PD) will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

1.8 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 enforcement activities will result in impairment gains.

1.9 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).

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 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 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:

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.

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1.11 Derivative financial instruments:

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 '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.

1.12 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.

(i) Interest and dividend income:

Interest income is recognised in the Statement of Profit and Loss and 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) is measured 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

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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) 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.

(iii) 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.

(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.

1.13 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.

1.14 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 uses on the date of the Balance Sheet are disclosed as "capital work-in-progress".

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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.

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.

1.15 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 amortization 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.

1.16 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, 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:

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- 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.

1.17 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.

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

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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

1.18 Leases:

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 (Refer note no 30 for impairment).

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.

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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.

1.19 Cash and bank balances:

Cash and bank balances also include 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.

1.20 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.

1.21 Share-based payment arrangements:

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.

1.22 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.

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(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 profit 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) the Company 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

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- 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.

1.25 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 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.

1.26 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.

1.27 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.

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1.28 Changes in Indian Accounting standards issued but not effective:

The Ministry of Corporate Affairs notified Companies (Indian Accounting Standards) Amendment Rules, 2023 on March 31, 2023 (G.S.R. 242 (E)). These amendments would be applicable from annual reporting periods beginning on or after 1 April 2023.

Ind AS 1 - Presentation of Financial Statements

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

Ind AS 12 - Income Taxes

Ind AS 34 - Interim Financial Reporting

Ind AS 101 - First-time Adoption of Indian Accounting Standards

Ind AS 102 - Share-based Payment

Ind AS 103 - Business Combinations

Ind AS 107 - Financial Instruments: Disclosures

Ind AS 109 - Financial Instruments

Ind AS 115 - Revenue from Contracts with Customers

The company is in process of evaluating the impact of such amendments.

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Note 2 : Cash and cash equivalents

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks in current accounts	33.27	27.27
Others		
Bank deposits with original maturity less than three months*	0.25	113.93
Total	33.52	141.20

*includes ₹ Nil (PY ₹ 112.98 crore) towards unutilised funds raised through public issue

Note 3 : Bank balance other than note 2 above

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Unclaimed dividend on equity shares	1.17	1.34
Unclaimed redemption proceeds and dividend on preference shares	0.78	0.94
Balances with banks to the extent held as margin money or security against borrowing, guarantees, other commitments	29.11	27.93
Total	31.06	30.21

Note 4 : Derivative financial instruments

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Part I		
(i) Currency derivatives:		
Notional Amounts		
-Currency forward	-	2,766.43
Fair value assets		
-Currency forward	-	3.08
Total derivative financial instruments	-	3.08
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 forward	-	2,766.43
Fair value assets		
-Currency forward	-	3.08
Total derivative financial instruments	-	3.08

Note 5 : Receivables

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables (considered good - unsecured) (refer note below)		
Receivables considered good - Secured	-	-
Receivables considered good - Unsecured	-	-
Total trade receivables	-	-
Other receivables		
Receivables from related parties (refer note 40)	1.37	-
Total other receivables	1.37	-
Total	1.37	-

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Note 5a: Ageing of trade receivables as at March 31, 2023

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivable Considered Good	-	-	-	-	-	-
Undisputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable credit impaired	-	-	-	-	-	-
Disputed Trade Receivable Considered Good	-	-	-	-	-	-
Disputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable credit impaired	-	-	-	-	-	-

Note 5a: Ageing of trade receivables as at March 31, 2022

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivable Considered Good	-	-	-	-	-	-
Undisputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivable credit impaired	-	-	-	-	-	-
Disputed Trade Receivable Considered Good	-	-	-	-	-	-
Disputed Trade Receivable which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivable credit impaired	-	-	-	-	-	-

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Note 6 : Loans

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
(A) At amortised cost		
Loans to related parties	2,357.71	1,150.47
Less: Impairment loss allowance	(0.46)	(0.22)
Total	2,357.25	1,150.25
(B) At amortised cost		
-Unsecured	2,357.71	1,150.47
Less: Impairment loss allowance	(0.46)	(0.22)
Total	2,357.25	1,150.25
(C)		
(I) Loans in India		
(i) At amortised cost		
- Others	2,357.71	1,150.47
Less: Impairment loss allowance	(0.46)	(0.22)
(II) Loans outside India		
(i) At amortised cost		
- Others	-	-
Less: Impairment loss allowance	-	-
Total net loans at amortised cost	2,357.25	1,150.25

Note 6a : Details of Loans repayable on demand given to KMP / Related Parties

Type of Borrower	Amount of Loan Outstanding as on March 31, 2023	Percentage to the Total Loan as on March 31, 2023	Amount of Loan Outstanding as on March 31, 2022	Percentage to the Total Loan as on March 31, 2022
	(₹ in crore)	%	(₹ in crore)	%
Promoters	-	-	-	-
Directors	-	-	-	-
Key Managerial Personnels	-	-	-	-
Related Parties	2,357.25	100%	1,150.25	100%
Total	2,357.25	100%	1,150.25	100%

Note 7 : Investments

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
(A) At Fair value through Profit & Loss				
- Mutual fund				
- Axis Liquid Fund - Direct Growth	56,010.52	14.01	-	-
Total Investment in Mutual Funds		14.01		-
(B) At cost				
Investment in subsidiaries (unquoted)				
L&T Financial Consultants Limited (Equity Shares of ₹ 10 each fully paid)	2,77,50,000	162.75	1,87,50,000	18.75
L&T Finance Limited (Equity Shares of ₹ 10 each fully paid)	2,86,41,72,360	11,017.47	2,68,41,72,360	9,037.47
L&T Mutual Fund Trustee Limited (Equity Shares of ₹ 10 each fully paid)	1,50,000	0.15	1,50,000	0.15
L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited) (Equity Shares of ₹ 10 each fully paid)	13,35,17,820	197.13	11,44,91,100	145.75
Total investment in subsidiaries		11,377.50		9,202.12
Total (A+B)		11,391.51		9,202.12
(C)				
(I) Investments outside India		-		-
(II) Investments in India		11,391.51		9,202.12
Total		11,391.51		9,202.12
(D)				
Less: Allowance for impairment loss		-		-
(E) Total (C-D)		11,391.51		9,202.12

L&T Finance Holdings Limited

Notes forming part of the standalone financial statements

Note 8 : Other financial assets

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	0.05	0.14
Others	3.05	3.18
Less: Impairment loss allowance	(0.05)	(0.05)
Total	3.05	3.27

Note 9 : Current tax assets (net)

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax (net of provision for tax)	28.90	25.17
Total	28.90	25.17

Note 10 : Deferred tax assets (net)

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	0.60	-
Total	0.60	-

L&T Finance Holdings Limited

Notes forming part of the standalone financial statements

Note 11 : Property, plant and equipment

Property, plant and equipment :

(₹ in crore)

Assets	Gross carrying amount**				Accumulated depreciation**				Net carrying amount	
	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at April 01, 2022	For the Year	Deductions	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Computers*	0.01	-	-	0.01	0.00	-	-	0.00	0.00	0.00
Office Equipments*	0.00	-	-	0.00	0.00	-	-	0.00	0.00	0.00
Vehicles	1.56	-	-	1.56	1.01	0.26	-	1.27	0.29	0.55
	1.57	-	-	1.57	1.01	0.26	-	1.28	0.29	0.56

Property, plant and equipment :

(₹ in crore)

Assets	Gross carrying amount**				Accumulated depreciation**				Net carrying amount	
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022	As at April 01, 2021	For the Year	Deductions	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Computers*	0.01	-	-	0.01	0.00	-	-	0.00	0.00	0.00
Office Equipments*	0.00	-	-	0.00	0.00	-	-	0.00	0.00	0.00
Vehicles	1.56	-	-	1.56	0.64	0.37	-	1.01	0.55	0.93
	1.57	-	-	1.57	0.64	0.37	-	1.01	0.56	0.93

* amounts less than ₹ 50,000

** The Company has not revalued its property, plant and equipment during the year and hence there is no movement for revaluation shown separately.

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 12 : Other non-financial assets

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	0.05	0.08
Goods and service tax credit (input) receivable	0.11	0.24
Gratuity (Refer note 39)	-	0.21
Other non financial assets	0.14	0.07
Total	0.30	0.60

Note 13: Payables

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables (refer note below)		
Micro enterprises and small enterprises	-	-
Due to others	31.27	3.83
Due to related parties (refer note 40)	22.67	-
Total trade payables	53.94	3.83
Other payables		
Micro enterprises and small enterprises	-	-
Due to related parties (refer note 40)	-	7.29
Total other payables	-	7.29
Total	53.94	11.12

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 13a: Ageing of Trade Payables as at March 31, 2023

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

(₹ in crore)

Particulars	Unbilled dues	Not due	Total
(i) MSME	-	-	-
(ii) Others	53.56	0.38	53.94
(iii) Disputed dues- MSME	-	-	-
(iv) Disputed dues- Others	-	-	-

Note 13a: Ageing of Trade Payables as at March 31, 2022

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	0.37	-	-	-	0.37
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

(₹ in crore)

Particulars	Unbilled dues	Not due	Total
(i) MSME	-	-	-
(ii) Others	3.46	-	3.46
(iii) Disputed dues- MSME	-	-	-
(iv) Disputed dues- Others	-	-	-

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 14: Borrowings (other than debt securities)

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
(A) At amortised cost		
(I) from Banks		
Loan repayable on demand from a bank	5.00	5.00
Total	5.00	5.00
(B) Borrowings (other than debt securities) in India		
At Amortised Cost	5.00	5.00
Total	5.00	5.00

Note 14a : Loan repayable on demand from banks (cash credit) : unsecured

(₹ in crore)

Particulars	Tenure	Interest Range	As at March 31, 2023	As at March 31, 2022
Bullet	upto 5 years	11.01%-12.00%	5.00	5.00
Total			5.00	5.00

Note 14b :

The Company has not borrowed any amount from bank or financial institutions for specific purpose. Hence the disclosures pertaining to security of current assets against borrowings is not applicable.

Note 15: Subordinated liabilities

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
(A) Subordinated liabilities		
At amortised cost		
Cumulative compulsorily redeemable preference shares (CRPS) to the extent that do not qualify as equity (refer footnote)	-	99.82
Total	-	99.82
(B) Subordinated liabilities in India		
At amortised cost	-	99.82
Total	-	99.82
(C) Subordinated Liabilities outside India		
At Amortised Cost	-	-
Total	-	-

Footnote:

i. Terms/rights attached to CRPS:

The CRPS do not have voting rights other than in respect of matters directly affecting it. In the event of any due and payable dividends remain unpaid for aggregate period of at least 2 years prior to the start of any general meeting of the equity shareholders, CRPS holders shall have voting rights in line with their voting rights of the equity shareholders. The CRPS will be redeemed at the end of 3 to 5 years from the date of allotment and the payment of dividend would be in accordance with the terms agreed at the time of issuance of Preference Shares. On winding or repayment of capital, CRPS holders enjoy preferential rights vis a vis equity shareholders, for repayment of capital paid up and shall include any unpaid dividends and any fixed premium, if applicable.

ii. During the year ended March 31, 2023, 7.95% Cumulative Compulsorily Redeemable Preference shares(CRPS) amounting to ₹ 100 crore have been redeemed. The company has paid dividend of ₹ 5.64 crore (previous year ₹ 53.16 crore).

iii. Details for CRPS:

(₹ in crore)

Particulars	Date of allotment	Date of redemption	As at March 31, 2023	As at March 31, 2022
CRPS bearing interest rate:				
7.95%	16-Sep-19	16-Dec-22	-	99.82
Total			-	99.82

Note 16: Other financial liabilities

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Unclaimed redemption proceeds and dividend on preference shares	0.78	0.94
Unclaimed dividend on equity shares	1.17	1.34
Employee benefits payable	7.13	5.17
Other payables	0.14	-
Total	9.22	7.45

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 17: Current tax liabilities (net)

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for tax (net)	24.35	26.23
Total	24.35	26.23

Note 18: Provisions

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Compensated absences	0.33	0.19
Super annuation fund	0.29	0.81
Gratuity (Refer note 39)	0.78	-
Total	1.41	1.00

Note 19: Deferred tax liabilities (net)

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities (net)	-	0.32
Total	-	0.32

Note 20: Other non-financial liabilities

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	1.16	1.95
Total	1.16	1.95

Notes 21: Equity share capital

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Subscribed and paid up equity share capital	2,479.67	2,474.04
Total	2,479.67	2,474.04

(I) Share capital authorised, issued and subscribed and paid up

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	(₹ in crore)	No. of shares	(₹ in crore)
Authorised:				
Equity Shares of ₹ 10 each	5,00,00,00,000	5,000.00	5,00,00,00,000	5,000.00
Preference Shares of ₹ 100 each	50,00,00,000	5,000.00	50,00,00,000	5,000.00
Issued, Subscribed & paid up:				
Equity shares of ₹ 10 each fully paid	2,47,96,71,117	2,479.67	2,47,40,35,488	2,474.04

(II) 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.

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.

(III) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	(₹ in crore)	No. of shares	(₹ in crore)
At the beginning of the year	2,47,40,35,488	2,474.04	2,46,94,45,704	2,469.45
Issued during the year				
- Against employee stock option	56,35,629	5.63	45,89,784	4.59
Outstanding at the end of the year	2,47,96,71,117	2,479.67	2,47,40,35,488	2,474.04

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

(IV) Equity shares in the Company held by the holding company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	(₹ in crore)	No. of shares	(₹ in crore)
Larsen & Toubro Limited and its nominee	1,63,92,29,920	1,639.23	1,63,92,29,920	1,639.23
	1,63,92,29,920	1,639.23	1,63,92,29,920	1,639.23

(V) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
Larsen & Toubro Limited and its nominee	1,63,92,29,920	66.11%	1,63,92,29,920	66.26%

(VI) Details of shares held by promoters in the company as at March 31, 2023

Particulars	No. of shares	% of total shares	% Change during the year
Larsen & Toubro Limited and its nominee	1,63,92,29,920	66.11%	(0.15%)

(VII) Details of shares held by promoters in the company as at March 31, 2022

Particulars	No. of shares	% of total shares	% Change during the year
Larsen & Toubro Limited and its nominee	1,63,92,29,920	66.26%	2.64%

(VIII) Details of shares reserved to be issued under ESOP

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	(₹ in crore)	No. of shares	(₹ in crore)
Equity shares of ₹ 10 each	2,81,02,494	28.10	4,11,06,290	41.11
	2,81,02,494	28.10	4,11,06,290	41.11

(IX) Capital Management

- The objective of the Company's Capital Management is to maximise shareholder value, safeguard business continuity and support the growth of its subsidiaries. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through loans and operating cash flows generated. The debt equity ratio is 0.00 as at March 31, 2023 (as at March 31, 2022 is 0.01)

- During the year ended March 31, 2023, the Company has paid the final dividend of ₹ 0.50 per equity share for financial year 2021-22 amounting to ₹ 123.75 crore. (FY 2021-22 - ₹ Nil).

(X) Employee stock option scheme

- The Company has formulated Employee Stock Option Schemes 2010 (ESOP Scheme-2010) and 2013 (ESOP Scheme 2013). The grant of options to the employees under the stock option schemes is on the basis of their performance and other eligibility criteria. The options allotted under the scheme 2010 are vested over a period of four years in the ratio of 15%, 20%, 30% and 35% respectively from the end of 12 months from the date of grant, subject to the discretion of the management and fulfillment of certain conditions. The options granted under the scheme 2013 are vested in a graded manner over a period of four years with 0%, 33%, 33% and 34% of grants vesting each year, commencing from the end of 24 months from the date of grant or w.e.f. July 10, 2019 vested in a graded manner over a period of four years with 25%, 25%, 25% and 25% of grants vesting each year, commencing from the end of 12 months from the date of grant.

- Options allotted under scheme 2010 can be exercised anytime within a period of 7 years from the date of grant and would be settled by way of equity. The option granted under scheme 2013 can be exercised anytime within a period of 8 years from the date of grant. Management has discretion to modify the exercise period.

- The option granted under scheme 2010 is at exercise price of ₹ 44.20. The option granted under scheme 2013 can be exercised either at market price which was the last closing price on National stock exchange preceding the date of grant or w.e.f. July 10, 2019 ₹ 10 respectively.

-During the year ended March 31, 2023 1,96,500 and 54,39,129 options were allotted under the scheme 2010 and 2013 respectively.

-The details of the grants are summarised below:

Particulars	Scheme 2010		Scheme 2013	
	2022-23	2021-22	2022-23	2021-22
Options granted and outstanding at the beginning of the year	9,48,250	19,28,500	4,01,58,040	3,98,32,101
Options granted during the year	-	-	8,21,880	1,07,89,685
Options cancelled/ lapsed during the year	1,88,000	6,63,250	80,02,047	61,90,962
Options exercised during the year	1,96,500	3,17,000	54,39,129	42,72,784
Options granted and outstanding at the end of the year of which:				
- Options vested	4,85,000	7,19,000	1,83,45,892	2,16,22,255
- Options yet to vest	78,750	2,29,250	91,92,852	1,85,35,785
Weighted average remaining contractual life of options (in years)	2.81	3.56	4.78	5.64

- During the year, the Company has debited to the Statement of Profit and Loss ₹ 1.44 crore (previous year ₹ 4.47 crore) (net of recovery from its subsidiary companies during the year ₹ 24.21 crore (Previous year ₹ 21.95 crore)) towards the stock options granted to their employees, pursuant to the employee stock option schemes.

- Weighted average fair values of options granted during the year is ₹ 69.48 (Previous year: ₹ 72.69) per options.

L&T Finance Holdings Limited

Notes forming part of the standalone financial statements

- The Fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Particulars	2022-23	2021-22
Weighted average risk-free interest rate	6.65%	4.59%
Weighted average expected life of options	2.75 years	2.68 years
Weighted average expected volatility	39.16%	39.50%
Weighted average expected dividend over the life of the options (₹)	2.66 per option	2.60 per option
Weighted average share price (₹)	79.87 per option	83.71 per option
Weighted average exercise price (₹)	10 per option	10 per option
Method used to determine expected volatility	Expected volatility is based on the historical volatility of the Company shares price applicable to the expected life of each option.	

Note 22: Other equity

(₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained earning ¹	2,228.32	298.70
Securities premium account ²	7,802.07	7,751.62
Reserve u/s 45 IC of RBI Act 1934 ³	1,055.81	541.47
General reserve ⁴	36.90	15.37
Employee stock option outstanding account ⁵	141.03	182.68
Impairment reserve ⁶	8.97	4.94
Cash flow hedging reserve ⁷	-	2.31
Total	11,273.10	8,797.09

1. **Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Company.

2. **Securities premium account:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Account. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium account. The account is utilised in accordance with the provisions of the Companies Act 2013.

3. **Reserve u/s 45 IC of the 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.

4. **General reserve:** Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

5. **Employee stock option outstanding account:** The reserve is used to recognise the fair value of the options issued to employees of the Company and subsidiary companies under Company's employee stock option scheme.

6. **Impairment reserve:** As per the RBI circular RBI/2019-20/170 dated March 13, 2020, where the guidelines require NBFCs to hold impairment allowances as required by Ind AS. In parallel NBFCs are required to compute provisions as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). A comparison, as prescribed, between provisions required under IRACP and impairment allowances made under Ind AS 109 is required to be disclosed by NBFCs in the notes to their financial statements to provide a benchmark to their Boards, RBI supervisors and other stakeholders, on the adequacy of provisioning for credit losses. Where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs are required to appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

7. **Cash flow hedge reserves:** The Company has designated its hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 23: Interest income

(₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Financial assets measured at amortised cost:		
Interest on loans	146.88	60.21
Interest on deposits with banks	5.29	23.84
Total	152.17	84.05

Note 24: Dividend income

(₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Dividend from subsidiary companies	191.49	251.82
Total	191.49	251.82

Note 25: Net gain/(Loss) on fair value changes

(₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A) Net gain/(loss) on financial instruments classified at fair value through profit or loss		
On trading portfolio		
Gain on sale of investments	3.70	-
Gain on fair valuation of investments	0.01	-
Total net gain on fair value changes	3.71	-
(B) Fair value changes:		
-Realised	3.70	-
-Unrealised	0.01	-
Total net gain on fair value changes	3.71	-

Note 26: Other income

(₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Management fees	12.66	14.58
Other income	-	0.01
Total	12.66	14.59

Note 27: Finance cost

(₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortised cost		
Interest on borrowings (other than debt securities)	0.01	0.01
Interest on debt securities	-	6.93
Interest on subordinated liabilities	5.64	60.74
Other interest expenses	0.40	5.81
Total	6.05	73.49

Note 28: Impairment on financial instruments

(₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Loans		
On financial instruments measured at amortised cost:		
Loans	0.24	(0.03)
Investments / other receivables	-	0.05
Total	0.24	0.02

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 29: Employee benefits expenses

(₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries	10.58	9.49
Contribution to provident fund	0.26	0.26
Contribution to gratuity (Refer note 39)	0.10	0.14
Contribution to superannuation fund	0.27	0.26
Share based payment to employees	1.44	4.47
Staff welfare expenses	0.08	0.08
Total	12.73	14.70

Note 30: Depreciation, amortization and impairment

(₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment (refer note 11)	0.26	0.37
Total	0.26	0.37

Note 31: Other expenses

(₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent rates & taxes	0.05	0.25
Auditor's remuneration(refer note below)	0.38	0.26
Legal and professional charges	30.63	3.34
Repairs and maintenance	0.14	0.10
Directors sitting fees	0.56	0.89
Telephone and postage	0.01	-
Printing and stationery	0.06	-
Listing and custodian charges	0.97	0.33
Brand license fees	22.66	0.11
Remuneration to non executive directors	1.54	1.76
Travelling and conveyance	0.21	0.15
Membership fees	0.06	0.06
Miscellaneous expenses	0.37	0.20
Total	57.64	7.45
Auditor's remuneration		
Audit fees	0.11	0.10
Limited review fees	0.14	0.12
Tax audit fees	-	0.01
Other services (certification fees)	0.13	0.03
Total	0.38	0.26

L&T Finance Holdings Limited

Notes forming part of the standalone financial statements

Note 32: Particulars in respect of loan to related parties and investment in subsidiaries as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

(a) Particulars in respect of loans and advances in the nature of loans given to subsidiaries (₹ in crore)

S. No.	Name of subsidiaries	Balance as at*		Maximum outstanding during	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	L&T Finance Limited	2,357.71	1,037.59	4,493.66	1,075.34
2	L&T Financial Consultant Limited	-	112.88	111.87	224.10
	Total	2,357.71	1,150.47	4,605.53	1,299.44

* above figures include interest accrued

(b) Particulars in respect of investment in subsidiaries (₹ in crore)

S. No.	Name of subsidiaries	Balance as at	
		March 31, 2023	March 31, 2022
1	L&T Finance Limited	11,017.47	9,037.47
2	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	197.13	145.75
3	L&T Investment Management Limited [§]	-	-
4	L&T Financial Consultant Limited	162.75	18.75
5	L&T Mutual Fund Trustee Limited	0.15	0.15
	Total	11,377.50	9,202.12

§ refer note 43

Note 33: Disclosure pertaining to corporate social responsibility expenses

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year is Nil (previous year Nil)

Note 34: Disclosure pursuant to Ind AS 116 "Leases"

I) Rights to use assets (₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	-	-
Add: Additions during the year	-	-
Less: Deductions during the year	-	-
Less: Depreciation during the year	-	-
Closing balance	-	-

II) Lease Liability (₹ in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	-	-
Add: Additions during the year	-	-
Less: Deductions during the year	-	-
Add: Interest accrued during the year	-	-
Less: Interest paid during the year	-	-
Less: Principal repayment during the year	-	-
Closing balance	-	-

III) Low Value Leases/Short Term Leases

Expenses recognised in the Statement of Profit and Loss Account (₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
-Low Value Assets	-	-
-Short term Leases	0.05	0.22

Actual Cashflow during the year for (₹ in crore)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
-Low Value Assets	-	-
-Short term Leases	0.05	0.22

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Note 35: Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Financial risk management

The Company being a Core Investment Company as per the Core Investment Companies (RBI) Directions, 2016 is required to invest or lend majority of its fund to subsidiaries. The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inter corporate deposits, loans, cash and cash equivalents and other receivables.

The Company is exposed to market risk, credit risk, equity price risk, and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The major risks are summarised below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily impacts financial instruments measured at fair value through profit or loss.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rate as it has debt obligations with fixed interest rates which are measured at amortised cost.

Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The Company

is exposed to credit risk from its financing activities towards inter corporate deposits to subsidiaries, where no significant impact on credit risk has been identified.

Equity price risk:

The Company's investment in non-listed equity securities are accounted at cost in the financial statement net of impairment. The expected cash flow from these entities are regularly monitored to identify impairment indicators.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The Company manages its liquidity requirement by analysing the maturity pattern of the Company's cash flow of financial assets and financial liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through issuance of equity shares, commercial paper etc. The Company invests its surplus funds in fixed deposits as well as debt schemes of mutual funds, which carry low mark to market risks.

Note 36: Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets and financial liabilities:

(₹ in crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	FVTPL	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI
Financial assets						
Cash and cash equivalents	-	33.52	-	-	141.20	-
Bank balance other than above	-	31.06	-	-	30.21	-
Derivative financial instruments	-	-	-	-	-	3.08
Trade receivables	-	-	-	-	-	-
Other receivables	-	1.37	-	-	-	-
Loans	-	2,357.25	-	-	1,150.25	-
Investments	14.01	-	-	-	-	-
Other financial assets	-	3.05	-	-	3.27	-
Total financial assets	14.01	2,426.25	-	-	1,324.93	3.08
Financial liabilities						
Trade payables	-	53.94	-	-	3.83	-
Other payables	-	-	-	-	7.29	-
Debt securities	-	-	-	-	-	-
Borrowings (other than debt securities)	-	5.00	-	-	5.00	-
Subordinated liabilities	-	-	-	-	99.82	-
Other financial liabilities	-	9.22	-	-	7.45	-
Total financial liabilities	-	68.16	-	-	123.39	-

(b) Fair value of financial assets and financial liabilities measured at amortised cost:

(₹ in crore)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Loans	2,357.25	2,357.25	1,150.25	1,150.25
Total financial assets	2,357.25	2,357.25	1,150.25	1,150.25
Financial liabilities				
Debt securities	-	-	-	-
Borrowings (other than debt securities):				
Cash credit	5.00	5.00	5.00	5.00
Subordinated liabilities	-	-	99.82	100.99
Total financial liabilities	5.00	5.00	104.82	105.99

The carrying amount of trade receivables, trade payables, other financial liabilities, loans, other financial assets, cash and cash equivalents as at March 31, 2023 and March 31, 2022, are considered to be the same as fair values, due to their short-term nature. These are classified as Level 3 fair value hierarchy due to inclusion of unobservable inputs including counterparty credit risk.

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(c) Disclosure in 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, 2023	Level 1	Level 2	Level 3	Total	Valuation Technique for level 3 items
Financial assets					
Loans	-	-	2,357.25	2,357.25	Discounted cashflow approach
Total financial assets	-	-	2,357.25	2,357.25	
Financial liabilities					
Debt securities	-	-	-	-	
Borrowings (other than debt securities)	-	-	-	-	
Cash credit	-	-	5.00	5.00	Discounted cashflow approach
Subordinated liabilities	-	-	-	-	
Total financial liabilities	-	-	5.00	5.00	

As at March 31, 2022	Level 1	Level 2	Level 3	Total	Valuation Technique for level 3 items
Financial assets					
Loans	-	-	1,150.25	1,150.25	Discounted cashflow approach
Total financial assets	-	-	1,150.25	1,150.25	
Financial liabilities					
Debt securities	-	-	-	-	
Borrowings (other than debt securities)	-	-	-	-	
Cash credit	-	-	5.00	5.00	Discounted cashflow approach
Subordinated liabilities	-	-	100.99	100.99	Discounted cashflow approach
Total financial liabilities	-	-	105.99	105.99	

(d) Disclosure pursuant to Ind AS 113 "Fair Value Measurement" (₹ in crore)

Particulars	As at March 31, 2023			As at March 31, 2022				
	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								
Investment	14.01	-	-	14.01	-	-	-	-
- Mutual Fund	14.01	-	-	14.01	-	-	-	-

(e) Maturity profile of assets and liabilities (₹ in crore)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	33.52	-	33.52	141.20	-	141.20
Bank balance other than above	31.06	-	31.06	30.21	-	30.21
Derivative financial instruments	-	-	-	3.08	-	3.08
Receivables	1.37	-	1.37	-	-	-
Loans	2,357.25	-	2,357.25	1,150.25	-	1,150.25
Investments	14.01	11,377.50	11,391.51	-	9,202.12	9,202.12
Other financial assets	3.05	-	3.05	3.27	-	3.27
Non-financial assets						
Current tax assets (net)	-	28.90	28.90	-	25.17	25.17
Deferred tax assets (net)	-	0.60	0.60	-	-	-
Property, plant and equipment	-	0.29	0.29	-	0.56	0.56
Other non-financial assets	0.29	0.01	0.30	0.56	0.04	0.60
Group(s) of assets classified as held for sale	-	-	-	867.56	-	867.56
Total	2,440.55	11,407.30	13,847.85	2,196.13	9,227.89	11,424.02

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Particulars	As at March 31, 2023		As at March 31, 2022	
	Within 12 months	After 12 months	Within 12 months	After 12 months
Financial liabilities				
Payables				
Debt securities				
Borrowings (other than debt securities)				
Subordinated liabilities				
Lease liability				
Other financial liabilities				
Non-financial liabilities				
Current tax liabilities (net)				
Deferred tax liabilities (net)				
Provisions				
Other non-financial liabilities				
Total				

(f) The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities :
The amounts disclosed in the table are the contractual undiscounted cash flows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Within twelve months	After twelve months	Within twelve months	After twelve months
Non-derivatives				
Borrowings				
Borrowing future interest				

(g) Foreign currency risk

Particulars	As at March 31, 2023	As at March 31, 2022
Liability – Currency swap contracts		
Assets – future receivables against sale of investments		

(h) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

- Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings		
Fixed rate borrowings		
Total borrowings		

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	As at March 31, 2023			As at March 31, 2022		
	Weighted average interest rate (%)	Balance (₹ in crore)	% of total loans	Weighted average interest rate (%)	Balance (₹ in crore)	% of total loans
Borrowings						
Net exposure to cash flow interest rate risk						

An analysis by maturities is provided in above note. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

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Particulars	Impact on profit after tax		Impact on other components of equity	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Interest rates – increase by 25 basis points *	(0.01)	(0.01)	(0.01)	(0.01)
Interest rates – decrease by 25 basis points*	0.01	0.01	0.01	0.01

* Impact on P/L upto 1 year, holding all other variables constant

(i) Expected credit loss - loans

Particulars	As at March 31, 2023			As at March 31, 2022		
	Estimated gross carrying amount at default	Expected Credit Loss	Carrying amount net of impairment provision	Estimated gross carrying amount at default	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	2,357.71	0.46	2,357.25	1,150.47	0.22	1,150.25

Reconciliation of loss allowance provision - Loans:

Particulars	Stage 1		Stage 2		Stage 3	
Loss allowance as on March 31, 2021	0.25					
New assets originated or purchased						
Amount written off						
Transfers to Stage 1						
Transfers to Stage 2						
Transfers to Stage 3						
Impact on ECL of exposure transferred between stages during the year						
Increase / (decrease) in provision on existing financial assets (net of recovery)	(0.03)					
Loss allowance as on March 31, 2022	0.22					
New assets originated or purchased						
Amount written off						
Transfers to Stage 1						
Transfers to Stage 2						
Transfers to Stage 3						
Impact on ECL of exposure transferred between stages during the year						
Increase / (decrease) in provision on existing financial assets (net of recovery)	0.24					
Loss allowance as on March 31, 2023	0.46					

Reconciliation of gross carrying amount - Loans:

Particulars	Stage 1		Stage 2		Stage 3	
Gross carrying amount as at March 31, 2021	1,297.44					
New assets originated or purchased						
Amount written off						
Transfers to Stage 1						
Transfers to Stage 2						
Transfers to Stage 3						
Further disbursement (net of repayment)	(146.97)					
Gross carrying amount as at March 31, 2022	1,150.47					
New assets originated or purchased						
Amount written off						
Transfers to Stage 1						
Transfers to Stage 2						
Transfers to Stage 3						
Further disbursement (net of repayment)	1,207.24					
Gross carrying amount as at March 31, 2023	2,357.71					

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Note 37: Disclosure pursuant to Ind AS 108 "Operating segment"

The company operates mainly in the business segment of investment activity. As such there are no reportable segments as per IND AS 108 on operating segment.

Note 38: Disclosure pursuant to Ind AS 12 "Income taxes"

(a) Major components of tax expense/(income):

(₹ in crore)			
S. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a)	Statement of profit or loss:		
	Profit or loss section:		
	(i) Current income tax :		
	Current income tax expense	569.61	36.40
		569.61	36.40
	(ii) Deferred tax:		
	Tax expense on origination and reversal of temporary differences	(0.11)	(0.15)
	Effect on deferred tax balances due to the change in income tax rate	-	-
		(0.11)	(0.15)
	Income tax expense reported in the statement of profit and loss [(i)+(ii)]	569.50	36.25
(b)	Other Comprehensive Income (OCI) section:		
	(i) Items not to be reclassified to profit or loss in subsequent periods:		
		-	-
	(A) Deferred tax expense/(income):		
	On re-measurement of defined benefit plans	(0.03)	0.03
		(0.03)	0.03
	(ii) Items to be reclassified to profit or loss in subsequent periods:		
	(A) Deferred tax expense/(income):		
	Net gain/(loss) on cost of hedging reserve	(0.78)	0.78
		(0.78)	0.78
	Income tax expense reported in the other comprehensive income [(i)+(ii)]	(0.81)	0.81

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

(₹ in crore)			
S. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a)	Profit before tax	3,141.20	254.43
(b)	Corporate tax rate as per Income tax Act, 1961	25.168%	25.168%
(c)	Tax on accounting profit (c)=(a)*(b)	790.58	64.03
(d)	(i) Tax on Income deductible from tax :	(32.62)	(31.11)
	(ii) Tax on expense not tax deductible:	1.46	3.33
	(iii) Tax on Income which are taxed at different rates	(189.92)	-
	Total effect of tax adjustments [(i) to (iii)]	(221.08)	(27.78)
(e)	Tax expense (before one-time deferred tax impact) (e)=(c)+(d)	569.50	36.25
(f)	Effective tax rate (before one-time deferred tax impact) (f)=(e)/(a)	18.13%	14.25%
(g)	Tax expense recognised during the year (h)=(e)	569.50	36.25
(h)	Effective tax Rate (f)=(g)/(a)	18.13%	14.25%

(c) Major components of deferred tax liabilities and deferred tax assets:

(₹ in crore)				
Particulars	Deferred tax (liabilities)/ assets as at April 01, 2022	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Deferred tax (liabilities)/ assets as at March 31, 2023
Deferred tax (liabilities):				
effective portion of gains and loss on hedging instruments in a cash flow hedge	(0.78)	-	0.78	-
Deferred tax (liabilities):	(0.78)	-	0.78	-
Deferred tax assets:				
- Impairment on financial instruments	0.07	0.05	-	0.12
- Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	0.11	0.03	-	0.14
- Defined benefit obligation	0.02	0.03	0.03	0.08
- Provision for expenses	0.26	-	-	0.26
Net deferred tax assets	0.46	0.11	0.03	0.60
Net deferred tax (liability)/assets	(0.32)	0.11	0.81	0.60

(₹ in crore)				
Particulars	Deferred tax (liabilities)/ assets as at April 01, 2021	Charge/(credit) to Statement of Profit and Loss	Charge/(credit) to debt instrument	Deferred tax (liabilities)/ assets as at March 31, 2022
Deferred tax (liabilities):				
effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-	(0.78)	(0.78)
Deferred tax (liabilities):	-	-	(0.78)	(0.78)
Deferred tax assets:				
- Impairment on financial instruments	0.06	0.01	-	0.07
- Difference between book base and tax base of property, plant & equipment, investment property and intangible assets	0.06	0.05	-	0.11
- Defined benefit obligation	0.07	(0.02)	(0.03)	0.02
- Provision for expenses	0.15	0.11	-	0.26
Deferred tax assets:	0.34	0.15	(0.03)	0.46
Net deferred tax assets / (liability)	0.34	0.15	(0.81)	(0.32)

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Note 39: Disclosure pursuant to Ind AS 19 "Employee benefits":

(i) Defined contribution plans

The Company recognise charges of ₹ 0.26 crore (previous year ₹ 0.26 crore) as an expense for provident fund contribution and is included in Note 29 "employee benefits expenses" in the statement of profit and loss.

(ii) Defined benefits gratuity plans

The Company 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.

a) The amounts recognised in balance sheet are as follows:

(₹ in crore)

S. No.	Particulars	Gratuity Plan	
		As at March 31, 2023	As at March 31, 2022
A)	Present Value of Defined Benefit Obligation		
	- Wholly funded	2.46	1.35
	- Wholly unfunded	-	-
		2.46	1.35
	Less : Fair Value of plan assets	(1.67)	(1.56)
	Amount to be recognised as liability or (asset)	0.79	(0.21)
B)	Amounts reflected in Balance Sheet		
	Liabilities/(Assets)	0.79	(0.21)
	Net liability/(asset)	0.79	(0.21)

b) The amounts recognised in the statement of profit and loss are as follows:

(₹ in crore)

S. No.	Particulars	Gratuity Plan	
		As at March 31, 2023	As at March 31, 2022
1	Current service cost	0.10	0.14
2	Interest on net defined benefit liability / (asset)	(0.01)	-
3	Actuarial losses/(gains) - others	0.01	(0.10)
4	Actuarial losses/(gains) - difference between actuarial return on plan assets and interest income	(0.02)	(0.03)
	Total (1 to 4)	0.08	0.01
i	Amount included in "employee benefits expenses"	0.10	0.14
ii	Amount included in as part of "finance cost"	(0.01)	-
iii	Amount included as part of "Other Comprehensive income"	(0.01)	(0.13)
	Total (i + ii + iii)	0.08	0.01

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, 2023	As at March 31, 2022
Opening balance of the present value of defined benefit obligation	1.35	1.50
Add : current service cost	0.10	0.14
Add : Interest Cost	0.07	0.07
Add : Actuarial losses/(gains)		
i) Actuarial (gains)/losses arising from changes in financial assumptions	(0.03)	(0.01)
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
ii) Actuarial (gains)/losses arising from changes in experience adjustments	0.04	(0.10)
Less: Benefits paid	-	-
Add : Liability assumed/(settled)	0.93	(0.25)
Closing balance of the present value of defined benefit obligation	2.46	1.35

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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 thereof are as follows:

Particulars	Gratuity Plan	
	As at March 31, 2023	As at March 31, 2022
Opening balance of the fair value of the plan assets	1.56	1.46
Add : interest income of plan assets	0.08	0.07
Add/(less) : Actuarial gains/(losses)	0.03	0.03
Add : Contribution by the employer	-	-
Less : Benefits paid	-	-
Closing balance of plan assets	1.67	1.56

e) The fair value of major categories of plan assets are as follows:

S. No.	Particulars	Gratuity Plan	
		As at March 31, 2023	As at March 31, 2022
1	Insurer managed funds (unquoted)	1.67	1.56

f) Principal actuarial assumptions at the valuation date:

S. No.	Particulars	Gratuity Plan	
		As at March 31, 2023	As at March 31, 2022
1	Discount rate (per annum)	7.30%	5.20%
2	Salary escalation rate (per annum)	9.00%	9.00%

Discount Rate:

The discount rate based on the prevailing market yield of Indian government securities at the balance sheet date for the estimated term of the obligations.

Salary escalation rate:

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

g) Sensitivity Analysis:

One percentage point change in actuarial assumption would have the following effects on the defined benefit obligation:

S. No.	Particulars	Effect of 1% decrease	
		2022-23	2021-22
1	Discount rate (per annum)	0.11	0.03
2	Salary escalation rate (per annum)	(0.10)	(0.02)
		Effect of 1% increase	
3	Discount rate (per annum)	(0.10)	(0.03)
4	Salary escalation rate (per annum)	0.11	0.02

h) Attrition rate:

The attrition rate varies from 0% to 1% (previous year: 0% to 1%) for various age groups.

i) Mortality rate:

Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

Provident fund

The Company's state governed provident fund scheme are defined contribution plan for its employees. 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.

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Note 40: Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

(a) Name of the related parties and description of relationship:

S. No	Particulars	Relationship
1	Larsen & Toubro Limited	Holding Company
2	L&T Financial Consultants Limited	Subsidiary Company
3	L&T Investment Management Limited (upto November 25, 2022)	Subsidiary Company
4	L&T Mutual Fund Trustee Limited	Subsidiary Company
5	L&T Finance Limited	Subsidiary Company
6	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	Subsidiary Company
7	Mr. S. N. Subrahmanyam	Non-executive chairman
8	Mr. R. Shankar Raman	Non-executive director
9	Mr. Dinanath Dubhashi	Managing Director & Chief Executive Officer
10	Dr. Rajani R. Gupta	Independent director
11	Mr. P. V. Bhide	Independent director
12	Mr. Pavninder Singh	Nominee director
13	Mr. Prabhakar B.(upto July 11,2022)	Non-executive director
14	Mr. S. V. Haribhakti	Independent director
15	Mr. Thomas Mathew T.	Independent director
16	Ms. Nishi Vasudeva(upto June 14,2022)	Independent director

Note: The above list contains name of only those related parties with whom the company has undertaken transactions in current or previous year.

(b) Related parties transactions:

		(₹ in crore)	
S. No.	Nature of Transactions*	Year ended March 31, 2023	Year ended March 31, 2022
1	Inter corporate deposits disbursed		
	L&T Finance Limited	6,085.57	2,060.86
	L&T Financial Consultants Limited	284.58	540.52
2	Inter corporate deposits repaid (including interest)		
	L&T Finance Limited	4,746.08	2,115.66
	L&T Financial Consultants Limited	396.45	649.72
3	Professional fees expense		
	Larsen & Toubro Limited	0.05	0.06
4	Rent & maintenance expenditure		
	L&T Financial Consultants Limited	0.06	0.29
5	ESOP charges recovered		
	L&T Finance Limited	23.93	13.79
	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	1.29	1.42
	L&T Investment Management Limited	(0.92)	6.31
	L&T Financial Consultants Limited	(0.09)	0.43
6	Investment in subsidiaries		
	L&T Finance Limited	1,980.00	-
	L&T Financial Consultants Limited	144.00	-
	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	51.38	-

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 40: Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

(₹ in crore)			
S. No.	Nature of Transactions	Year ended March 31, 2023	Year ended March 31, 2022
7	Interest income on inter corporate deposit		
	L&T Finance Limited	141.04	47.67
	L&T Financial Consultants Limited	5.84	12.54
8	Management fees income		
	L&T Finance Limited	11.96	13.12
	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	0.32	0.73
	L&T Investment Management Limited	0.38	0.73
9	Dividend income		
	L&T Financial Consultants Limited	69.38	
	L&T Investment Management Limited	122.11	251.82
10	Payment / (Repayment) of security deposit		
	L&T Financial Consultants Limited	(0.09)	-
11	Brand license fee to		
	Larsen & Toubro Limited	20.77	0.11
12	Remuneration to key management personnel		
	Short-term employee benefits paid to:		
	Mr. Dinanath Dubhashi	13.03	12.25
	Dr. Rajani R. Gupte	0.28	0.27
	Mr. P. V. Bhide	0.32	0.36
	Mr. Pavinder Singh	0.19	0.26
	Mr. Prabhakar B.	0.06	0.21
	Mr. S. V. Haribhakti	0.36	0.65
	Mr. Thomas Mathew T.	0.28	0.30
	Ms. Nishi Vasudeva	0.08	0.23

*All amounts are excluding GST

(c) Amount due to/from related parties:		(₹ in crore)	
S. No.	Nature of Transactions	As at March 31, 2023	As at March 31, 2022
1	Receivable from / (payable to)		
	L&T Finance Limited	1.36	(7.17)
	L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	0.01	-
	Larsen & Toubro Limited	(22.67)	(0.12)
2	Inter corporate deposits given (including interest accrued)		
	L&T Finance Limited	2,357.71	1,037.59
	L&T Financial Consultants Limited	-	112.88
3	Security deposit given to		
	L&T Financial Consultants Limited	0.02	0.11

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

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, 2023	For the year ended March 31, 2022
Basic			
Profit after tax (₹ crore)	A	2,571.70	218.18
Weighted average number of equity shares outstanding during the year (Nos.)	B	2,47,68,83,662	2,47,26,14,063
Basic earning per share (₹)	A/B	10.38	0.88
Diluted			
Profit after tax (₹ crore)	A	2,571.70	218.18
Weighted average number of equity shares outstanding during the year (Nos.)	B	2,47,68,83,662	2,47,26,14,063
Add: Weighted average no. of potential equity shares on account of employee stock options	C	83,44,407	71,39,341
Weighted average number of shares outstanding for diluted EPS (Nos.)	D=B+C	2,48,52,28,068	2,47,97,53,404
Diluted earnings per share (₹)	A/D	10.35	0.88
Face value of shares (₹)		10.00	10.00

Note 42: Disclosure pursuant to Ind AS 7 "Statement of Cash Flows" - Changes in liabilities arising from financing activities:

Particulars	April 1, 2022	Cash flows	Changes in fair values	Others	March 31, 2023
Debt Securities	-	-	-	-	-
Borrowings (other than debt securities)	5.00	-	-	-	5.00
Subordinated debt	99.82	(100.00)	-	0.18	-

Particulars	April 1, 2021	Cash flows	Changes in fair values	Others	March 31, 2022
Debt Securities	652.98	(652.98)	-	-	-
Borrowings (other than debt securities)	-	5.00	-	-	5.00
Subordinated debt	1,120.24	(1,024.10)	-	3.68	99.82

Note 43:

A) Disclosure pursuant to Ind AS 105 "Non-current assets held for sale and discontinued operations":

Particulars	As at March 31, 2023	As at March 31, 2022
Investments held for sale (Refer note below)	-	867.56

The Company had entered into a definitive agreement with HSBC Asset Management (India) Private Limited ("HSBC AMC") on December 23, 2021 to sell 100% equity shares of L&T Investment Management Limited ("LTIM"), a wholly owned subsidiary of the Company, which is the investment manager of L&T Mutual Fund. The Company has concluded the sale of its mutual fund business, post receipt of regulatory approvals, to HSBC AMC on the closing date of November 25, 2022. The Company has (i) received ₹ 3,485.44 crore (equivalent of USD 425 million) as consideration for the sale and (ii) also realised surplus cash balance of ₹ 763.93 crore in LTIM pursuant to the definitive documents.

(B) Exceptional item

Exceptional item includes (i) Gain of ₹ 283 crore on the reduction of 3,12,00,000 (Three Crore Twelve Lakh) fully paid-up equity shares of face value of ₹ 10 each of the wholly owned subsidiary company, LTIM pursuant to the order of Mumbai NCLT Bench dated July 8, 2022 sanctioning the said capital reduction and letter of Registrar of Companies dated August 18, 2022 approving the Form INC-28 and (ii) Gain of ₹ 2,575.09 crore on the divestment of its entire stake in the subsidiary company, L&T Investment Management Limited (LTIM) for the year ended March 31, 2023.

Note 44: Contingent liabilities and commitments

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities	-	-

The Company has assessed its obligations arising in the normal course of business, proceedings pending with tax authorities and other contracts including derivative and long term contracts wherever applicable. In accordance with the provisions of Indian Accounting Standard (Ind AS) - 37 on 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

Note 45: Expenditure in foreign currency

Nature of Transactions	For the year ended March 31, 2023	For the year ended March 31, 2022
Professional and other fees (including reimbursement)	0.08	0.72
Total	0.08	0.72

Note 46: Contribution to political parties during the year 2022-23 is Nil (previous year Nil).

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 47: Trade payable includes amount payable to Micro and Small Enterprises as follows:

(₹ in crore)		
Particulars	2022-23	2021-22
(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. The above information is provided by the management of the company and relied upon by the auditors.

Note 48: There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2023.

Note 49: Events after the reporting period:

There have been no events after the reporting date that require disclosure in the financial statements.

Note 50: The Company has obtained the Certificate of Registration from the RBI as a Non-Banking Financial Institution - Core Investment Company (NBFC-CIC) on September 11, 2013 under Section 45-IA of the Reserve Bank of India Act, 1934.

Note 51: Disclosures in terms of RBI Master Direction for Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and Master Direction- Core Investment Companies (Reserve Bank) Directions, 2016 have been given under Annexure-I to these financial statements:

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Annexure-I

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

1) Exposure to Real Estate Sector		(₹ in crore)	
Category		2022-23	2021-22
a) Direct exposure			
(i) Residential Mortgages -			
Lending secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 lakh may be shown separately)		-	-
(ii) Commercial Real Estate -			
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose 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 (NFB) limits;		-	-
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures-			
a. Residential		-	-
b. Commercial Real Estate		-	-
b) Indirect exposure			
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).		-	-

L&T Finance Holdings Limited**Notes forming part of the standalone financial statements****2) Asset Liability Management:**

Maturity pattern of certain items of assets and liabilities

As at March 31, 2023

(` in crore)

Particulars	1 to 7 Days	8 to 14 Days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months upto 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	As at March 31, 2023
Liabilities:											
Borrowings from banks	-	-	-	-	-	-	-	5.00	-	-	5.00
Market Borrowings	-	-	-	-	-	-	-	-	-	-	-
Assets:											
Advances	-	-	50.76	50.00	58.80	382.19	1,815.96	-	-	-	2,357.71
Investments	14.01	-	-	-	-	-	-	-	-	11,377.50	11,391.51

Footnote: The above bucketing has been arrived on the extant regulatory guidelines and the policy approved by the Board of Directors at its meeting held on October 20, 2022.

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Annexure-I (continued) :

Liabilities side:

3. Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid

(₹ in crore)

S. No.	Particulars	As at March 31, 2023		As at March 31, 2022	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a)	Debentures:				
	Secured	-	-	-	-
	Unsecured (Other than falling within the meaning of Public Deposits)	-	-	-	-
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans	-	-	-	-
(d)	Inter-Corporate Loans and borrowings	-	-	-	-
(e)	Commercial Paper (net of unexpired discount charges)	-	-	-	-
(f)	Other Loans	-	-	-	-
	- Cash Credit	5.00	-	5.00	-
	- Subordinated Liabilities	-	-	99.82	-

Assets side:

4. Break-up of Loans and Advances including bills receivables [Other than those included in (5) below]

(₹ in crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
		Amount Outstanding	Amount Outstanding
(a)	Secured	-	-
(b)	Unsecured	2,357.71	1,150.47

5. Break-up of Leased Assets and Stock on Hire and hypothecation loans counting towards AFC activities

(₹ in crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
		Amount Outstanding	Amount Outstanding
(i)	Lease assets including lease rentals under sundry debtors:		
	(a) Financial Lease	-	-
	(b) Operating Lease	-	-
(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	-	-

6. Break-up of Investments

(₹ in crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
		Amount Outstanding	Amount Outstanding
1	Current investments		
	Quoted		
	i. Shares: a. Equity	-	-
	b. Preference	-	-
	ii. Debentures and bonds	-	-
	iii. Units of mutual funds	14.01	-
	iv. Government securities	-	-
	v. Others	-	-
2	Unquoted		
	i. Shares: a. Equity	-	-
	b. Preference	-	-
	ii. Debentures and bonds	-	-
	iii. Units of mutual funds	-	-
	iv. Government securities	-	-
	v. Others	-	-
1	Long term investments		
	Quoted		
	i. Shares: a. Equity	-	-
	b. Preference	-	-
	ii. Debentures and bonds	-	-
	iii. Units of mutual funds	-	-
	iv. Government securities	-	-
	v. Others	-	-
2	Unquoted		
	i. Shares: a. Equity #	11,377.50	9,202.12
	b. Preference	-	-
	ii. Debentures and bonds	-	-
	iii. Units of mutual funds	-	-
	iv. Government securities	-	-
	v. Others	-	-

refer note 43

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

7. Borrower group-wise classification of assets financed as in (2) above:

(₹ in crore)

S. No.	Particulars	As at March 31, 2023			As at March 31, 2022		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related Parties						
	(a) Subsidiaries	-	2,357.71	2,357.71	-	1,150.47	1,150.47
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
2	Other than related parties	-	-	-	-	-	-
	Total	-	2,357.71	2,357.71	-	1,150.47	1,150.47

8. Investor group-wise classification of all investments (current and non-current) in shares and securities (both quoted and unquoted):

(₹ in crore)

S. No.	Category	As at March 31, 2023		As at March 31, 2022	
		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties				
	(a) Subsidiaries #	18,700.04	11,377.50	17,050.41	9,202.12
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
2	Other than related parties	-	-	-	-
	Total	18,700.04	11,377.50	17,050.41	9,202.12

refer note 43

9. Other information

(₹ in crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
		Amount outstanding	Amount outstanding
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	-	-
(ii)	Net Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	-	-
(iii)	Assets acquired in satisfaction of debt	-	-

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Annexure-I (continued) :

10) Investments:		(₹ in crore)	
S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Value of Investments		
	(i) Gross Value of Investments		
	(a) In India #	11,391.51	9,202.12
	(b) Outside India #	-	-
	(ii) Provisions for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
	(iii) Net Value of Investments		
	(a) In India #	11,391.51	9,202.12
	(b) Outside India #	-	-
2	Movement of provisions held towards depreciation on investments		
	(i) Opening balance	-	-
	(ii) Add: Provisions made during the year #	-	-
	(iii) Less: Write off/write back of excess provisions during the year #	-	-
	(iv) Closing balance	-	-

refer note 43

11) Derivatives:

- 1) **Forward Rate Agreement / Interest Rate Swap:** The Company has not traded in forward rate agreement/ Interest Rate Derivative during the financial year ended March 31, 2023 (Previous year: Nil)
- 2) **Exchange Traded Interest Rate (IR) Derivatives:** The Company has not traded in Exchange Traded Interest Rate (IR) Derivative during the financial year ended March 31, 2023 (Previous year: Nil)

12) Securitisation: No securitisation deal (including assignment deal) has carried out during the year ended March 31, 2023 (Previous year: Nil)

13) Asset Liability Management Maturity Pattern: Refer note no. 2 of Annexure-I of note 51 for details of Asset Liability Management Maturity Pattern

14) Exposures:

- I) Exposures to Real Estate Sector: Refer note no. 1 of Annexure-I of note 51 for details of exposures to Real Estate Sector
- II) Exposures to Capital Markets: None
- III) Details of financing of parent company products: None
- IV) The particulars of unsecured advances net off provision are given below:

		(₹ in crore)	
Particulars		As at March 31, 2023	As at March 31, 2022
Intercompany Deposit (inclusive of interest accrued) net of provision		2,357.25	1,150.25

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

15) 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:

Particulars	2022-23		
	Non-Convertible Debentures	CRPS	Commercial Paper
India Ratings	IND AAA (Stable)	-	IND A1+
CARE	CARE AAA (Stable)	CARE AAA (RPS) / (Stable)	CARE A1+
ICRA	ICRA AAA (Stable)	-	ICRA A1+
CRISIL	CRISIL AAA (Stable)	CRISIL AAA (Stable)	CRISIL A1+

Particulars	2021-22		
	Non-Convertible Debentures	CRPS	Commercial Paper
India Ratings	IND AAA (Stable)	-	IND A1+
CARE	CARE AAA (Stable)	CARE AAA (RPS) / (Stable)	CARE A1+
ICRA	ICRA AAA (Stable)	-	ICRA A1+
CRISIL	CRISIL AAA (Stable)	CRISIL AAA (Stable)	CRISIL A1+

- iv) Postponements of revenue recognition: Current year: Nil (Previous year: Nil)

16) Provisions and Contingencies:

- i) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account:

Particulars	Year ended		(₹ in crore)
	March 31, 2023	March 31, 2022	
Provisions for depreciation on investment	-	-	
Provision towards non-performing assets	Nil	Nil	
Provision made towards Income tax (shown below profit before tax)			
Current tax	569.61	36.40	
Deferred tax	(0.11)	(0.15)	
Other provision and contingencies:			
Provision for standard assets	0.24	(0.03)	

17) Concentration of Advances and NPAs:

- i) Concentration of Advances:

Particulars	As at		(₹ in crore)
	March 31, 2023	March 31, 2022	
Total Inter corporate deposit to twenty largest borrowers (including interest accrued)	2,357.71	1,150.47	
Percentage of advances to twenty largest borrowers to total advances of the Company	100%	100%	

- ii) Concentration of NPAs:

Particulars	As at		(₹ in crore)
	March 31, 2023	March 31, 2022	
Total Exposure to top five NPA accounts	-	-	

18) Disclosure of customer complaints:

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	No. of complaints pending at the beginning of the year	Nil	Nil
(ii)	No. of complaints received during the year	Nil	Nil
(iii)	No. of complaints redressed during the year	Nil	Nil
(iv)	No. of complaints pending at the end of the year	Nil	Nil

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 52: Impairment reserve

As per the RBI circular RBI/2019-20/170 dated 13th March, 2020, where impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning), NBFCs/ARCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

Impairment Reserve FY 22-23

(₹ In crore)

Loss Allowances (Provisions) as required under Ind AS 109						
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	2,357.71	0.46	2,357.25	9.43	8.97
Total		2,357.71	0.46	2,357.25	9.43	8.97

Impairment Reserve FY 21-22

(₹ In crore)

Loss Allowances (Provisions) as required under Ind AS 109						
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	1,150.47	0.22	1,150.25	4.60	4.38
Total		1,150.47	0.22	1,150.25	4.60	4.38

Note 53: Disclosures in terms of RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 have been given under Annexure-II to these financial statements:

Annexure-II - Disclosure on Liquidity Risk

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, 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, 2023 is as under:

(i) Funding Concentration based on significant counterparty

As at March 31, 2023

S. No.	No. of Significant Counterparties	Amount (₹ crore)	% of Total Deposits	% of Total Liabilities
1	1	5.00	N.A.	5.23%

As at March 31, 2022

S. No.	No. of Significant Counterparties	Amount (₹ crore)	% of Total Deposits	% of Total Liabilities
1	13	40.81	N.A.	26.62%

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

As at March 31, 2023

Amount (₹ crore)	% of Total Borrowings
5.00	100.00%

As at March 31, 2022

Amount (₹ crore)	% of Total Borrowings
35.80	34.10%

Note:

Total Borrowing has been computed as Gross Total Debt basis extant regulatory ALM guidelines.

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

(iv) Funding Concentration based on significant instrument / product:

S. No.	Name of the product	As at March 31, 2023		As at March 31, 2022	
		Amount (₹ crore)	% of Total Liabilities	Amount (₹ crore)	% of Total Liabilities
1	Preference Shares	-	0.00%	100.00	65.24%
2	Commercial Papers	-	0.00%	-	0.00%
3	Private NCD	-	0.00%	-	0.00%
4	Working Capital Bank Lines (CC/LOC/WCDL)	5.00	5.23%	5.00	3.26%
	Total	5.00	5.23%	105.00	68.50%

Note:

- A "significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to 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:

S. No.	Stock Ratio	As at March 31, 2023	As at March 31, 2022
1	Commercial papers as a % of total liabilities	0.00%	0.00%
2	Commercial papers as a % of total assets	0.00%	0.00%
3	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0.00%	0.00%
4	Non-convertible debentures (original maturity of less than one year) as a % of total assets	0.00%	0.00%
5	Other short-term liabilities as a % of total liabilities	94.29%	96.60%
6	Other short-term liabilities as a % of total assets	0.65%	1.30%

Notes:

- 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.

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 54: Disclosures in terms of RBI/2020-21/24 DoR (NBFC) (PD) CC. No. 117/03.10.001/2020-21 dated August 13, 2020 have been given under:

1) Components of ANW and other related information: (₹ in crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	ANW as a % of Risk weighted Assets	98.89%	98.70%
(ii)	Unrealised appreciation in the book value of quoted investments	-	-
(iii)	Diminution in the aggregate book value of quoted investments	-	-
(iv)	Leverage Ratio	0.02	0.03

2) Investment in other CICs (₹ in crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
a)	Total amount representing any direct or indirect capital contribution made by one CIC in another CIC (including name of CICs)	-	-
b)	Number of CICs with their names wherein the direct or indirect capital contribution exceeds 10% of Owned Funds	-	-
c)	Number of CICs with their names wherein the direct or indirect capital contribution is less than 10% of Owned Funds	-	-

3) Off Balance Sheet Exposure (₹ in crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	Off balance sheet exposure	-	-
(ii)	Financial Guarantee as a % of total offbalance sheet exposure	-	-
(iii)	Non-Financial Guarantee as a% of total offbalance sheet exposure	-	-
(iv)	Off balance sheet exposure to overseas subsidiaries	-	-
(v)	Letter of Comfort issued to any subsidiary	-	-

4) Business Ratios

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	Return on Equity (RoE)	18.70	1.94
(ii)	Return on Assets (RoA)	18.57	1.91
(iii)	Net profit per employee (₹ in crore)	642.93	218.18

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

5) Ratios Analysis as required by Schedule III of the Companies Act, 2013

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022	% Variance
(i)	Capital ratio ¹	98.89%	98.70%	0.19%
(ii)	Tier I CRAR ²	Not Applicable	Not Applicable	Not Applicable
(iii)	Tier II CRAR ²	Not Applicable	Not Applicable	Not Applicable
(iv)	Liquidity coverage ratio ²	Not Applicable	Not Applicable	Not Applicable

Note :

- 1 Capital ratio = Adjusted net worth/ Risk weighted assets, calculated as per applicable RBI guidelines
- 2 The Company is registered under the Reserve Bank of India Act, 1934 as systematically important non-deposit accepting core investment company, hence these ratios are generally not applicable.

6) Overseas assets

Nil

7) Dividend distributed to equity shareholders

The Board has not proposed any dividend for financial year ended March 31, 2023 in the Board of Directors meeting held on April 28, 2023.

The Board has proposed a final dividend of ₹ 0.50 per equity share for financial year ended March 31, 2022 in the Board of Directors meeting held on April 29, 2022.

Financial Year	Net Profit for the year ended (₹ in crore)	Rate of Dividend (%)	Amount of Dividend (₹ in crore)	Dividend Payout Ratio (%)
2021-22	218.18	5.00%	125.70	57.61%

Note 55: Relationship with Struck off Companies

Sr No	Name of struck off Company	Nature of transactions with struck off Company	Balance Outstanding as at March 31, 2023 (₹ in crore)	Balance Outstanding as at March 31, 2022 (₹ in crore)	Relationship with the struck off Company
1	Victor Properties Private Limited	Shares held by struck off Company	0.00*	0.00*	Equity Shareholder
2	Pegasus Mercantile Private Limited	Shares held by struck off Company	0.00*	0.00*	Equity Shareholder
3	Architectural Glass Private Limited	Shares held by struck off Company	0.00*	0.00*	Equity Shareholder
4	Kothari Intergroup Limited	Shares held by struck off Company	0.00*	0.00*	Equity Shareholder
5	Sanvi Fincare Consultancy Private Limited	Shares held by struck off Company	0.00*	0.00*	Equity Shareholder

*Amount less than ₹ 50,000

Note 56: The Company has assessed its obligations arising in the normal course of business, proceedings pending with tax authorities and other contracts including derivative and long term contracts. In accordance with the provisions of Indian Accounting Standard (Ind AS) - 37 on 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognises a provision for material foreseeable losses when it has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure to this effect is made as contingent liabilities in the financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 57: 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:-

1. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period as applicable.
2. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year 2022-2023.
3. There is no proceeding which has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
4. The details is not applicable to the Company, related to transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme and shall also state whether the previously unrecorded income and related assets have been properly recorded in the books of account during the year.
5. The Company is not declared wilful defaulter by any bank or financial Institution or other lender.
6. 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;
7. 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;
8. The compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rule, 2017 is not applicable as the company is registered as non banking financial company with Reserve Bank of India.

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 58: The following additional information (other than what is already disclosed elsewhere) is disclosed in terms of RBI circular DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 on 'Scale Based Regulation (SBR): A Revised Regulatory Framework' for NBFCs, which inter-alia envisages certain specific disclosures read with circular no. DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 for "Disclosures in Financial Statements - Notes to Accounts of NBFCs".

Note 58 (i): Sectoral Exposure:

(₹ crore)

Sr No	Sectors	As at March 31, 2023			As at March 31, 2022		
		Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1	Allied Activities	-	-	-	-	-	-
2	Industry	-	-	-	-	-	-
3	Services	-	-	-	-	-	-
4	Personal Loans	-	-	-	-	-	-
5	Others, Inter corporate deposits	2,357.71	-	-	1,150.47	-	-

Note 58 (ii): Intra group exposure:

(₹ crore)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2023
1	Total amount of intra-group exposures	2,357.71	1,150.47
2	Total amount of top 20 intra-group exposures		
	- L&T Finance Limited	2,357.71	1,037.59
	- L&T Financial Consultants Limited	0.00	112.88
3	Percentage of intra-group exposures to total exposure of the NBFC on		
	- L&T Finance Limited	100.00%	90.19%
	- L&T Financial Consultants Limited	0.00%	9.81%

Note 58 (iii): Unhedged foreign currency exposure: Nil

L&T Finance Holdings Limited

Notes forming part of the standalone financial statements

Note 58 (iv): Related Party Disclosure

i) Related party transactions for the year ended -

Related Party Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances														
1) Inter corporate deposits given														
a) L&T Finance Limited	-	-	6,085.57	2,060.86	-	-	-	-	-	-	-	-	-	-
b) L&T Financial Consultants Limited	-	-	284.58	540.52	-	-	-	-	-	-	-	-	-	-
2) Inter corporate deposits repaid (including interest)														
a) L&T Finance Limited	-	-	4,746.08	2,115.65	-	-	-	-	-	-	-	-	-	-
b) L&T Financial Consultants Limited	-	-	396.45	649.72	-	-	-	-	-	-	-	-	-	-
Investments														
a) L&T finance limited	-	-	1,980.00	-	-	-	-	-	-	-	-	-	-	-
b) L&T Financial consultant limited	-	-	144.00	-	-	-	-	-	-	-	-	-	-	-
c) L&T Infra Credit Limited (formerly known as L&T Infra Debt Fund Limited)	-	-	51.38	-	-	-	-	-	-	-	-	-	-	-
Interest paid														
a) L&T Finance Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b) L&T Financial consultants Limited	-	-	141.04	47.67	-	-	-	-	-	-	-	-	-	-
Others														
Others	20.82	0.17	230.53	275.16	-	-	14.98	16.40	-	-	-	-	-	-

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

ii) Related Party Balances as at the year end -

Related Party Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Amount in ₹ crore)													
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a) L&T Finance Limited	-	-	2,357.71	1,037.59	-	-	-	-	-	-	-	-	-	-
b) L&T Financial consultants Limited	-	-	-	112.88	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a) L&T Finance Limited	-	-	11,017.47	9,037.47	-	-	-	-	-	-	-	-	-	-
b) L&T Financial consultants Limited	-	-	162.75	18.75	-	-	-	-	-	-	-	-	-	-
c) L&T Infra Credit Limited	-	-	197.13	145.75	-	-	-	-	-	-	-	-	-	-
d) L&T Investment Management Limited	-	-	-	867.56	-	-	-	-	-	-	-	-	-	-
d) L&T Mutual Fund Trustee Limited	-	-	0.15	0.15	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-

iii) Related Party maximum balances during the year ended -

Related Party Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	(Amount in ₹ crore)													
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a) L&T Finance Limited	-	-	4,493.66	1,075.35	-	-	-	-	-	-	-	-	-	-
b) L&T Financial consultants Limited	-	-	111.87	224.10	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a) L&T Finance Limited	-	-	11,017.47	9,037.47	-	-	-	-	-	-	-	-	-	-
b) L&T Financial consultants Limited	-	-	162.75	18.75	-	-	-	-	-	-	-	-	-	-
c) L&T Infra Credit Limited	-	-	197.13	145.75	-	-	-	-	-	-	-	-	-	-
d) L&T Investment Management Limited	-	-	867.56	867.56	-	-	-	-	-	-	-	-	-	-
d) L&T Mutual Fund Trustee Limited	-	-	0.15	0.15	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-

L&T Finance Holdings Limited
Notes forming part of the standalone financial statements

Note 58 (v): Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022		
	Complaints received by the NBFC from its customers				
1.	Number of complaints pending at beginning of the year	Nil	Nil		
2.	Number of complaints received during the year	Nil	Nil		
3.	Number of complaints disposed during the year	Nil	Nil		
	Of which, number of complaints rejected by the NBFC				
4.	Number of complaints pending at the end of the year	Nil	Nil		
	Maintainable complaints received by the NBFC from Office of Ombudsman				
5.*	Number of maintainable complaints received by the NBFC from Office of Ombudsman				
	1) Number of complaints resolved in favour of the NBFC by Office of Ombudsman	Nil	Nil		
	2) Number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	Nil	Nil		
	3) Number of complaints resolved after passing of Awards by Office of Ombudsman	Nil	Nil		
6.*	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil		
Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme. * It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021					
2) Top five grounds of complaints received by the NBFCs from customers					
Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
For the year ended March 31, 2023					
Grounds	Nil	Nil	Nil	Nil	Nil
For the year ended March 31, 2022					
Ground	Nil	Nil	Nil	Nil	Nil

Note 58(vi) : Breach of Covenant

During the year ended March 31, 2023, there is no instance of breach of covenant of loan availed or debt securities issued (applicable if any) by the company.

Note 58(vii): Divergence in Asset Classification and Provisioning*

- a) the additional provisioning requirements assessed by RBI exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for financial year 2021-22 : Nil
- b) the additional Gross NPAs identified by RBI exceeds 5 percent of the reported Gross NPAs for financial year 2021-22 : Nil

Foot Note

*Final Inspection report for the financial year 2021-22 is not issued by the Reserve Bank of India as on March 31, 2023.

Note 59:

The Board of Directors of L&T Finance Holdings Limited ('the Company' or 'LTFH') at its meeting held on January 13, 2023, approved the merger of L&T Finance Limited ("LTF"), L&T Infra Credit Limited ("LTICL") and L&T Mutual Fund Trustee Limited ("LTMFTL") (direct and indirect wholly owned subsidiaries of the Company) with the Company ("the Scheme"), pursuant to a scheme of arrangement under Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder. The Scheme will become effective upon fulfilment of all the conditions set out in the Scheme including approval of the Scheme by the National Company Law Tribunal ('NCLT'), Reserve Bank of India and other Regulatory approvals. The appointed date for the Scheme is April 1, 2023.

The Scheme will, *inter alia*, result in the transfer and vesting of the assets, liabilities (including debt securities) and the entire undertaking of the LTF, LTICL and LTMFTL into Company, followed by the dissolution without winding up of LTF, LTICL and LTMFTL, the consequent cancellation of the equity shares held by the Company in the LTF, LTICL and LTMFTL, and certain adjustments to the securities premium account of Company.

L&T Finance Holdings Limited**Notes forming part of the standalone financial statements**

Note 60: The above standalone financial statements have been reviewed by the audit committee and subsequently approved by the Board of Directors at its meeting held on April 28, 2023.

Note 61: Previous year figures have been regrouped / reclassified to make them comparable with those of current year.

**For and on behalf of the Board of Directors
L&T FINANCE HOLDINGS LIMITED**

Sd/-

S. N. Subrahmanyam
Non-Executive Chairman
(DIN: 02255382)

Sd/-

Dinanath Dubhashi
Managing Director &
Chief Executive Officer
(DIN: 03545900)

Sd/-

Apurva Rathod
Company Secretary

Sd/-

Sachinn Joshi
Chief Financial Officer

Place : Mumbai
Date : April 28, 2023

February 6, 2023

To,
National Stock Exchange of India Limited,
Exchange Plaza, C- 1,
Block G Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

Subject: Report of Complaints in terms of paragraph A (7) of Part- I of Chapter XII of SEBI Operational Circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022, updated as on December 1, 2022, as amended from time to time ("SEBI Circular – Debt")

This has reference to our application dated January 16, 2023, under Clause 59A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Regulations**") in relation to a proposal involving the amalgamation of L&T Finance Limited ("**LTF**"), L&T Infra Credit Limited ("**LTICL**" / "**Company**") and L&T Mutual Fund Trustee Limited ("**LTMFTL**") (LTF, LTICL and LTMFTL are collectively referred to as "**Amalgamating Companies**") with L&T Finance Holdings Limited ("**Amalgamated Company**" / "**LTFH**"), by way of merger by absorption pursuant to the scheme of arrangement under provisions of Sections 230 - 232 read with Section 52 of the Companies Act, 2013 ("**Act**") and other applicable regulatory requirements (the "**Scheme**"), resulting in the transfer and vesting of the assets, liabilities and the entire undertaking of the Amalgamating Companies into the Amalgamated Company, followed by the dissolution without winding up of each of the Amalgamating Companies, the consequent cancellation of the equity shares held by the Amalgamated Company in the Amalgamating Companies, certain adjustments to the securities premium account of Amalgamated Company and various other matters consequential to or otherwise integrally connected with the above.

In connection with the above application for the Scheme, please find enclosed the Report on Complaints / Comments received by the Company on the draft Scheme as per paragraph A (7) of Part II of the SEBI Circular-Debt.

We trust you find the aforesaid is in order and look forward to receiving the necessary NOC.

Thanking you,
Yours faithfully,

For **L&T Infra Credit Limited**

Savita Kodain
Company Secretary and Compliance Officer

**Report of Complaints/ Comments received by L&T Infra Credit Limited
on the draft scheme of amalgamation between L&T Finance Limited, L&T Infra Credit Limited,
L&T Mutual Fund Trustee Limited and L&T Finance Holdings Limited pursuant to
Sections 230 - 232 read with Section 52 of the Companies Act, 2013**

Period of Complaints Report: January 23, 2023 to February 1, 2023

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
N.A.			

For **L&T Infra Credit Limited**

Savita Kodain
Company Secretary and Compliance Officer

February 6, 2023

February 13, 2023

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Kala Ghoda,
Fort, Mumbai – 400001

Subject: Report of Complaints in terms of paragraph A(7) of Part- I of Chapter XII of SEBI Operational Circular no. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated 29 July 2022, updated as on 1 December 2022, as amended from time to time ("SEBI Circular – Debt")

This has reference to our application dated January 16, 2023, under Clause 59A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Regulations**") in relation to a proposal involving the amalgamation of L&T Finance Limited ("**LTF**"), L&T Infra Credit Limited ("**LTICL**" / "**Company**") and L&T Mutual Fund Trustee Limited ("**LTMFTL**") (LTF, LTICL and LTMFTL are collectively referred to as "**Amalgamating Companies**") with L&T Finance Holdings Limited ("**Amalgamated Company**" / "**LTFH**"), by way of merger by absorption pursuant to the scheme of arrangement under provisions of Sections 230 - 232 read with Section 52 of the Companies Act, 2013 ("**Act**") and other applicable regulatory requirements (the "**Scheme**"), resulting in the transfer and vesting of the assets, liabilities and the entire undertaking of the Amalgamating Companies into the Amalgamated Company, followed by the dissolution without winding up of each of the Amalgamating Companies, the consequent cancellation of the equity shares held by the Amalgamated Company in the Amalgamating Companies, certain adjustments to the securities premium account of Amalgamated Company and various other matters consequential to or otherwise integrally connected with the above.

In connection with the above application for the Scheme, please find enclosed the Report on Complaints / Comments received by the Company on the draft Scheme as per paragraph A (7) of Part II of the SEBI Circular - Debt.

We trust you find the aforesaid is in order and look forward to receiving the necessary NOC.

Thanking you,
Yours faithfully,

For **L&T Infra Credit Limited**

Savita Kodain
Company Secretary

**Report of Complaints/ Comments received by L&T Infra Credit Limited
on the draft scheme of amalgamation between L&T Finance Limited, L&T Infra Credit Limited,
L&T Mutual Fund Trustee Limited and L&T Finance Holdings Limited pursuant to
Sections 230 - 232 read with Section 52 of the Companies Act, 2013**

Period of Complaints Report: February 1, 2023 to February 10, 2023

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges / SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
	N.A.		

For **L&T Infra Credit Limited**

Savita Kodain
Company Secretary

February 13, 2023

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Ref: NSE/LIST/C/2023/0459

April 26, 2023

The Company Secretary
L&T Infra Credit Limited
6th Floor, Brindavan, Plot No. 177,
CST Road, Kalina, Santacruz (East),
Mumbai - 400098

Kind Attn.: Ms. Savita Kodain

Dear Madam,

Sub: Observation Letter for Scheme of Amalgamation by way of merger by absorption among L&T Finance Limited (LTFL), L&T Infra Credit Limited (LTICL), L&T Mutual Fund Trustee Limited (LTMFTL) and L&T Finance Holdings Limited (LTFHL).

We are in receipt Scheme of Amalgamation by way of merger by absorption among L&T Finance Limited, L&T Infra Credit Limited, L&T Mutual Fund Trustee Limited and L&T Finance Holdings Limited vide application dated January 16, 2023.

Based on our letter reference no. NSE/LIST/34090 dated March 14, 2023, submitted to SEBI pursuant to Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 and Operational Circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/156 dated November 17, 2022 (Circulars) and Regulation 94(2) and 94A (2) of SEBI (LODR) Regulations 2015, SEBI vide its letter dated April 26, 2023, has inter alia given the following comment(s) on the draft scheme of amalgamation:

- a. *Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed Company and the stock exchanges.*
- c. *The entities involved in the scheme shall duly comply with various provisions of the Circulars and ensure that all the liabilities of transferor companies are transferred to the transferee company.*
- d. *Company shall ensure that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f. *Company shall ensure that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*
- g. *Company shall ensure to disclose the details of assets and liabilities of Transferor Companies transferred to Transferee Company, details of assets and liabilities of transferee company pre and post amalgamation and rationale of the Scheme and impact on shareholders, as a part of explanatory statement or notice or proposal accompanying the resolution to be passed to be forwarded by the Company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013.*
- h. *Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*

- i. *Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the Scheme document.*
- j. *Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/tribunals shall be made without specific written consent of SEBI.*
- k. *Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- l. *Company to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed Scheme.*
- m. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*
- n. *Company shall ensure the proposed Scheme of amalgamation shall be in compliance with the provisions of Regulation 11 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
- o. *LTFFHL, LTFL and LTICL are NBFCs registered with Reserve Bank of India (RBI) and thus regulated by RBI. These entities shall approach the jurisdictional NCLT under Sections 230 - 232 of the Act in respect of the Scheme only upon receipt of the requisite approval of the RBI, as per applicable regulations.*
- p. *The entities involved in the proposed Scheme shall not provide any misstatement or furnish false information with regard to disclosure to be made in the draft scheme of amalgamation as per Chapter XII of Operational Circular.*
- q. *The entities involved in the proposed scheme shall not make any changes in the draft scheme subsequent to filing the draft scheme with SEBI by the Stock Exchanges, except those mandated by the regulators/authorities/tribunal.*
- r. *The listed entities involved in the proposed Scheme shall include information pertaining to the unlisted entity in the format specified for abridged prospectus as provided in Part B of Schedule I of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, in the notice or proposal to be sent to the holders of NCDs/ NCRPS while seeking approval for the Scheme. The accuracy and adequacy of such disclosures shall be certified by the SEBI registered merchant banker after following the due diligence process.*
- s. *The listed entities involved in the proposed Scheme shall disclose the No-Objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.*
- t. *Company shall ensure that the entities involved in the proposed Scheme have complied with the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee(s) any other relevant regulations and circulars.*

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No objection" in terms of Regulation 94A of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from April 26, 2023, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement with the Exchange via mail: DL-Scheme@nse.co.in

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL: <https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

BSE LIMITED

DCS/AMAL/TL/IP/2741/2023-24

April 26, 2023

To,

The Company Secretary,
L&T FINANCE LIMITED
 15th Floor, PS Srijan Tech Park,
 Plot No. 52 DN, Sector-V, Salt
 Lake City, Kolkatta, Parganas North
 West Bengal - 700091

The Company Secretary,
L&T INFRA CREDIT LIMITED
 Plot No.177, CTS No. 6970, 6971,
 Vidyanagari Marg, CST Road,
 Kalina, Santacruz (East), Mumbai
 Maharashtra- 400098

The Company Secretary,
L&T FINANCE HOLDINGS LIMITED
 Brindavan, Plot No.177, CTS Road,
 Kalina, Santacruz (East), Mumbai
 Maharashtra- 400098

Dear Sir/Madam,

Sub: Observation Letter regarding the Scheme of Amalgamation by way of merger by Absorption Among L&T Finance Limited ("LTFL"), L&T Infra Credit Limited ("LTICL"), L&T Mutual Fund Trustee Limited ("LTMFTL") And L&T Finance Holdings Limited ("LTFHL")

We are in receipt of the Scheme of Amalgamation by way of merger by Absorption Among L&T Finance Limited ("LTFL"), L&T Infra Credit Limited ("LTICL"), L&T Mutual Fund Trustee Limited ("LTMFTL") And L&T Finance Holdings Limited ("LTFHL") filed by L&T Finance Limited, L&T Infra Credit Limited, And L&T Finance Holdings Limited respectively as required under SEBI Master circular no. SEBI/HO/CFD/DIL1/CIR/ P/2021/665 dated November 23, 2021 along with SEBI circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/156 dated November 17, 2022 and Regulation 94(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated April 26, 2023, has inter alia given the following comment(s) on the Scheme of Amalgamation:

- a) "Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and Shareholders, while seeking approval of the scheme."
- b) "Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the Listed Company and the Stock Exchanges."
- c) "Company shall ensure compliance with the SEBI Circulars issued from time to time."
- d) "The entities involved in the scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Companies are transferred to the Transferee Company."
- e) "Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f) "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g) "Company is advised that the details of the proposed scheme under consideration as provided by the Companies to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."
- h) "Company is advised to disclose the Details of assets and liabilities of Transferor Companies transferred to Transferee Company, Details of assets and liabilities of Transferee Company pre and post amalgamation and Rationale of the scheme and impact on shareholders, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013."

- i) **"Company is advised that the proposed Equity Shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."**
- j) **"Company shall ensure that the 'Scheme' shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."**
- k) **"Company to ensure that no changes to the draft Scheme except those mandated by the regulators / authorities / tribunals shall be made without specific written consent of SEBI."**
- l) **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT."**
- m) **"Company is advised to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."**
- n) **"It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."**
- o) **"The proposed scheme of amalgamation shall be in compliance with the provisions of Regulation 11 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015."**
- p) **"LTFHL, LTFL and LTICL are NBFCs registered with Reserve Bank of India (RBI) and thus regulated by RBI. These entities shall approach the jurisdictional NCLT under Sections 230 - 232 of the Act in respect of the Scheme only upon receipt of the requisite approval of the RBI, as per applicable regulations."**
- q) **"The entities involved in the proposed scheme shall not provide any misstatement or furnish false information with regard to disclosure to be made in the draft scheme of amalgamation as per Chapter XII of Operational Circular."**
- r) **"The entities involved in the proposed scheme shall not make any changes in the draft scheme subsequent to filing the draft scheme with SEBI by the Stock Exchanges, except those mandated by the regulators/ authorities/ tribunal."**
- s) **"The listed entities involved in the proposed scheme shall include information pertaining to the unlisted entity in the format specified for abridged prospectus as provided in Part B of Schedule I of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, in the notice or proposal to be sent to the holders of NCDs/ NCRPS while seeking approval for the scheme. The accuracy and adequacy of such disclosures shall be certified by the SEBI registered merchant banker after following the due diligence process."**
- t) **"The listed entities involved in the proposed scheme shall disclose the No-Objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same."**
- u) **"Company shall ensure that the entities involved in the proposed scheme have complied with the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee(s) any other relevant regulations and circulars"**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37 and 59A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

Rupal Khandelwal
Assistant General Manager

Sd/-

Tanmayi Lele
Assistant Manager

PAWAN SHIVKUMAR PODDAR

CA, RV(IBBI)

REGISTERED VALUER

Securities and Financial Assets
Reg No. – IBBI/RV/06/2019/12475**STRICTLY PRIVATE & CONFIDENTIAL**

January 12, 2023

The Board of Directors**L&T Finance Holdings Limited**Brindavan, Plot No.177, CTS Road,
Kalina, Santacruz (East),
Mumbai – 400098.**The Board of Directors****L&T Finance Limited**15th Floor, PS Srijan Tech Park,
Plot No.52 DN, Sector – V, Salt Lake City,
Kolkata, Parganas North – 700091**The Board of Directors****L&T Infra Credit Limited**Plot No.177, CTS Road,
Kalina, Santacruz (East),
Mumbai – 400098.**The Board of Directors****L&T Mutual Fund Trustee Limited**Brindavan, Plot No.177, CTS Road,
Kalina, Santacruz (East),
Mumbai – 400098.

Dear Sir(s) / Madam(s),

Sub: Valuation Report for the proposed amalgamation of L&T Finance Limited, L&T Infra Credit Limited, L&T Mutual Fund Trustee Limited with L&T Finance Holdings Limited – Equity shares

I refer to the engagement letter dated December 26, 2022 whereby I, CA Pawan Shivkumar Poddar (hereinafter referred to as **"I"** or **"Valuer"**), have been appointed by L&T Finance Limited (hereinafter referred to as **"LTFL"**), L&T Infra Credit Limited (hereinafter referred to as **"LTICL"**), L&T Mutual Fund Trustee Limited (hereinafter referred to as **"LTMFTL"**) and L&T Finance Holdings Limited (hereinafter referred to as **"LTFH"** or the **"Company"**) to issue a valuation report for the purposes of SEBI's Master Circular on (I) Scheme of Arrangement by Listed Entities and (II) Relaxation under Subrule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957 dated November 23, 2021 (**"SEBI Scheme Circular- Equity"**) in relation to the proposed amalgamation of LTFL, LTICL and LTMFTL with LTFH (hereinafter referred to as **"Proposed Amalgamation"**).

LTFL, LTICL, LTFMFTL and LTFH are hereinafter collectively referred to as the **"Companies"**.

Our deliverable for this engagement would be to issue valuation report pursuant to SEBI Scheme Circular- Equity for the Proposed Amalgamation (**"Report"**). For the purpose of this report, we have considered the Valuation Date as January 12, 2023 (**"Valuation Date"**).

1. SCOPE AND PURPOSE OF THIS REPORT

- 1.1. I have been informed by the management of the Companies (hereinafter collectively referred to as the 'Management') that in order to achieve simplification of holding structure of entities forming part of the group, improve operational and management efficiencies, streamline business operations and decision-making process, enable greater economies of scale, creating a single unified entity with a wider and stronger capital and asset base, having greater capacity for conducting its operations more efficiently and competitively, it is proposed that LTFL, LTICL and LTMFTL will amalgamate with LTFH by way of merger by absorption and LTFL, LTICL and LTMFTL will be dissolved without winding up and consequently the equity shares held by LTFH in LTFL, LTICL and LTMFTL will be cancelled. The aforesaid amalgamation is proposed under a Scheme of Amalgamation and Arrangement in accordance with the provisions of section 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the

“Scheme”). Subject to necessary approvals, LTFL, LTICL and LTMFTL would amalgamate with LTFH, with effect from the appointed date of April 01, 2023 (**“Appointed Date”**).

- 1.2. In this regard, I have been requested to issue a Valuation Report pursuant to SEBI Scheme Circular- Equity for the Proposed Amalgamation. The scope of my services is to provide a valuation report for the purpose of the SEBI Scheme Circular- Equity in relation to Proposed Amalgamation in accordance with internationally accepted valuation standards / ICAI Valuations Standards 2018 issued by the Institute of Chartered Accounts of India as applicable.

2. BRIEF BACKGROUND

2.1. L&T FINANCE HOLDINGS LIMITED (‘LTFH’)

L&T FINANCE HOLDINGS LIMITED (CIN: L67120MH2008PLC181833) is a public company, incorporated on May 1, 2008 under the Companies Act, 1956. LTFH is a registered Systemically Important Non- Deposit Accepting Core Investment Company (**“NBFC-CIC”**) in terms of certificate of registration issued by the RBI bearing registration no N-13.02052 dated September 11, 2013. As an NBFC-CIC, LTFH is a primary holding company, holding investments in its subsidiaries and other group companies. The equity shares of LTFH are listed on National Stock Exchange of India Limited (**“NSE”**) and BSE Limited (**“BSE”**).

The capital structure of the LTFH on the January 12, 2023 is as under;

Particulars	Amount (in INR)
Authorized Share Capital	
5,00,00,00,000 equity shares of Rs. 10 each	50,00,00,00,000
50,00,00,00,000 preference shares of Rs. 100 each	50,00,00,00,000
Total	100,00,00,00,000
Issued, Subscribed and Paid up Share Capital	
2,47,96,71,117 equity shares of Rs. 10 each	24,79,67,11,170
Total	24,79,67,11,170

The shareholding pattern of equity shares of LTFH as on January 12, 2023 is as below:

Equity Shareholders	No of Equity	%
Larsen & Toubro – Promoter	1,639,229,920	66.11%
Public Shareholders	84,04,41,197	33.89%
TOTAL	2,47,96,71,117	100.0%

2.2. L&T FINANCE LIMITED (‘LTFL’)

L&T FINANCE LIMITED (CIN: U65910WB1993FLC060810) is a public company, incorporated on November 24, 1993 under the Companies Act, 1956. LTFL is registered with the RBI as a non-deposit taking systemically important non-banking financial company (**“NBFC-ND-SI”**) in terms of certificate of registration issued by the RBI bearing registration no B-05.06200 dated May 4, 2017. LTFL is a wholly-owned subsidiary of LTFH.

LTFL is focused on becoming a retail finance company and its retail businesses comprises Rural Business Finance, Farmer Finance, Urban Finance (includes Consumer Loans, Two- Wheeler Loans and Retail Housing) and SME Finance. The wholesale business comprises Infrastructure Finance and Real Estate Finance.

The capital structure of the LTFL on January 12, 2023 is as under;

Particulars	Amount (in INR)
Authorized Share Capital	
4,87,43,09,610 equity shares of Rs. 10 each	48,74,30,96,100
12,00,000 Preference shares of Rs.100 each	12,00,00,000
Total	48,86,30,96,100

Particulars	Amount (in INR)
Issued, Subscribed and Paid up Share Capital	
2,86,41,72,360 equity shares of Rs. 10 each	28,64,17,23,600
Total	28,64,17,23,600

The shareholding pattern of equity shares of LTFL as on January 12, 2023 is given below:

Name of Equity Shareholders	No of Equity	%
L&T Finance Holdings Limited	28,64,17,23,53	100%
Mr. Sachinn Joshi *	1	-
Mr. Dinanath Dubhashi*	1	-
Mr. Abhishek Sharma *	1	-
Mr. Raju Dodti*	1	-
Ms. Apurva Rathod*	1	-
Dr. Rupa Rege Nitsure*	1	-
Mr. Santosh Parab*	1	-
TOTAL	28,64,17,23,60	100.0%

*Held Jointly with L&T Finance Holdings Limited

2.3. L&T INFRA CREDIT LIMITED ('LTICL')

L&T INFRA CREDIT LIMITED (formerly known as L&T Infra Debt Fund Limited) (CIN: L67100MH2013PLC241104) is a public company, incorporated on March 19, 2013 under the Companies Act, 1956. LTICL is registered with the RBI as an NBFC – Investment and Credit Company ("NBFC – ICC") in terms of certificate of registration issued by the RBI bearing registration no. N-13.02055 dated June 22, 2022. LTICL is engaged in infrastructure finance. LTICL is an indirect wholly-owned subsidiary of LTFH.

The capital structure of the LTICL on January 12, 2023 is as under:

Particulars	Amount (in INR)
Authorized Share Capital	
1,00,00,00,000 equity shares of Rs. 10 each	10,00,00,00,000
10,000 preference shares of Rs. 10,00,000 each	10,00,00,00,000
Total	20,00,00,00,000
Issued, Subscribed and Paid up Share Capital	
57,16,30,214 equity shares of Rs.10 each	5,71,63,02,140
2,148 preference shares of Rs, 10,00,000	2,14,80,00,000
50 preference shares of Rs. 6,70,000	3,35,00,000
Total	7,89,78,02,140

The shareholding pattern of equity shares of LTICL as on January 12, 2023 is given below:

Name of Equity Shareholders	No of Equity	%
L&T Finance Holdings Limited	13,35,17,820	23.36%
L&T Finance Limited	43,81,12,389	76.64%
Mr. Sachinn Joshi *	1	-
Mr. Dinanath Dubhashi*	1	-
Mr. Abhishek Sharma *	1	-
Mr. Raju Dodti*	1	-
Dr. Rupa Rege Nitsure*	1	-
TOTAL	57,16,30,214	100.0%

*Held Jointly with L&T Finance Limited

2.4. L&T MUTUAL FUND TRUSTEE LIMITED ('LTMFTL')

L&T MUTUAL FUND TRUSTEE LIMITED (CIN: U65993MH1996PLC211198) is a public company, incorporated on April 30, 1996 under the Companies Act, 1956. LTMFTL's principal activity was to provide trusteeship services to a mutual fund, however with divestment of the stake in the mutual fund business, it no longer acts as a trustee company for any mutual fund.

LTMFTL is a wholly owned subsidiary of LTFH.

The capital structure of the L&TMFTL on the January 12, 2023 is as under;

Particulars	Amount (in INR)
Authorized Share Capital	
250,000 equity shares of Rs. 10 each	25,00,000
Issued, Subscribed and Paid up Share Capital	
150,000 equity shares of Rs. 10 each	15,00,000

The shareholding pattern of equity shares of L&TMFTL as on January 12, 2023 is as below:

Name of Equity Shareholders	No. of Shares	%
L&T Finance Holdings Limited	149,993	100%
Mr. Sachinn Joshi *	1	-
Mr. Dinanath Dubhashi*	1	-
Mr. Abhishek Sharma *	1	-
Mr. Raju Dodti*	2	-
Dr. R Shankar Raman*	1	-
Mr. Sivaram Nair*	1	-
TOTAL	1,50,000	100.00%

*Held Jointly with L&T Finance Holdings Limited

3. REGISTERED VALUER – CA PAWAN PODDAR

CA Pawan Poddar ("I" or "valuer") is registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class – 'Securities or Financial Assets' with Registration No. IBBI/RV/06/2019/12475. Also, the valuer is a member (Membership Number 113280) of The Institute of Chartered Accountants of India ('ICAI') and a sole proprietor of M/s. Pawan Poddar & Associates, Chartered Account (FRN 123111W). This report is issued in individual capacity as a Registered Valuer.

4. VALUATION DATE, DATE OF APPOINTMENT AND DATE OF REPORT

For the purpose of this assignment of valuation, following shall be the key dates:

Valuation Date	January 12, 2023
Date of Appointment	December 26, 2022
Date of Report	January 12, 2023

5. SOURCES OF INFORMATION

For the purpose of this exercise, I have relied upon the following information which has been received from the Management and information available in the public domain:

- Audited financial statements of the Companies for FY ended March 31, 2022.
- Limited Reviewed unaudited financials of the Companies for six months ended September 30, 2022.
- Provisional unaudited financials of the Companies for nine months ended December 31, 2022.
- Draft Scheme of Amalgamation and Arrangement.

- (e) List of Equity Shareholders of the Companies.
- (f) Such other information and explanations as I required and which have been provided by the Management including Management Representations.

6. PROCEDURE ADOPTED AND VALUATION METHODOLDY FOLLOWED

In connection with this exercise, we have adopted the following procedures;

- (a) Reviewed the equity shareholding of LTFL, LTICL and LTMFTL.
- (b) LTFH is owning, directly or indirectly, 100% issued share capital of LTFL, LTICL and LTMFTL.
- (c) Reviewed the relevant clauses in the Scheme of Amalgamation and Arrangement.

7. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

- 7.1. The report is subject to the scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further, the Valuation Report for the Proposed Amalgamation is in accordance with ICAI VS 2018 issued by The Institute of Chartered Accountants of India.
- 7.2. This report has been prepared for the Audit Committee and Board of Directors of LTFL, LTICL, LTMFTL and LTFH solely for the purpose of compliance with SEBI Scheme Circular- Equity for the Proposed Amalgamation.
- 7.3. The report assumes that the Companies comply fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with any laws and litigations.
- 7.4. The draft of the present report was circulated to the Management for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.
- 7.5. For the purpose of this exercise, I was provided with both written and verbal information including information detailed hereinabove in para 'Sources of Information'. Further, the responsibility for the accuracy and completeness of the information provided to me by the Companies / auditors / consultants, is that of the Companies. Also, with respect to explanations and information sought from the Companies, I have been given to understand by the Management that they have not omitted any relevant and material information about the Companies. The Management have indicated to me that they have understood that any omissions, inaccuracies or misstatements may materially affect the analysis/conclusions.
- 7.6. My work does not constitute an audit, due diligence or certification of these information referred to in this report. Accordingly, I am unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report and consequential impact on the present exercise. However, I have evaluated the information provided to me by the Companies through broad inquiry, analysis and review. However, nothing has come to my attention to indicate that the information provided / obtained was materially misstated / incorrect or would not afford reasonable grounds upon which to base the report.
- 7.7. This report is issued on the understanding that the Management has drawn my attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on the report including any significant changes that have taken place or are likely to take place in the financial position of the Companies. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and I do not assume any obligation to update, revise or reaffirm this report.
- 7.8. I am independent of the Companies and have no current or expected interest in the Companies or its assets as per Section 247 of the Companies Act, 2013 read with Companies (Registered Valuers and Valuation) Rules, 2017. The fee paid for my services is not contingent on the results of my analysis.
- 7.9. The report is not, nor should it be construed as I am opining or certifying the compliance with the provisions of any law including companies, competition, taxation and capital market related laws or as regards any legal implications or issues arising in India or abroad from the Proposed Amalgamation.

- 7.10. Any person/party intending to provide finance/divest/invest in the shares/ convertible instruments/business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- 7.11. The decision to carry out the Proposed Amalgamation (including consideration thereof) lies entirely with the parties concerned and my work and finding shall not constitute a recommendation as to whether or not the parties should carry out the Proposed Amalgamation.
- 7.12. The report is meant for the purpose mentioned in Para 1 only and should not be used for any purpose other than the purpose mentioned therein. It is exclusively for the use of the Companies and may be submitted to Stock Exchanges / National Company Law Tribunal/SEBI/RBI/regulatory/statutory authority for obtaining requisite approvals. The report should not be copied or reproduced without obtaining my prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall I assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 7.13. I do not make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which this report is being issued. I owe responsibility to the Companies that has appointed me under the terms of the engagement letter. I will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall I be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents.

8. CONSIDERATION FOR RECOMMENDATION

8.1. The Proposed Amalgamation contemplates :

- the Amalgamation of LTF and LTMFTL into the LTFH, by way of merger by absorption and the dissolution of the LTF and LTMFTL without winding up and the consequent cancellation of the equity shares held by LTFH in the LTF and LTMFTL, in accordance with this Scheme;
- The amalgamation of LTICL into LTFH, by way of merger by absorption and the dissolution of the LTICL without winding up and the consequent cancellation of the equity shares held by the LTFH in LTICL, in accordance with this Scheme.

8.2. All three Amalgamating Companies (LTF, LTICL and LTMFTL) are, directly or indirectly, wholly owned subsidiaries of the Amalgamated Company (LTFH).

8.3. On amalgamation, all equity shares of the Amalgamating Companies shall stand cancelled without any further application, act or deed. No new shares shall be issued or payment made in cash or in kind whatsoever by the Amalgamated Company.

8.4. Clause 41 in the Scheme is reproduced hereunder:

"....Upon the Scheme coming into effect, all equity shares of the Amalgamating Companies held by the Amalgamated Company (directly, indirectly and/or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new equity shares shall be issued or payment made in cash or in kind whatsoever by the Amalgamated Company in lieu of such equity shares held in the Amalgamating Companies..."

9. RECOMMENDATION

9.1. Computation of Fair Exchange / Fair Entitlement Ratio:

Valuation	LTF		LTICL		LTMFTL		LTFH	
	Value per share	Weight	Value per share	Weight	Value per share	Weight	Value per share	Weight
Asset Approach	NA	-	NA	-	NA	-	NA	-
Income Approach	NA	-	NA	-	NA	-	NA	-
Market Approach	NA	-	NA	-	NA	-	NA	-
Relative Value per share	NA		NA		NA		NA	
Exchange Ratio			NA		NA		NA	

NA = Not Applied / Not Applicable

As explained in the Para 8 above, since all the Amalgamating companies are wholly-owned subsidiaries of the Amalgamated Company, no additional equity shares will be issued in lieu of the existing issued and paid up equity share capital of the Amalgamating Companies will be cancelled. Therefore, we have not carried out any valuation.

- 9.2. Based on the above, in the event of amalgamation of LTFL, LTICL and LTMFTL with LTFH, **no consideration would be issued by the Amalgamated Company** (LTFH) and all the equity shares in the amalgamating Companies shall stand cancelled.

Thanking you,

Yours faithfully,

Pawan Shivkumar Poddar

Registered Valuer No.: IBBI/RV/06/2019/12475

UDIN: 23113280BGXPHG2825

Place: Mumbai

Date: January 12, 2023

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