

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. *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.*
- 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>