

July 19, 2022

National Stock Exchange of India Limited

Exchange Plaza,
Plot No. C/1, G Block,
Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051.

BSE Limited

Corporate Relations Department,
1st Floor, New Trading Ring,
P. J. Towers, Dalal Street,
Mumbai - 400 001.

Symbol: L&TFH

Security Code No.: 533519

Kind Attn: Head – Listing Department / Dept of Corporate Communications

Sub: Unaudited Financial Results (Consolidated and Standalone) for the quarter ended June 30, 2022

Dear Sir / Madam,

Pursuant to Regulation 33 and Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other regulations, if applicable, we hereby inform the Exchanges that the Board of Directors ("Board") of the Company at its meeting held on July 19, 2022 has, inter alia, approved the Unaudited Financial Results (Consolidated and Standalone) of the Company for the quarter ended June 30, 2022.

Further, in accordance with Regulation 33(3)(b) of the Listing Regulations, the Company has submitted, in addition to Standalone Financial Results, Consolidated Financial Results of the Company to the Exchanges. Accordingly, please find enclosed Unaudited Financial Results (Consolidated and Standalone) for the quarter ended June 30, 2022 along with Limited Review Report of Statutory Auditors and Press Release in this connection. Also, in accordance with Regulation 47(1)(b) of the Listing Regulations, the Company would be publishing the Unaudited Consolidated Financial Results for the quarter ended June 30, 2022 in the newspapers.

The Board Meeting commenced at 5.30 p.m. and concluded at 6:01 p.m.

We request you to take the aforesaid on records.

Thanking you,

Yours faithfully,

For **L&T Finance Holdings Limited**



Apurva Rathod
Company Secretary and Compliance Officer

Encl: As above

kkc & associates llp

chartered accountants
(formerly Khimji Kunverji & Co LLP)

Independent Auditor's review report on unaudited consolidated quarterly financial results of L&T Finance Holdings Limited under Regulation 33 and Regulation 52(4) read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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

Introduction

1. We have reviewed the accompanying statement of unaudited consolidated financial results of L&T Finance Holdings Limited ("the Parent" or "the Company") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 June 2022 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 and Regulation 52(4) read with Regulation 63 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ("Ind AS") 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013, the circulars, guidelines and directions issued by Reserve Bank of India ("RBI") from time to time ("RBI guidelines") and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52(4) read with Regulation 63 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

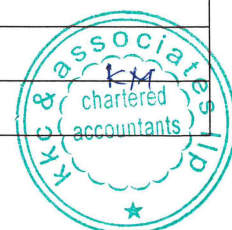
Scope of Review

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular Issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

4. The Statement includes the result of the following entities:

Name of the entity	Relationship
L&T Finance Holdings Limited	Parent
L&T Financial Consultants Limited	Subsidiary
L&T Finance Limited	Subsidiary
L&T Mutual Fund Trustee Limited	Subsidiary



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Name of the entity	Relationship
L&T Infra Credit Limited	Subsidiary
L&T Investment Management Limited	Subsidiary
L&T Infra Investment Partners Advisory Private Limited	Subsidiary
Mudit Cement Private Limited	Subsidiary
L&T Infra Investment Partners Trustee Private Limited	Subsidiary
L&T Infra Investment Partners Fund	Subsidiary

Conclusion

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the other auditors referred to in paragraph 7 and 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52(4) of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Other Matters

6. We did not review the financial results of seven subsidiaries included in the Statement, whose financial results reflect total revenues of Rs. 3075.23 Crores, total net profit after tax of Rs. 235.25 Crores and total comprehensive income of Rs. 265.73 Crores for the quarter ended 30 June 2022, as considered in the Statement. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

7. The Statement includes the financial results of two subsidiaries which have not been reviewed/audited by their auditors, whose financial results reflect total revenue of Rs. 0.02 Crores, total net loss after tax of Rs. 2.05 Crores and total comprehensive loss of Rs. 2.05 Crores for the quarter ended 30 June 2022, as considered in the Statement. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.



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8. Attention is drawn to the fact that the unaudited consolidated financial results of the Group for the corresponding quarter ended 30 June 2021 were reviewed by predecessor auditors whose report dated 16 July 2021, expressed an unmodified conclusion on those unaudited consolidated financial results. Our conclusion is not modified in respect of the above matter.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Hasmukh B Dedhia
Partner
ICAI Membership No: 033494
UDIN: 22033494ANFDZI8166



Place: Mumbai
Date: 19 July 2022

L&T FINANCE HOLDINGS LIMITED

CIN. L67120MH2008PLC181833

Regd. Office : Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India

Website: www.ltf.com Email: igrc@ltf.com Phone: +91 22 6212 5000 Fax: +91 22 6212 5553

(₹ in Crore)

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		(Unaudited)	(Unaudited) (refer note 9)	(Unaudited)	(Audited)
	Continuing operations				
	Revenue from operations				
(i)	Interest income	2,946.59	2,918.75	3,008.26	11,704.17
(ii)	Dividend income	0.01	0.01	0.01	0.18
(iii)	Rental income	1.37	1.78	2.23	7.92
(iv)	Fees and commission income	33.90	26.77	42.24	210.21
(v)	Net gain on fair value changes	6.53	(0.53)	1.03	7.22
(vi)	Net gain on derecognition of financial instruments under amortised cost category	-	-	-	-
(I)	Total revenue from operations	2,988.40	2,946.78	3,053.77	11,929.70
(II)	Other income	147.40	120.38	61.94	393.85
(III)	Total income (I+II)	3,135.80	3,067.16	3,115.71	12,323.55
	Expenses				
(i)	Finance costs	1,413.20	1,392.26	1,509.53	5,753.79
(ii)	Fees and commission expenses	0.27	0.26	0.27	1.06
(iii)	Net loss on fair value changes	59.64	236.04	82.47	1,089.11
(iv)	Net loss on derecognition of financial instruments under amortised cost category	72.99	62.05	32.29	285.01
(v)	Impairment on financial instruments	666.31	354.27	791.46	1,709.17
(vi)	Employee benefits expense	296.91	302.35	267.54	1,094.84
(vii)	Depreciation, amortisation and impairment	27.35	27.78	22.59	102.64
(viii)	Other expenses	292.35	273.04	230.77	1,065.08
(IV)	Total expenses	2,829.02	2,648.05	2,936.92	11,100.70
(V)	Profit before exceptional items and tax (III-IV)	306.78	419.11	178.79	1,222.85
(VI)	Exceptional items	-	-	-	-
(VII)	Profit before tax (V+VI)	306.78	419.11	178.79	1,222.85
(VIII)	Tax expense:				
(1)	Current tax	39.21	105.56	288.19	210.89
(2)	Deferred tax	45.92	23.37	(239.33)	162.73
(IX)	Profit after tax from continuing operations (VII-VIII)	221.65	290.18	129.93	849.23
(X)	Add: Share in profit of associate company	-	-	-	-
(XI)	Profit after tax from continuing operations and share in profit of associate company	221.65	290.18	129.93	849.23
	Discontinued operations (refer note 5)				
(XII)	Profit before tax from discontinued operations	49.17	64.54	59.09	251.96
(XIII)	Tax expense from discontinued operations	9.65	13.37	12.00	51.95
(XIV)	Profit after tax from discontinued operations (XII-XIII)	39.52	51.17	47.09	200.01
(XV)	Net profit after tax from total operations for the period/year (XI+XIV)	261.17	341.35	177.02	1,049.24
(XVI)	Profit for the period/year attributable to:				
	Owners of the company	262.10	342.24	177.85	1,070.11
	Non-controlling interest	(0.93)	(0.89)	(0.83)	(20.87)
(XVII)	Other comprehensive income	(29.86)	(20.12)	28.13	64.13
	A (i) Items that will not be reclassified to profit or loss (net of tax)				
	(a) Remeasurements of the defined benefit plans	(1.46)	1.40	(1.89)	0.67
	(b) Equity instruments through other comprehensive income	-	-	-	-
	B (i) Items that may be reclassified to profit or loss (net of tax)				
	(a) Debt instruments through other comprehensive income	(16.24)	(0.18)	0.01	21.84
	(b) The effective portion of gains and loss on hedging instruments in a cash flow hedge	(12.16)	(21.34)	30.01	41.62
	(c) Exchange differences in translating the financial statements of foreign operations (net)	-	-	-	-
	Other comprehensive income for the period/year attributable to:				
	Owners of the company	(29.86)	(20.12)	28.13	64.13
	Non-controlling interest	-	-	-	-
(XVIII)	Total comprehensive income (XV+XVII)	231.31	321.23	205.15	1,113.37
	Total comprehensive income for the period/year attributable to:				
	Owners of the company	232.24	322.12	205.98	1,134.24
	Non-controlling interest	(0.93)	(0.89)	(0.83)	(20.87)
(XIX)	Paid-up equity share capital (face value of ₹ 10 each) (refer note 4)	2,474.90	2,474.04	2,470.58	2,474.04
(XX)	Other equity	-	-	-	17,473.66
(XXI)	Earnings per share (*not annualised):				
	Continuing operations :				
	(a) Basic (₹)	*0.91	*1.18	*0.53	3.52
	(b) Diluted (₹)	*0.91	*1.18	*0.53	3.51
	Discontinued operations :				
	(a) Basic (₹)	*0.16	*0.21	*0.19	0.81
	(b) Diluted (₹)	*0.16	*0.21	*0.19	0.81
	Total operations :				
	(a) Basic (₹)	*1.07	*1.39	*0.72	4.33
	(b) Diluted (₹)	*1.07	*1.39	*0.72	4.32



Notes:

- These consolidated financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- These consolidated financials results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 19, 2022. The Statutory Auditor of the Company has carried out a Limited Review of the aforesaid results.
- The Company reports quarterly financial results of the group on a consolidated basis, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with circular dated July 5, 2016. The standalone financial results are available on the website of the Company at www.ltf.com, the website of BSE Limited ("BSE") at www.bseindia.com and on the website of National Stock Exchange of India Limited ("NSE") at www.nseindia.com. The specified items of the standalone financial results of the Company for the quarter ended June 30, 2022 are given below.

Particulars	Quarter ended			Year ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	(Unaudited)	(Unaudited) (refer note 9)	(Unaudited)	(Audited)
Total income	23.11	270.67	31.46	350.46
Profit/(loss) before tax	16.21	264.29	(2.35)	254.43
Profit/(loss) after tax	6.03	249.09	(2.35)	218.18
Total comprehensive income	(54.32)	241.98	(2.36)	220.60

- The Company, during the quarter ended June 30, 2022 has allotted 8,68,886 equity shares respectively of ₹10 each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).
- The Company has 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, for an aggregate purchase consideration of USD 425 million (subject to adjustments as set out in the definitive agreement). In addition, the Company will also be entitled to surplus cash balance available with LTIM in excess of regulatory and investment capital requirements until the completion of the acquisition. Cash, cash equivalents and liquid investments in the books of LTIM as on June 30, 2022 is ₹ 561.88 Crs. The said transaction is subject to the requisite regulatory approvals. Accordingly, as required by Ind-AS 105, LTIM has been presented in the aforesaid financial results as "Non-Current Assets held for sale and discontinued operations".
- The Group is taking necessary steps to comply with the norms / changes for regulatory reporting, with effect from October 01, 2022 as clarified vide RBI circular dated November 12, 2021 read with circular dated February 15, 2022. These changes have no impact on the financial results for the quarter ended June 30, 2022.
- Amalgamation of L&T Infrastructure Finance Company Limited ("LTIFC"), L&T Housing Finance Limited ("LTHFC") and L&T Finance Limited ("LTFM"): 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 LTFM (all wholly owned subsidiaries of the Company) became effective from April 12, 2021 with appointed date being April 01, 2020. Prior to the merger, LTIFC was the sponsor of L&T Infra Credit Limited (erstwhile L&T Infra Debt Fund Limited) (LTICL). Consequent to the merger of the sponsor (i.e., LTIFC with LTFM), LTICL is no longer eligible to be regarded as NBFC-IDF. LTICL has received the certification of registration dated June 22, 2022 as NBFC – ICC from the Reserve Bank of India.
- Consolidated segment wise revenue, result, total assets and total liabilities in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		(Unaudited)	(Unaudited) (refer note 9)	(Unaudited)	(Audited)
	Gross segment revenue				
(a)	Retail business	1,860.84	1,782.44	1,676.45	6,764.79
(b)	Wholesale business	1,068.23	1,116.89	1,276.82	4,807.72
(c)	Defocused business	40.55	50.16	59.86	213.99
(d)	Others	123.15	378.19	161.34	892.65
	Total	3,092.77	3,327.68	3,174.47	12,679.15
	Less: Revenue of discontinued operations (refer note 5)	(83.72)	(103.03)	(88.64)	(390.68)
	Less: Inter segment revenue	(20.65)	(277.87)	(32.06)	(358.77)
	Segment revenue from continuing operations	2,988.40	2,946.78	3,053.77	11,929.70
	Segment result				
(a)	Retail business	258.54	401.64	59.18	991.90
(b)	Wholesale business	58.04	55.05	192.48	413.46
(c)	Defocused business	(48.40)	(59.05)	(108.80)	(302.54)
(d)	Others	87.77	86.01	95.02	371.99
	Total	355.95	483.65	237.88	1,474.81
	Less: Results of discontinued operations (refer note 5)	(49.17)	(64.54)	(59.09)	(251.96)
	Profit before tax from continuing operations (including exceptional items)	306.78	419.11	178.79	1,222.85
	Segment assets				
(a)	Retail business	49,418.02	47,511.61	42,999.98	47,511.61
(b)	Wholesale business	47,952.06	52,873.29	53,484.66	52,873.29
(c)	Defocused business	2,176.51	2,436.75	2,996.52	2,436.75
(d)	Others*	12,834.58	12,831.00	14,061.90	12,831.00
	Sub total	1,12,381.17	1,15,652.65	1,13,543.06	1,15,652.65
	Less: Inter segment assets	(10,900.17)	(10,906.45)	(11,142.53)	(10,906.45)
	Segment assets	1,01,481.00	1,04,746.20	1,02,400.53	1,04,746.20
(e)	Unallocated	2,178.90	2,155.98	2,313.68	2,155.98
	Total assets	1,03,659.90	1,06,902.18	1,04,714.21	1,06,902.18



(₹ in Crore)

Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Segment liabilities **				
(a)	Retail business	41,352.09	40,113.33	36,409.93	40,113.33
(b)	Wholesale business	40,680.24	45,176.49	45,836.34	45,176.49
(c)	Defocused business	1,821.11	2,057.14	2,536.30	2,057.14
(d)	Others*	370.76	428.06	1,734.03	428.06
	Sub total	84,224.20	87,775.02	86,516.60	87,775.02
	Less: Inter segment liabilities	(1,016.63)	(1,082.04)	(1,146.80)	(1,082.04)
	Segment liabilities	83,207.57	86,692.98	85,369.80	86,692.98
(e)	Unallocated	259.30	261.50	351.08	261.50
	Total liabilities	83,466.87	86,954.48	85,720.88	86,954.48


* Includes group of assets and liabilities classified as held for sale

** Including non controlling interest

- (i) The Group has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI circular dated July 5, 2016. The identification of operating segments is consistent with performance assessment and resource allocation by the management.
- (ii) Segment composition :
Retail Finance comprises of Farmer Finance (Farm Equipment Finance and Agri Allied Finance), Rural Business Finance (Micro Finance Loans and Rural Business loans), Urban Finance (Two wheeler Finance, Consumer Loans, Retail Housing Loans and Loans against Property), SME Loans and Retail Portfolio Acquisitions.
Wholesale finance comprises of Real Estate Finance and Infrastructure finance.
Defocused Business comprises of Structured Corporate Loans, Debt Capital Market and other discontinued products.
Others comprises of Asset Management, etc.
Unallocated represents tax assets and tax liabilities.
- (iii) The Group 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 Group has restated the corresponding items of segment information for previous periods/year to make them comparable with those of current period.
- 9 The statement includes the results for the quarter ended March 31, 2022 being the balancing figure of the audited figures in respect of the full financial year and published year to date figures upto the end of third quarter of the previous financial year, which were subject to limited review by the statutory auditor of the company.
- 10 Previous periods/year figures have been regrouped/reclassified to make them comparable with those of current period.

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




Dinanath Dubhashi
Managing Director & Chief Executive Officer
DIN : 03545900

Place : Mumbai
Date : July 19, 2022

L&T FINANCE HOLDINGS LIMITED

CIN. L67120MH2008PLC181833

Regd. Office : Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India

Website: www.ltfs.com Email: igrc@ltfs.com Phone: +91 22 6212 5000 Fax: +91 22 6212 5553

Annexure 1:

Disclosure in compliance with Regulations 52(4) of of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the period ended June 30, 2022

Sr. No.	Particular	Ratio (Consolidated)
1	Debt - Equity Ratio ¹ :	4.05
2	Debt service coverage ratio :	Not Applicable
3	Interest service coverage ratio :	Not Applicable
4	Outstanding redeemable preference share (quantity)	1,00,03,201
5	Outstanding redeemable preference share (₹ in crore)	353.90
6	Capital redemption reserve (₹ in crore)	33.10
7	Debenture redemption reserve (₹ in crore)	Nil
8	Net worth (₹ in crore) ² :	20,193.03
9	Net profit after tax (₹ in crore)	261.17
10	Earnings per equity share :	
(a)	Basic (₹) (* not annualised)	1.07*
(b)	Diluted (₹) (* not annualised)	1.07*
11	Current ratio ³ :	Not Applicable
12	Long term debt to working capital ³ :	Not Applicable
13	Bad debts to Account receivable ratio ³ :	Not Applicable
14	Current liability ratio ³ :	Not Applicable
15	Total debts to total assets ⁴ :	0.79
16	Debtors turnover ³ :	Not Applicable
17	Inventory turnover ³ :	Not Applicable
18	Operating margin ³ :	Not Applicable
19	Net profit margin ⁵ :	8.33%
20	Sector specific equivalent ratios	
(i)	Capital Ratio (%) ³ :	Not Applicable
(ii)	Leverage Ratio ³ :	Not Applicable
(iii)	Liquidity coverage ratio ³	Not Applicable
(iv)	CRAR (%) ³	Not Applicable
(iv)	Gross Stage 3 (%) ³	Not Applicable
(v)	Net Stage 3 (%) ³	Not Applicable

Note:

- 1 Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Networth.
- 2 Networth is calculated as defined in section 2(57) of Companies Act 2013.
- 3 The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company, hence these ratios are generally not applicable at consolidated level.
- 4 Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / total
- 5 Net profit margin = Net profit after tax / total income.



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Independent Auditor's review report on unaudited standalone quarterly financial results of L&T Finance Holdings Limited under Regulation 33 and Regulation 52(4) read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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

Introduction

1. We have reviewed the accompanying statement of unaudited standalone financial results of L&T Finance Holdings Limited ("the Company") for the quarter ended 30 June 2022 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52(4) read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ("Ind AS") 34 "Interim Financial Reporting" specified in section 133 of the Companies Act, 2013, the circulars, guidelines and directions issued by Reserve Bank of India ("RBI") from time to time ("RBI guidelines") and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52(4) read with regulation 63 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

3. We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Conclusion

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Ind AS and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52(4) of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.



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Other Matters

5. Attention is drawn to the fact that the unaudited standalone financial results of the Company for the corresponding quarter ended 30 June 2021 were reviewed by predecessor auditors whose report dated 16 July 2021, expressed an unmodified conclusion on those unaudited standalone financial results. Our conclusion is not modified in respect of the above matter.

For **KKC & Associates LLP**

Chartered Accountants

(formerly Khimji Kunverji & Co LLP)

Firm Registration Number: 105146W/W100621



Hasmukh B Dedhia

Partner

ICAI Membership No: 033494

UDIN: 22033494ANFELI4031



Place: Mumbai

Date: 19 July 2022

L&T FINANCE HOLDINGS LIMITED

CIN. L67120MH2008PLC181833

Regd. Office : Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India

Website: www.ltfs.com Email: igrc@ltfs.com Phone: +91 22 6212 5000 Fax: +91 22 6212 5553

(₹ in Crore)

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022					
Sr. No.	Particulars	Quarter ended			Year ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		(Unaudited)	(Unaudited) (Refer note 6)	(Unaudited)	(Audited)
	Revenue from operations				
(i)	Interest income	20.05	15.83	27.85	84.05
(ii)	Dividend income	-	251.82	-	251.82
(I)	Total revenue from operations	20.05	267.65	27.85	335.87
(II)	Other income	3.06	3.02	3.61	14.59
(III)	Total income (I+II)	23.11	270.67	31.46	350.46
	Expenses				
(i)	Finance costs	2.10	1.64	28.35	73.49
(ii)	Impairment on financial instruments	-	0.05	(0.05)	0.02
(iii)	Employee benefits expenses	3.09	3.22	3.65	14.70
(iv)	Depreciation, amortization and impairment	0.09	0.09	0.09	0.37
(v)	Other expenses	1.62	1.38	1.77	7.45
(IV)	Total expenses	6.90	6.38	33.81	96.03
(V)	Profit / (Loss) before exceptional items and tax (III-IV)	16.21	264.29	(2.35)	254.43
(VI)	Exceptional items	-	-	-	-
(VII)	Profit / (Loss) before tax (V+VI)	16.21	264.29	(2.35)	254.43
(VIII)	Tax expense:				
(1)	Current tax	10.18	15.35	-	36.40
(2)	Deferred tax	-	(0.15)	-	(0.15)
(IX)	Profit / (Loss) for the period / year (VII-VIII)	6.03	249.09	(2.35)	218.18
(X)	Other comprehensive income				
(A)	Items that will not be reclassified to profit or loss				
	Remeasurements of the defined benefit plans (net of tax)	0.03	0.02	(0.01)	0.11
(B)	Items that will be reclassified to profit or loss				
	The effective portion of gains and loss on hedging instruments in a cash flow hedge (net of tax)	(60.38)	(7.13)	-	2.31
(XI)	Total comprehensive income (IX+X)	(54.32)	241.98	(2.36)	220.60
(XII)	Paid-up equity share capital (Face value of ₹ 10/- each) (refer note 3)	2,474.90	2,474.04	2,470.58	2,474.04
(XIII)	Other equity				8,797.09
(XIV)	Earnings per equity share (*not annualised):				
(a)	Basic (₹)	*0.02	*1.01	*(0.01)	0.88
(b)	Diluted (₹)	*0.02	*1.01	*(0.01)	0.88

Notes:

- These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 19, 2022. The Statutory Auditor of the Company has carried out a limited review of the aforesaid results.
- The Company, during the quarter ended June 30, 2022 has allotted 8,68,886 equity shares of ₹10 each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).
- The Company has 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, for an aggregate purchase consideration of USD 425 million (subject to adjustments as set out in the definitive agreement). In addition, the Company will also be entitled to surplus cash balance available with LTIM in excess of regulatory and investment capital requirements until the completion of the acquisition. Cash, cash equivalents and liquid investments in the books of LTIM as on June 30, 2022 is ₹ 561.88 Crs. The said transaction is subject to the requisite regulatory approvals. Accordingly, as required by Ind-AS 105, LTIM has been presented in the aforesaid financial results as "Non-Current Assets held for sale and discontinued operations"
- The main business of the Company is investment activity. As such, there are no separate reportable segments as per the Ind AS 108 on Operating Segment.
- The statement includes the results for the quarter ended March 31, 2022 being the balancing figure of the audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the previous financial years, which were subject to limited review by the statutory auditors of the company.



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- 7 Information as required by Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is attached as Annexure 1.
- 8 Security cover available is not applicable to the Company as there are no outstanding secured non convertible debt securities as on June 30, 2022
- 9 Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period.

For and on behalf of the Board of Directors
L&T FINANCE HOLDINGS LIMITED



A handwritten signature in black ink, appearing to read 'Dinanath Dubhashi'.

Dinanath Dubhashi
Managing Director & Chief Executive Officer
(DIN : 03545900)

Place : Mumbai
Date : July 19, 2022



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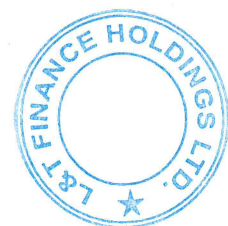
Annexure 1:

Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the quarter ended June 30, 2022

Sr. No.	Particular	Ratio
1	Debt - Equity Ratio ¹ :	0.01
2	Debt service coverage ratio :	Not Applicable
3	Interest service coverage ratio :	Not Applicable
4	Outstanding redeemable preference share (quantity)	1,00,00,000
5	Outstanding redeemable preference share (₹ in cr)	100.00
6	Capital redemption reserve (₹ in crore)	Nil
7	Debenture redemption reserve (₹ in crore)	Nil
8	Net worth (₹ in crore) ² :	11,042.64
9	Net profit after tax (₹ in crore)	6.03
10	Earnings per equity share :	
(a)	Basic (₹) (* not annualised)	*0.02
(b)	Diluted (₹) (* not annualised)	*0.02
11	Current ratio ³ :	Not Applicable
12	Long term debt to working capital ³ :	Not Applicable
13	Bad debts to Account receivable ratio ³ :	Not Applicable
14	Current liability ratio ³ :	Not Applicable
15	Total debts to total assets ⁴ :	0.01
16	Debtors turnover ³ :	Not Applicable
17	Inventory turnover ³ :	Not Applicable
18	Operating margin ³ :	Not Applicable
19	Net profit margin ⁵ :	26.09%
20	Sector specific equivalent ratios	
(i)	Capital Ratio (%) ⁶ :	98.54%
(ii)	Leverage Ratio ⁷ :	0.04

Note:

- 1 Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Networth.
- 2 Networth is calculated as defined in section 2(57) of Companies Act 2013.
- 3 The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company, hence these ratios are generally not applicable.
- 4 Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / total assets.
- 5 Net profit margin = Net profit after tax / total income.
- 6 Capital ratio = Adjusted net worth/ Risk weighted assets, calculated as per applicable RBI guidelines
- 7 Leverage ratio= Outside liabilities/ Adjusted networth, calculated as per applicable RBI guidelines



A. Pursuant to Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we submit herewith the following information pertaining to the Cumulative Compulsorily Redeemable Non-Convertible Preference Shares (“Preference Shares”)

1) Details of outstanding Redeemable Preference Shares:

Sr. No.	ISIN	No. of Preference Shares	Amt. of Issue (Rs.)	Credit Rating
1.	INE498L04126	1,00,00,000	1,00,00,00,000	CARE AAA / Stable

B. Information pursuant to Regulation 52(6) of the Listing Regulations are given below:

Sr. No.	Particulars	Remarks
a.	Free Reserves as on June 30, 2022 Free Reserves as on the end of half year and year ended March 31, 2022	Rs. 320.89 crores Rs. 314.05 crores
b.	Securities Premium account balance (if redemption of redeemable preference shares is to be done at premium, such premium may be appropriated from securities premium account) Provided that disclosure on securities premium account balance may be provided only in a year in which non - convertible redeemable preference shares are due for redemption	Not applicable.
c.	Track record of dividend payment on non - convertible redeemable preference shares Provided that in case the dividend has been deferred at any time, then the actual date of payment shall be disclosed	Dividend on the Non-Convertible Redeemable Preference Shares is paid within the prescribed timeline.
d.	Breach of any covenants under the terms of the non - convertible redeemable preference shares Provided that in case of listed entity is planning a fresh issuance of shares whose end use is servicing of the non - convertible redeemable preference shares (whether dividend or principle redemption), then the same shall be disclosed whenever the listed entity decided on such issuances	There has been no breach of covenants under the terms of the Non-Convertible Redeemable Preference Shares.

For L&T Finance Holdings Limited



Apurva Rathod
Company Secretary and Compliance Officer

Press Release

Tuesday, July 19, 2022, Mumbai

L&T Finance Holdings announces financial results for the quarter ended June 30,2022

Pivoting towards a 'customer friendly' fintech @ scale organization

Making steady start towards Lakshya 2026, Q1FY23 PAT up by 47% YoY

- **PBT at Rs. 357 Cr, up 50% YoY and PAT at Rs. 262 Cr, up 47% YoY**
- **Accelerated retailisation momentum powered by Fintech @ scale:** Maintained strong business momentum backed by digitization and leveraging power of data in addition to inherent business strengths;
 - **Highest-ever quarterly retail disbursements at ~Rs. 8,938 Cr, up 10% QoQ and 148% YoY** – Strong disbursement momentum surpassing Q4FY22
 - **Retail portfolio mix at 54%** (up from 45% in Q1FY22); increase in retail book by **6% QoQ** and **19% YoY** – in line with Lakshya 2026 strategic plan
 - Normalized collections rhythm with robust performance across businesses
 - **Powering up with Digital technology and new products to support future growth:** Continued scale-up of end-to-end digital products Disbursements of **Rs. 1,010 Cr** in Consumer Loans, up by **26% QoQ**; Steady uptick in **SME Loans** - Pilot launched in Q3FY22 and book size of Rs. 126 Cr till Q1FY23
- **Continued performance on business levers:**
 - Achieved **highest-ever NIM + Fees of 8.23% in Q1FY23**, up 71bps YoY
 - Lowest-ever WAC at 7.27%, even in a phase of increasing interest rate regime
 - **GS3 at 4.08% in Q1FY23; PCR at 55%; NS3 at 1.87%. Adequate additional provisions of Rs. 1,450 Cr (1.73% of standard assets)** over and above GS3 and ECL provisions
- **Poised for medium to long-term growth with:**
 - Strengthened balance sheet - **Capital adequacy** at 23.12% (Tier 1: 19.98%)
 - **D/E ratio at 4.05x** in Q1FY23
- **Rated AAA by CRISIL, ICRA, CARE and India Ratings**

The Board of **L&T Finance Holdings (LTFH) Ltd.**, a leading Non-Banking Financial Company (NBFC), today announced the financial results for the first quarter ended June 30, 2022. LTFH being a Core Investment Company (CIC), carries out its businesses through its wholly owned subsidiaries.

LTFH is among the market leaders in Farm Equipment finance, Two-Wheeler finance, as well as Rural Business Finance (erstwhile Micro Loans) and continues to be one of the leading players in financing infrastructure sectors like renewables and roads. With a sustainable business model, data analytics led collection and disbursements, and a sharp focus on asset quality, the Company remains committed to building a stable and sustainable organization for all its stakeholders.

Commenting on the financial results Mr. Dinanath Dubhashi, Managing Director & CEO, L&T Finance Holdings, said, “LTFH’s results in Q1FY23, apart from highlighting our business strengths

also reflects our continuing focus on our stated strategy of accelerated retailisation. Retail disbursements are at an all-time high. Our retail portfolio mix has reached 54%, and our chosen 'Right to Win' market leading products are on firm ground owing to sustained focus on our business strengths as well as deep integration of data analytics in the decision-making process, while disbursing, servicing and collecting loans, across the customer life cycle. We have disbursed at a monthly run rate of ~ Rs. 1,300 Cr in the Rural Business Loans segment, while hitting new milestones in Consumer Loans and Home Loans.”

Key Highlights:

The Company witnessed continued improvement in disbursements and collections in Q1FY23. LTFH continued to focus on stated business levers of maintaining prudent liquidity, strengthening the balance sheet, following a data analytics-based collections approach, and rigorous adherence to collection led disbursement strategy. This is reflected in the traction in our retail businesses and the pace of retailisation. The Company’s retail portfolio mix now stands at **54%** (up from 45% in Q1FY22), in line with the stated strategic objective. This, coupled with a strengthened balance sheet, stable asset quality and adequate additional provisioning for OTR-related impact in the future (if any), positions the company for solid growth in retail businesses.

A. Fintech @ Scale: LTFH is on its path to becoming a ‘customer’ focused company from a ‘product’ focused one, in line with the Lakshya 2026 plan. During the quarter, the Company continued to emphasize on customer facing applications, with a clear focus on expanding the existing channels and ecosystems, and creating newer channels.

a. PLANET app - The launch of the customer facing application – PLANET – which was soft-launched in Q4FY22 has shown encouraging results with close to 2 lakh downloads. The application, which currently provides onboarding and servicing options for customers is available on both Appstore and Playstore.

b. WhatsApp for Business: Another key development has been the launch of the WhatsApp channel for Consumer Loan customers. In addition to the already existing WhatsApp Bot functioning as a servicing channel, we have now launched a WhatsApp channel for our partners where customers can apply for loans anywhere between Rs. 50,000 to Rs. 5,00,000 through the application with a TAT of 15 minutes.

c. Leveraging data analytics for customer retention: The company is actively working towards monetization of its 7 crores plus customer database including existing and past borrowers, co-borrowers, guarantors, prospects and reference to enhance its cross-sell reach. At present, the 50% of company’s disbursements in Rural Business Finance and 25% in Farmer Finance are driven by cross-sell offers generated by the company. Our Consumer Loans book of Rs. 3,027 Cr has been largely driven by loans to our retail loyalty customer base. In addition to this, based on data analysis, the company is also working on identifying and addressing pockets of currently untapped potential across customer segments and will be launching additional products in the next couple of quarters.

B. Disbursements: In Q1FY23, retail businesses witnessed robust disbursement momentum. Retail Finance saw the **highest ever quarterly disbursement at Rs. 8,938 Cr**, up 10% QoQ and **148% YoY**, with total disbursements in the quarter for focused businesses reaching ~Rs. 10,500 Cr. Retail book grew by **19% YoY**, on the back of highest ever disbursements.

Retail Businesses

a. Rural Business Finance (erstwhile Micro Loans): The Rural Business Finance business, which enables micro-entrepreneurship ecosystems at the grassroots level continued to witness strong momentum in disbursements with monthly run rate reaching levels of ~**Rs. 1,300 Cr** during the quarter (total disbursements at Rs. 3,811 Cr), while the book grew by **27% YoY**. The Company continues to deepen channel presence and further geo-diversification will lead to future growth.

b. Farmer Finance (erstwhile Farm Equipment Finance): The Farm Equipment Finance business showcased robust performance with strong disbursements of **Rs. 1,532 Cr**, up by ~33% QoQ and 13% YoY by focusing on preferred dealer / OEM strategy, enhanced customer service and dominating counter share. The Company maintained its market share while financing ~**33,000** tractors in the quarter, which is the highest ever quarterly disbursement, in terms of number of tractors financed.

c. Urban Finance:

- **Consumer Loans:** LTFH continued to grow its first 'digital native' Consumer Loans business, achieving disbursements of **Rs. 1,010 Cr** in Q1FY23 (up 26% QoQ). Additionally, the business continues to build a significant scale by cross-selling to LTFH's existing as well as to open market customers.
- **Two-Wheeler Finance:** The business saw the highest Q1 disbursements in the quarter (**Rs. 1,517 Cr. in Q1FY23, up 84% YoY**), despite a market slowdown in June. By maintaining a strong focus on customer value and building preferred dealer / OEM relationships to grow market share, the business is delivering on a strategy built around dominating counter share of preferred partners and offering mutual value by leveraging the increased application of data analytics.
- **Retail Housing (Home Loans & LAP):** The Retail Housing Finance business continued to deliver strongly quarter on quarter performance, with disbursements at **Rs. 936 Cr**, led by a significant uptick from our revamped offerings and sourcing through select market channels. Additionally, the interest rate regime has made our offerings comparative to peers, which along with solid DSA relationships is translating into enhanced business growth.

d. Small and Medium Enterprise Loans (SME): In addition to existing products and to further accelerate retailisation, LTFH undertook a pilot launch of SME loans in Q3FY22, with end-to-end digital journey and use of analytics to deliver value-added proposition for customers and channels. During the pilot, the business recorded a steady uptick with disbursements of **Rs. 130 Cr** till Q1FY23 and is now ready for a scale up.

Retail businesses established as a sustainable proposition with market leading# positions in businesses:

- Ranked No. 1 in Farm Equipment Finance
- Amongst Top 5 in Two-Wheeler Finance
- Ranked No. 4 in Rural Business Finance & Micro Finance

Wholesale Businesses

a. Infrastructure Finance: During the quarter, continuing with the stated strategy of the asset-light model, the disbursements stood at ~**Rs.1,400 Cr**, with focus on refinancing opportunities for operational projects in core sectors – roads and renewable energy.

b. Real Estate Finance (RE): This quarter too, disbursements were only towards project completion, in line with our Lakshya 2026 strategy.

C. Collections: LTFH witnessed normalized collection efficiency (CE) in Q1FY23, across businesses, with retail businesses reporting steady state pre-covid collection volumes. This was led by the Company's concerted on-field efforts, analytics led prioritization and use of propensity-based data analytics to channelize resources.

Retail Businesses: The portfolio focus continued towards boosting 0 DPD collections and managing early bucket delinquencies.

a. Rural Business Finance: Regular CE maintained at ~99.6% in Q1FY23 (vs. 90% in Q1FY22) with continuous improvement in On Due Date collections on account of consistent on-ground efforts and management of early bucket delinquencies.

b. Farmer Finance: Crossed CD CE of 90% in Q1FY23, despite the cyclical effect seen in this segment. Best ever April and May CD CE with efforts concentrated around on-ground collections.

c. Urban Finance:

- **Two-Wheeler Finance:** Maintained better than industry regular CE at 98.7%, restricting flow forward in delinquent bucket. Reduction in bounce rates owing to concentrated call centre / analytics driven pre-delinquency management efforts.
- **Consumer Loans:** Maintaining portfolio performance with regular CE at ~ 99.2% during the quarter with focus on arresting early delinquencies.
- **Home Loans/LAP:** Regular CE continued to be over 99% owing to strong focus on reducing bounces and call centre retention to control roll forwards.

Wholesale Businesses: Collections in the wholesale portfolio continued as per plan, with YoY reduction in wholesale book by Rs. 5,868 Cr

a. Infrastructure Finance: Timely repayments as well as pre-payments resulted in prepayment volumes of Rs.1,613 Cr in Q1FY23 and reduction in the book by Rs. 3,304 Cr on YoY basis. Our focus will be on maintaining our strong position in renewables and roads, while maintaining an asset light model.

b. Real Estate Finance: The Real Estate Finance book, in line with business objectives, registered a significant reduction of Rs. 2,563 Cr in the last 12 months, on the back of continued focus on project completion and rigorous monitoring along with resolutions.

D. Liability Management: With the overall rise in market interest rates, the Company continued the policy of locking-in adequate long-term borrowings at lower rates with the intent of remaining well-protected from expected liquidity tightening and potential rate increase in interest rates in the coming quarters.

- Lowest ever quarterly WAC at **7.27%**. Reduction by **37 bps YoY** and **7 bps QoQ**

- Raised incremental long-term funding of **Rs. 1,135 Cr** (of which, PSL funding is Rs. 635 Cr) in Q1FY23
- NIM + Fees up at 8.23 % (up 71 bps YoY), on back of highest quarterly retail disbursements

LTFH and all its lending subsidiaries have long-term ratings of '**AAA**' (Stable Outlook) by all four credit rating agencies: LTFH and LTF rated by CRISIL (Mar-22), CARE (Sep-21), India Ratings (Apr-22) and ICRA (Aug-21). LTICL rated by CRISIL (Mar-22), CARE (Sep-21) and ICRA (Sep-21).

D. Balance Sheet Strength: At the end of the quarter, GS3 in absolute terms stood at **Rs. 3,559 Cr**. Reduction in overall GS3 to **4.08%** in Q1FY23 on EAD basis from 6.67% in Q1FY22 with NS3 at 1.87% and PCR at **55%**.

Rs. Cr*	Q1FY22	Q4FY22	Q1FY23
Gross Stage 3	5,796	3,543	3,559
Net Stage 3	1,879	1,678	1,591
Gross Stage 3 %	6.67%	4.08%	4.08%
Net Stage 3 %	2.26%	1.98%	1.87%

As a prudent measure, LTFH continues to carry additional provisions of **Rs. 1,450 Cr** (Macro, enhanced and OTR provisions) corresponding to **1.73%** of standard book in addition to GS3 provisions and ECL on standard assets. This is to counter OTR-related impact in future (if any), on account of Covid 2.0. With the existing collection momentum in OTR pool, the Company remains confident that current provisions will be sufficient to counter any future stresses related to OTR accounts. Overall capital adequacy was **23.12%** (Tier 1: 19.98%) and D/E stood at 4.05x in Q1FY23.

E. Asset Mix: Retail assets contributed to 54% of portfolio mix in Q1FY23 as against 45% in Q1FY22. The retail book saw a growth of **19% YoY** and the **Focused Book stood at Rs. 87,589 Cr** in Q1FY23.

Rs. Cr	Q1FY22	Q4FY22	Q1FY23	Book Growth QoQ %
Retail Businesses	40,096	45,084	47,794	6%
Wholesale Businesses	45,663	41,731	39,795	-5%
Total Focused Book	85,758	86,815	87,589	1%
Defocused	2,682	1,526	489	-68%
Total Lending Book	88,440	88,341	88,078	0%

The 6% QoQ growth in retail book is well in line with the Company's Lakshya 2026 target of 25% retail CAGR.

In the Investment Management business, the overall average AUM stood at **Rs. 71,571 Cr** as of Q1FY23, mirroring the fall in the broader market during the quarter.

F. ESG/CSR Initiatives:

ESG: Building a Collective Sustainable Future - LTFH is committed to its ESG responsibilities and accepts that it is the only way to be a sustainable organization as well as create value for its stakeholders. LTFH launched its **First Integrated Report** during the quarter. With 22 sustainability targets adopted in FY23, the Company follows reporting of all 'essential indicators' under BRSR, 1 year in advance of applicability.

CSR:The Company's CSR outreach extended to 250+ villages across the country in Q1FY23 along with reaching out to 2,17,000+ community members for creating awareness on financial literacy and the importance of Covid-19 vaccination. LTFH also entered into a partnership with Access Livelihoods Foundation to kickstart the Company's flagship CSR project - Digital Sakhi project in Karnataka and Kerala, this quarter.

G. Financial Performance Summary: Uptick in financial performance in Q1FY23 led by ongoing realisation strategy plan powered by fintech @ scale:

- **Highest-ever quarterly retail disbursements** at Rs. 8,938 Cr, up 10% QoQ
- Retail portfolio mix at 54% (up from 45% in Q1FY22) with over 19% YoY increase in retail book
- **Increase in NIM+ Fees** to 8.23% (up 71bps YoY) on the back of highest quarterly retail disbursements
- **Increase in PAT** to Rs. 262 Cr, up 47% YoY
- **Lowest ever WAC at 7.27%** with reduction in quarterly WAC by 37 bps YoY
- GS3 at 4.08% in Q1FY23; PCR at 55%; NS3 at 1.87%. Significant YoY asset quality improvement across businesses

Mr. Dubhashi further added, "Over the past five years, LTFH has been able to attain market-leading positions in Rural Businesses by embedding data and analytics-based business rule engines within our customer offerings, which has served us well during the pandemic. The Company is now focused and is confident of building the same value proposition for our urban businesses, based on our strong digital and analytical abilities, allowing us to identify and address customer needs across the customer lifecycle through our product offerings.

The continued upswing in existing products and increased traction in new products bodes well in our journey to become a top-class, retail finance company with over 80% retail book by 2026. As we move forward on this path, the other four growth initiatives of cross-sell and up-sell to our existing good customers, geo expansion, digital and channel extension and launch of new products will play an increasingly larger role. We are confident that, from here on, our sharp 'customer first' approach will be evident in all our initiatives."

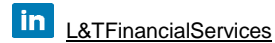
#Leadership ranking source: CRISIL

*Effective Q1FY23, Asset Quality numbers are based on EAD. Past comparative numbers have also been restated from Principal basis to EAD basis for comparison

About L&T Finance Holdings (LTFH):

LTFH (www.ltfh.com) is one of India's leading Non-Banking Financial Company (NBFC) that offers a range of financial products and services through its wholly owned subsidiaries. L&T Financial Services (LTFS) is the brand name of L&T Finance Holdings Limited and its subsidiaries. Headquartered in Mumbai, LTFH has been rated AAA — the highest credit rating for NBFCs — by four leading rating agencies. L&T Financial Services has been certified as a constituent company in the FTSE4Good Index Series, for its ESG standards. LTFS was awarded FICCI's Corporate Social Responsibility Award for "Women Empowerment" for Digital

Sakhi, its flagship CSR program. The Company announced its commitment to achieve Water Neutrality by FY23 and has achieved the same. The company has also announced its commitment to achieve Carbon Neutrality by FY35



For further information, please contact:

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