

April 28, 2023

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: Submission of investor / analyst presentation

Dear Sir / Madam,

With reference to our letter dated April 24, 2023 and pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), please find enclosed the presentation to be made to the investor(s) / analyst(s).

Further, as per Regulation 46 of the Listing Regulations, the said presentation would also be available on website of the Company i.e., www.ltfs.com/investors.

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



Retail Digital Sustainable



Strategy & Results Update - FY23 & Q4FY23



L&T Finance Holdings Limited

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Agenda

A Journey towards Lakshya 2026 – FY23 in perspective

B Creating a sustainable Retail Fintech@Scale

C Annexures

Lakshya 2026

RETAIL. DIGITAL. SUSTAINABLE.

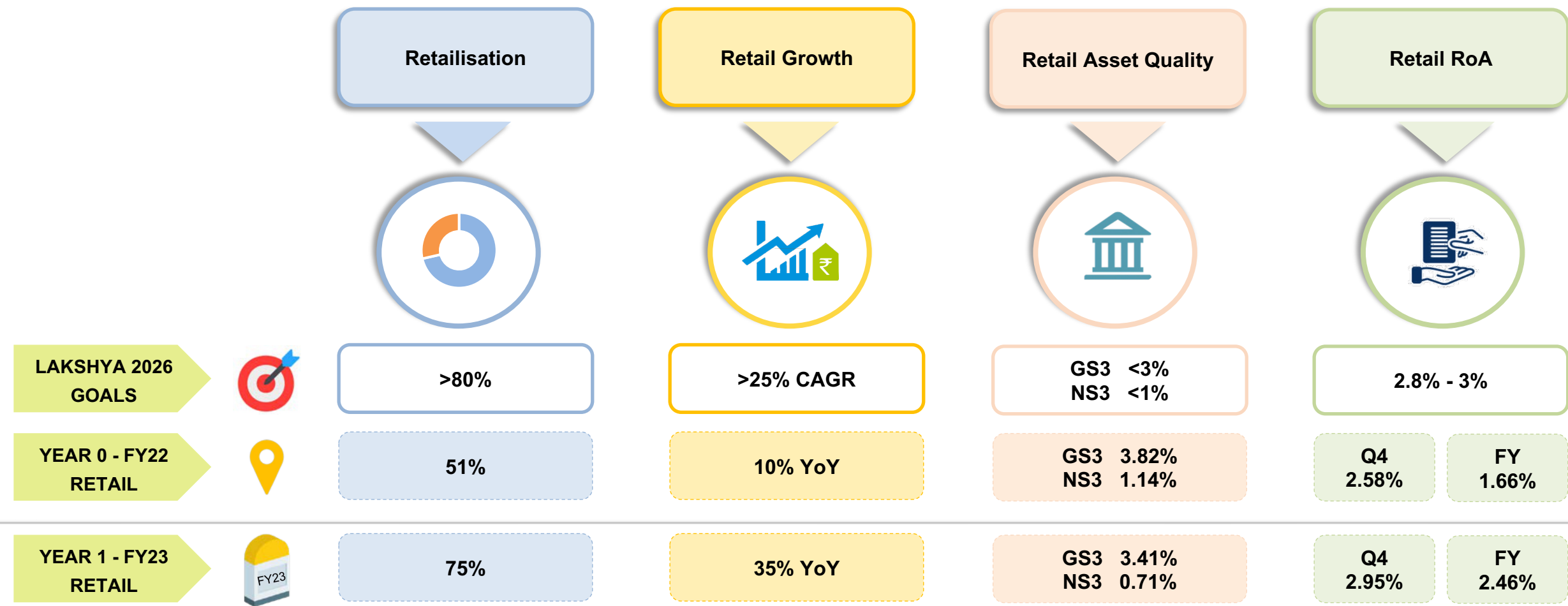
To be a top-class 'digitally-enabled' retail finance company moving from 'product-focused' to 'customer-focused' approach



Lakshya 2026 Goals: Beginning of a 4-year journey from April 2022



Performance against Lakshya 2026 goals



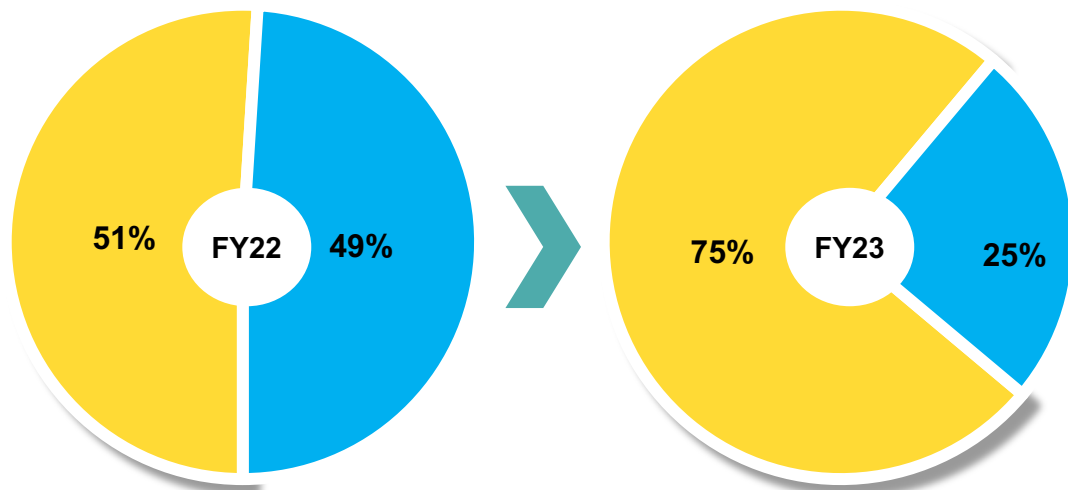
Lakshya was launched in April 2022. Year 0 refers to the financial year 2021-22 which is before the launch of Lakshya strategy

Trending well on all Lakshya goals | Visibility of convergence: Consol RoA tree towards Retail RoA tree

Achieved 75% Retailisation... ahead of Lakshya 2026 target

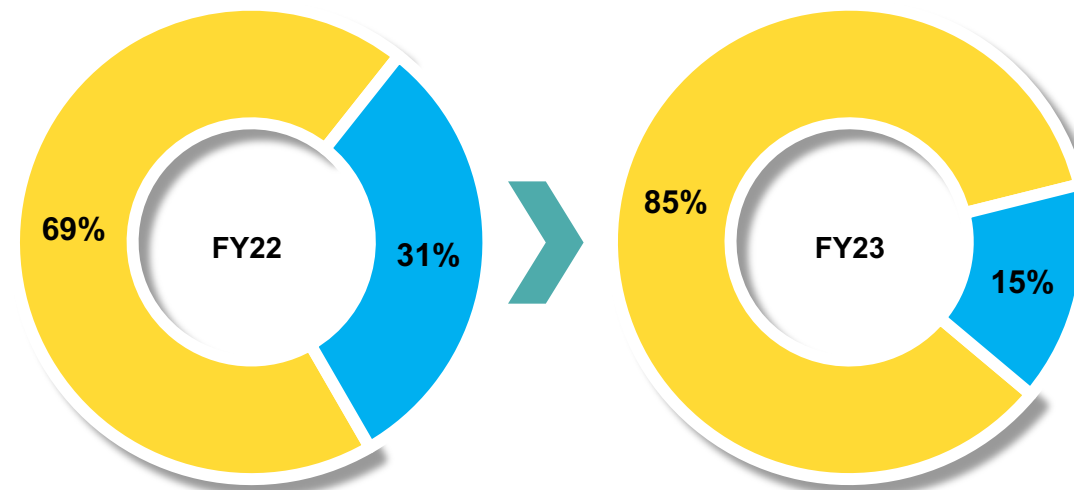
Retail Book Mix FY23 @ 75% | Retail PAT Mix FY23 @ 85%

BOOK MIX



■ Retail ■ Wholesale *

PAT MIX



■ Retail ■ Wholesale + Others

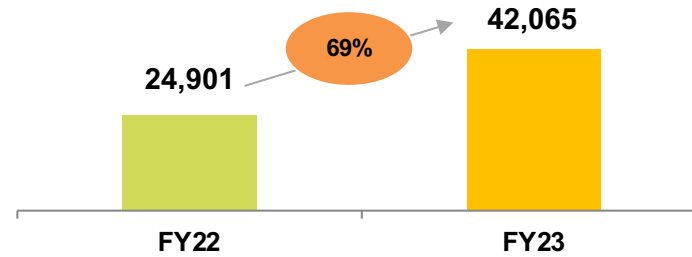
* Includes defocused

Retailisation led by strong retail business growth and decisive Wholesale book reduction

Through Retail disbursement growth of 69% YoY

in Rs Cr

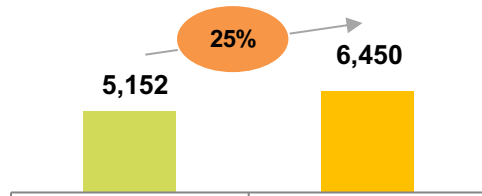
Retail Disbursements



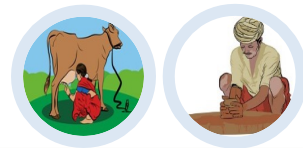
FY22 FY23



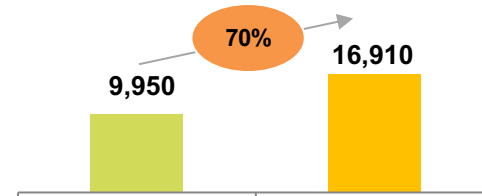
Farmer Finance



- Milestone of 1 lac new tractors financed in FY23
- Deepening dealer penetration through differential offerings
- Enhanced customer retention through Kisan Suvidha top-up & Refinance



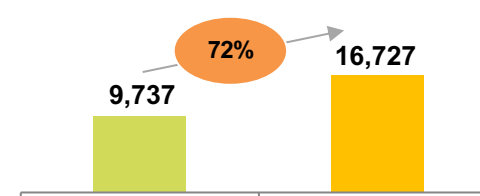
Rural Business Finance



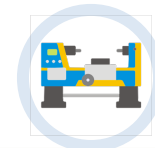
- Crossed Rs 1,500 Cr monthly disbursement milestone
- Acquired 30 lac+ customers in FY23
- Deepening geo-presence and strengthening customer retention



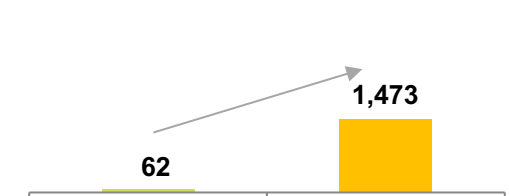
Urban Finance



- Deepening 2W dealer relationships
- Crossed milestone of Rs. 500 Cr monthly disbursements in HL / LAP
- CL funnel increased via partnership with e-aggregators & prospects



SME Finance



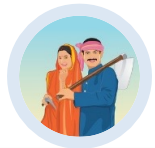
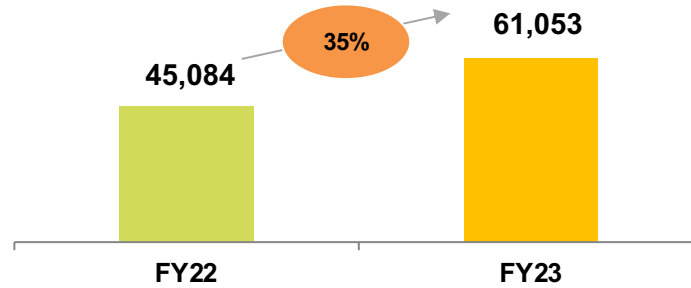
- Geographical footprint extended to 19 locations from 2 locations in FY23
- Expansion of channel ecosystem through digital initiatives

Strong growth witnessed across all Retail segments

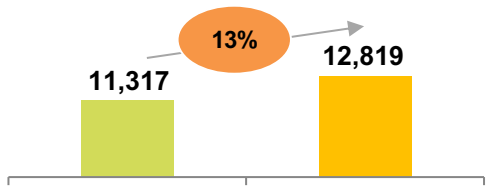
Leading to Retail book growth of 35% YoY

in Rs Cr

Retail Book



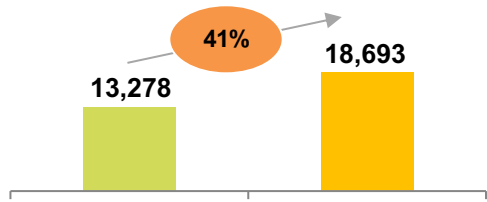
Farmer Finance



- Dealer relationships transforming to book growth
- Growth through proactive portfolio management using digital and data analytics



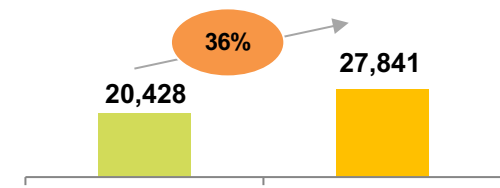
Rural Business Finance



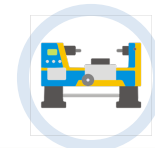
- Enhancing LTF-exclusive customer base
- Analytics-driven prudent portfolio management



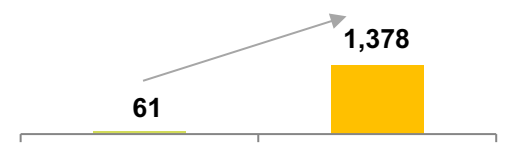
Urban Finance



- Focusing on geographic expansion of existing products while increasing market share
- Deepen channel presence further & improving book quality



SME Finance

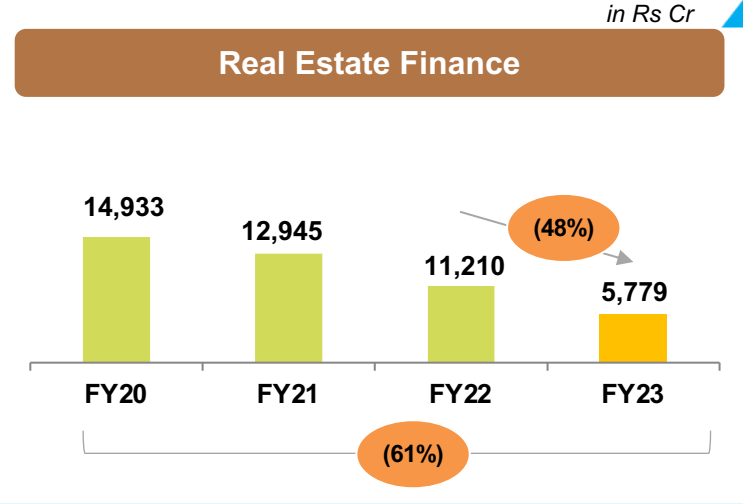
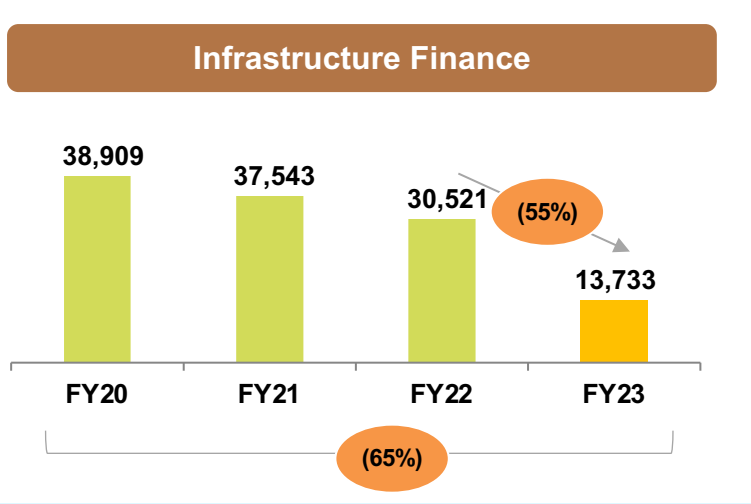
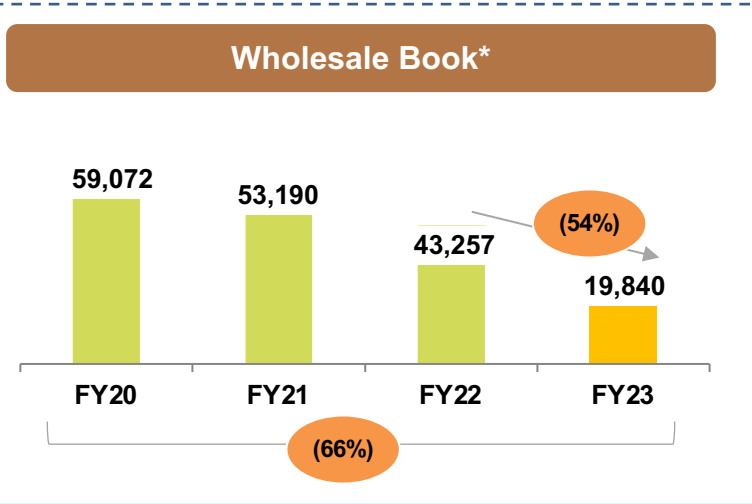


- Crossed the milestone booksize of Rs. 1,000 Cr

Strong growth witnessed across all Retail segments

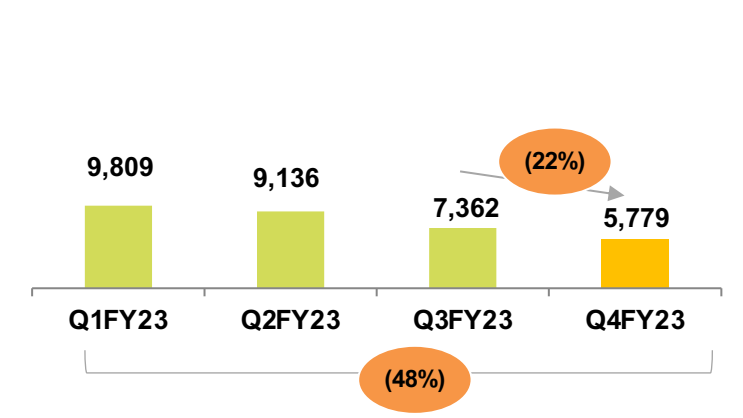
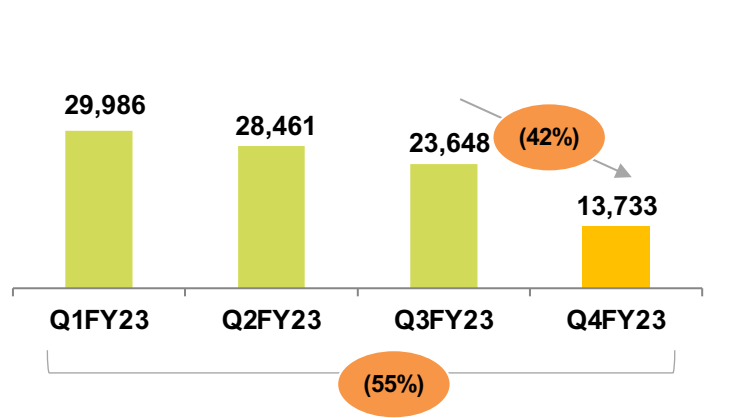
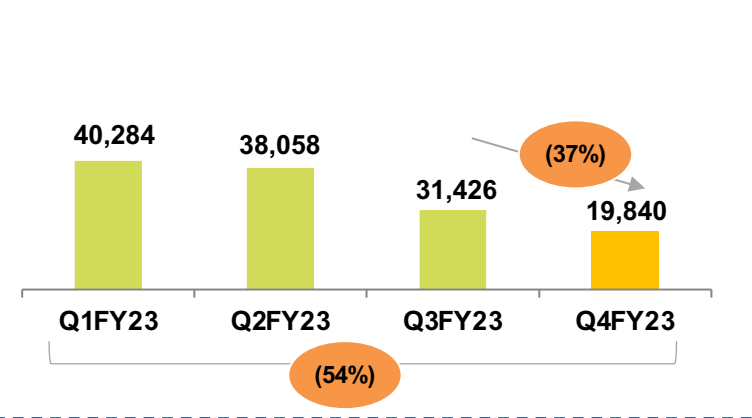
... & Wholesale book reduction of 54% in one year

ANNUAL



Sharp wholesale book reduction of over Rs 23,400 Cr in FY23

QUARTERLY



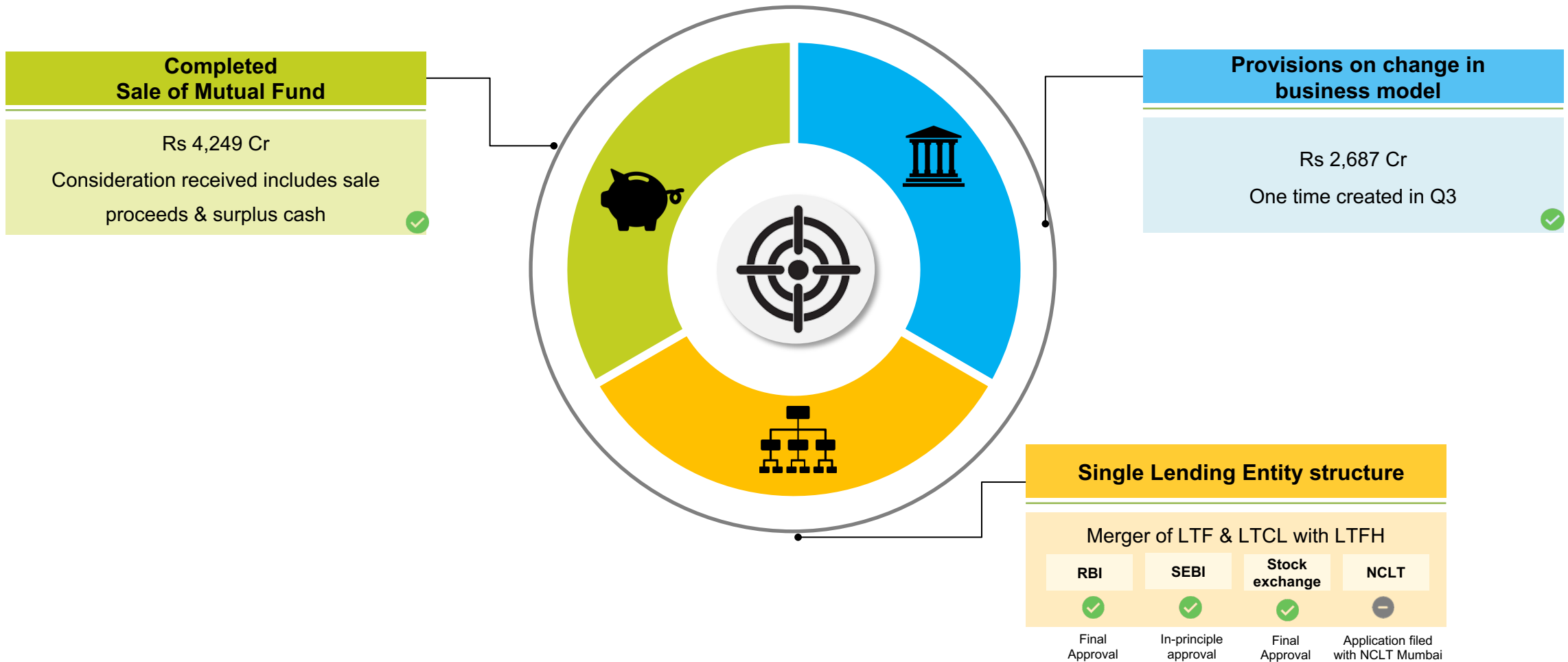
Sharp wholesale book reduction of ~Rs 11,500 Cr in Q4FY23 alone

* Includes defocused

Reduction achieved through repayments and refinancing. Rapid sell-down achieved after decision taken to accelerate sell-down during Q3FY23

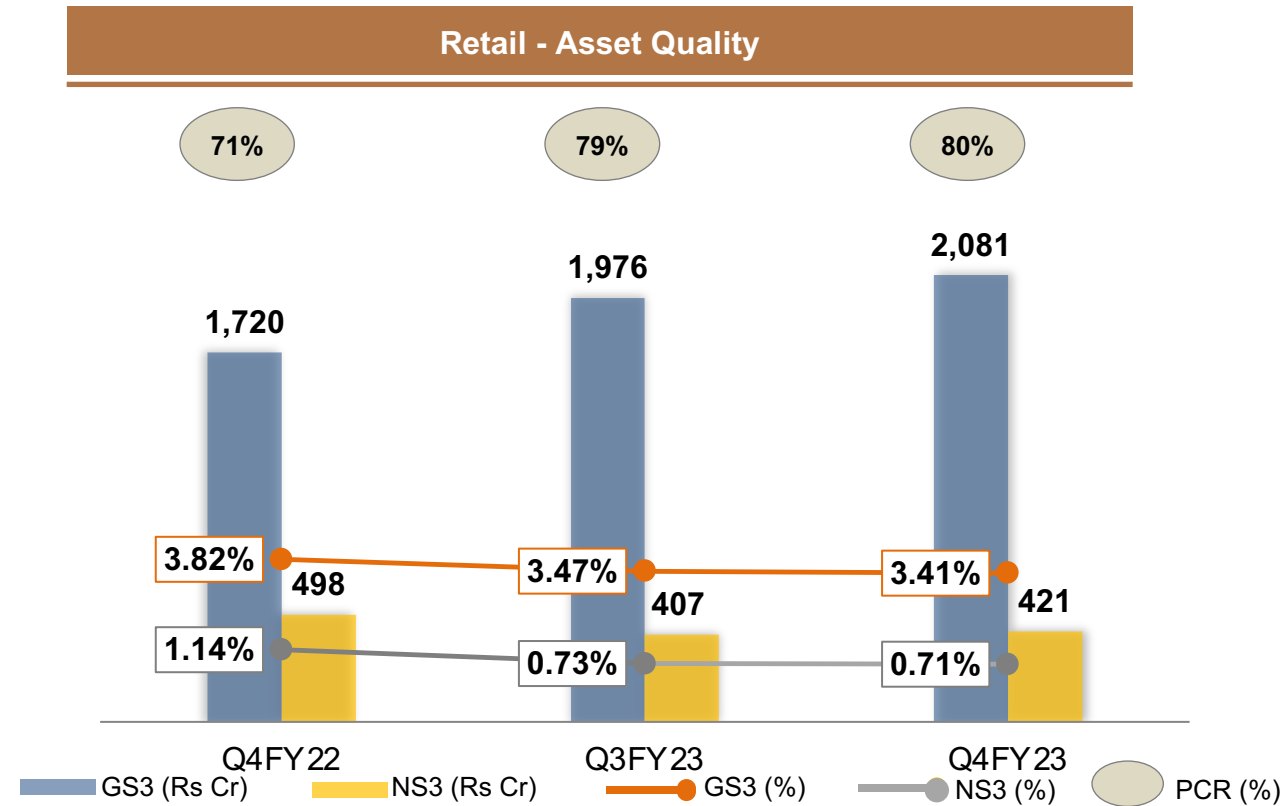
Aided by... timely execution of strategic initiatives

✔ Completed
 - In progress



These initiatives helped in accelerating fulfilment of Lakshya 2026 goals

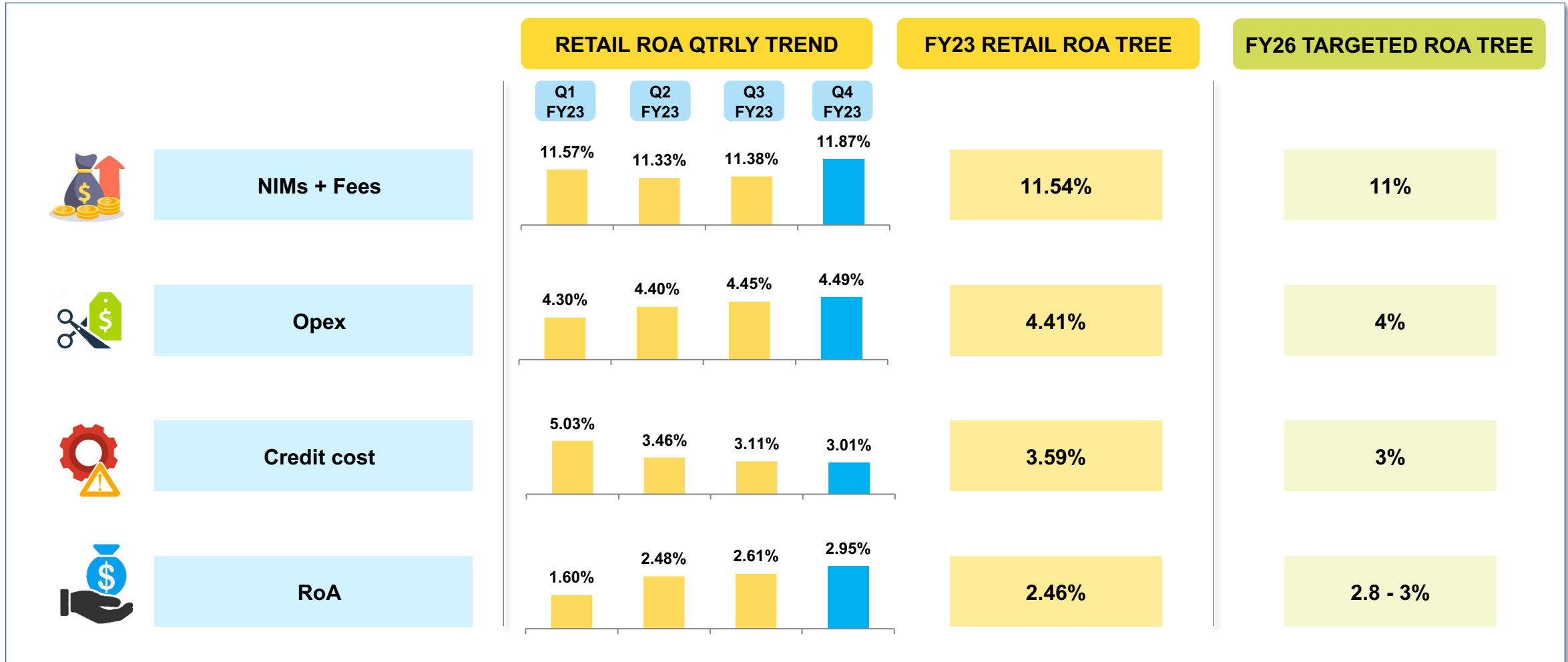
... leading to Impeccable Retail Asset Quality



Carrying additional provision at Rs 1,171 Cr (Macro, enhanced and OTR provisions) corresponding to 1.99% of standard book, in addition to GS3 provisions and ECL on standard assets

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

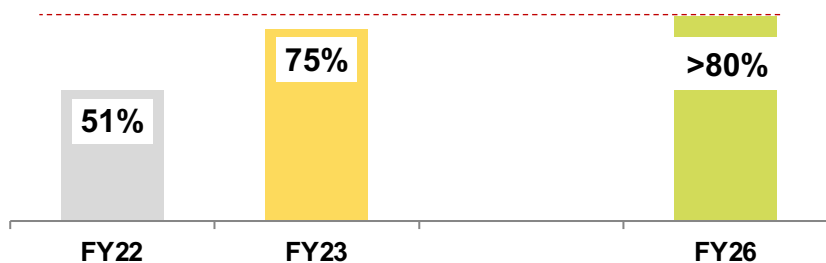
Thus moving towards the targeted RoA tree



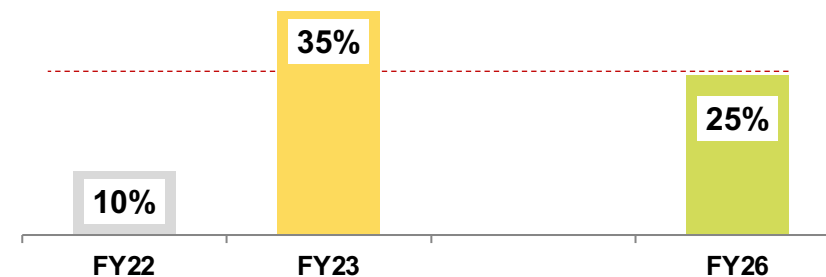
Rapid strides towards targeted RoA tree

Summing up... FY23 vis-à-vis Lakshya 2026

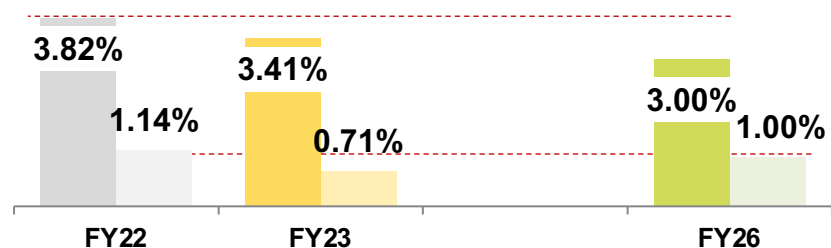
Achieved 75% Retail Mix within a year



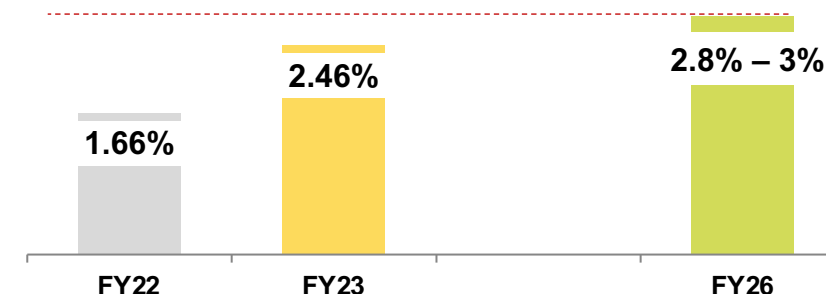
Through delivering 35% Retail book growth



With excellent asset quality (NS3 at 0.71%)



Trending well towards a 2.8% - 3% RoA



Poised to achieve Lakshya goals ahead of FY26

Agenda

A Journey towards Lakshya 2026 – FY23 in perspective

B Creating a sustainable Retail Fintech@Scale

C Annexures

Shaping up of retail financing in the last decade



Till 2015

Data availability limited to information around 'assets'; negligible customer data

Led to development of 'Product Expert Companies'

Credit decisioning mainly based on asset data

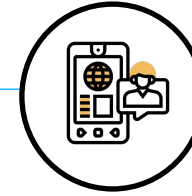


2015 - 2019

RBI directed banks & NBFCs to mandatorily share credit information with credit information companies

Development of detailed data repository with Credit Bureaus

Development of credit decisioning models based on asset + customer + market data



2019 - 2023

Coming of age of multiple bureaus

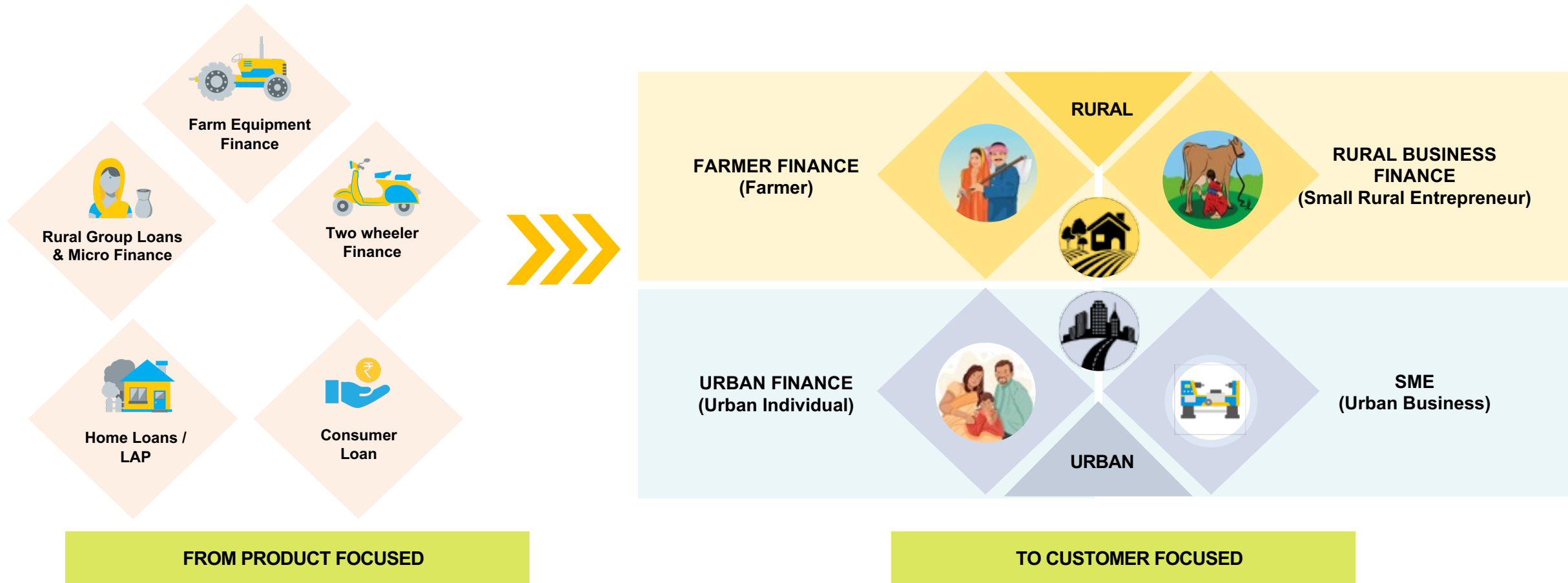
Mandatory reporting of granular customer data to all 4 Credit Bureaus by all FIs

Granular multi-dimensional underwriting based on asset info, customer indebtedness, pin-pointed data like personal income, family income, pin code behaviour, etc.

Leading to financial institutions moving from asset financing to customer financing

Leading to LTF repositioning from product to customer focused

Lakshya 2026 plan is simply a response to the changing environment

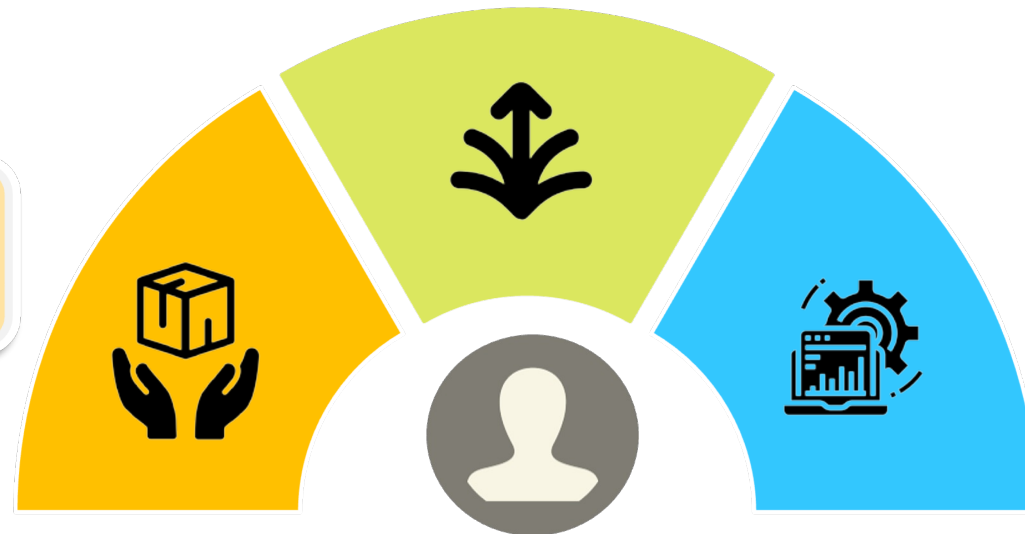


Thereby creating a sustainable Retail franchise & ensuring profitable growth

Elements of a profitable & sustainable Retail franchise

Deepening customer engagement through new products supported by a strong distribution strategy

Focus on existing products while building new strengths



Risk governance & new age portfolio management

Modelled based on state-of-art technology & deep analytics to become a Fintech@Scale

Elements of a profitable & sustainable Retail franchise

Recalibrated product growth strategy - Encircling the customer through customised retail products



Mature Products

Market leaders with **'Right to Win'**
Hold the advantage in **dealership network & underwriting skills**



Farm
Equipment
Finance



Rural Group
Loans & Micro
Finance



Two wheeler
Finance



Growth Products

Potential to deliver **substantial growth**
Digital as a key lever to strengthen **customer value proposition**



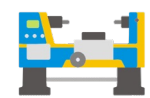
Consumer
Loans



Home
Loans



Loan
Against
Property



SME Loans



New Product Launches

Launch of **new products**, while
leveraging **adjacencies & strong customer database**



Rural LAP



Rural
Household
Business Loans



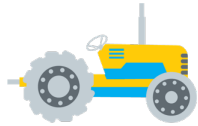
Agri-allied
Loans

Elements of a profitable & sustainable Retail franchise

Recalibrated product strategy – Demonstrated ‘Right to Win’ in Mature Products over a decade



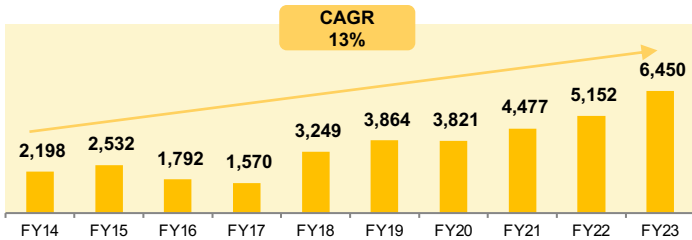
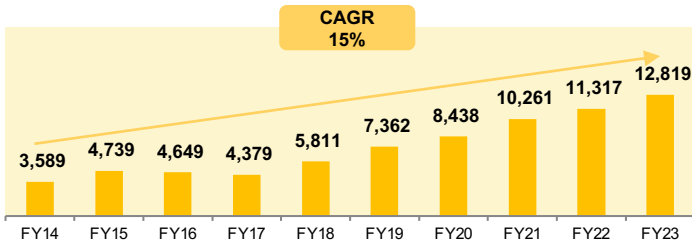
in Rs Cr



Farm Equipment Finance

18+ years of Vintage

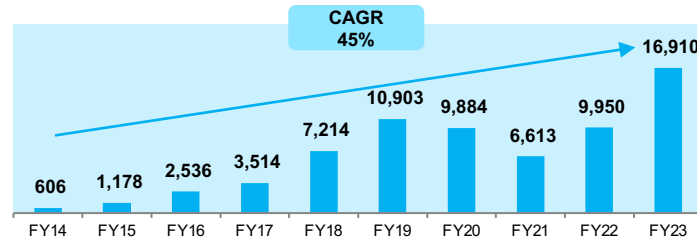
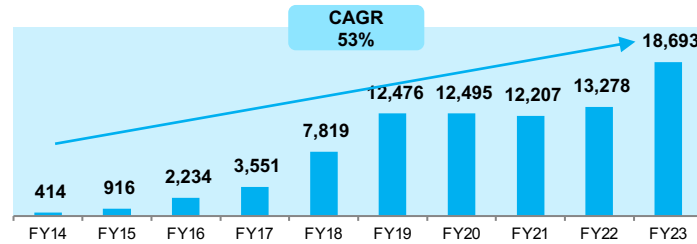
11 Lac+ customers serviced in rural India



Rural Group Loans & Micro Finance

14+ years of Vintage

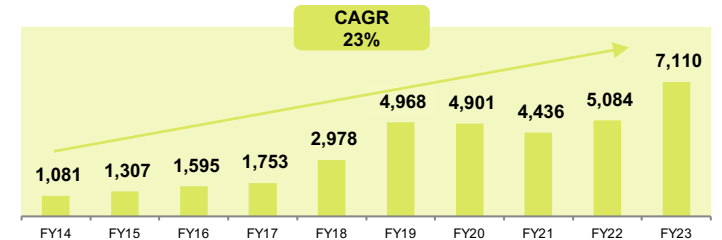
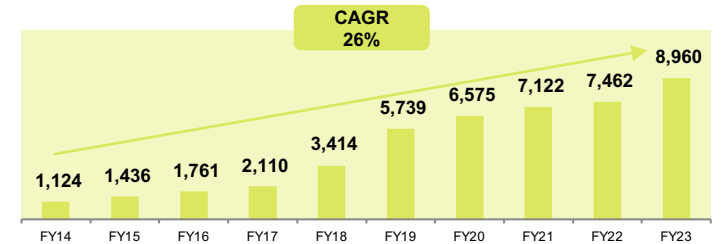
1.2 Cr+ customers serviced in rural India



Two wheeler Finance

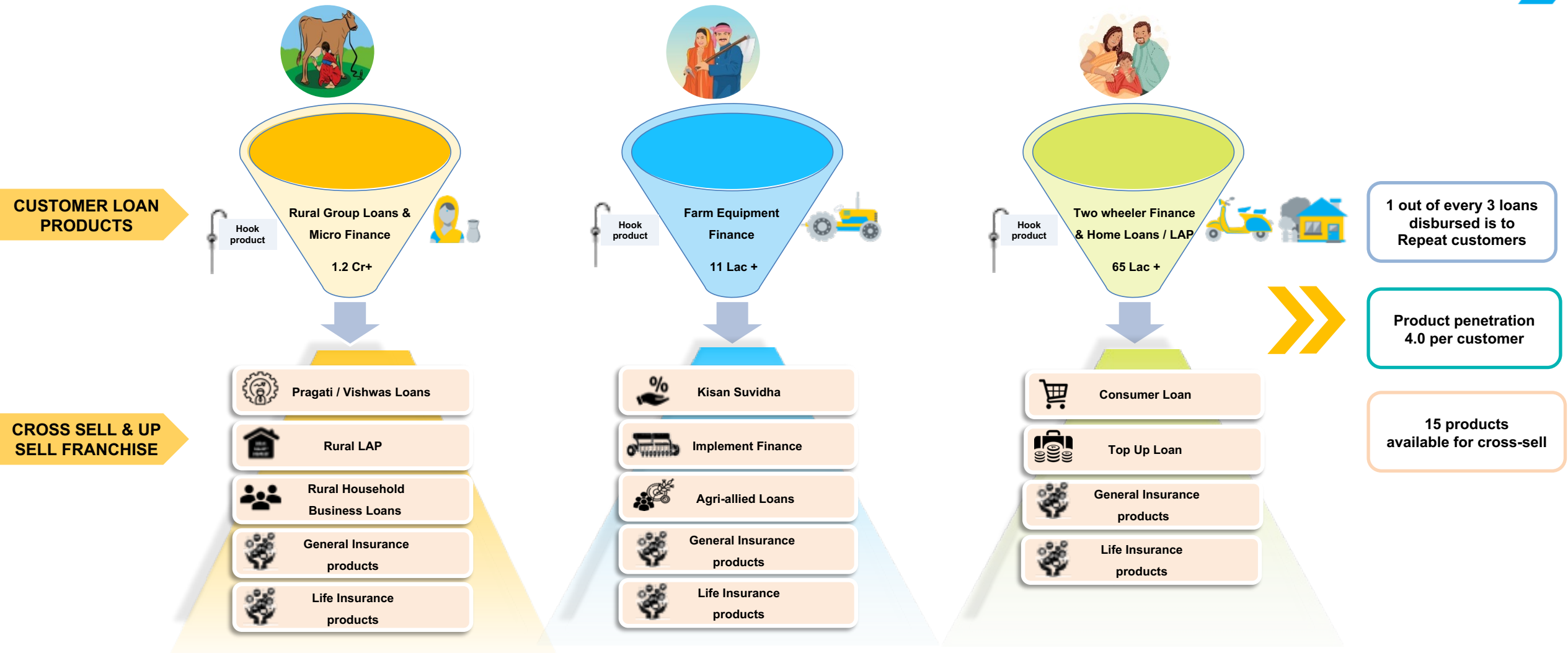
10+ years of Vintage

65 Lac+ customers serviced in urban India



Elements of a profitable & sustainable Retail franchise

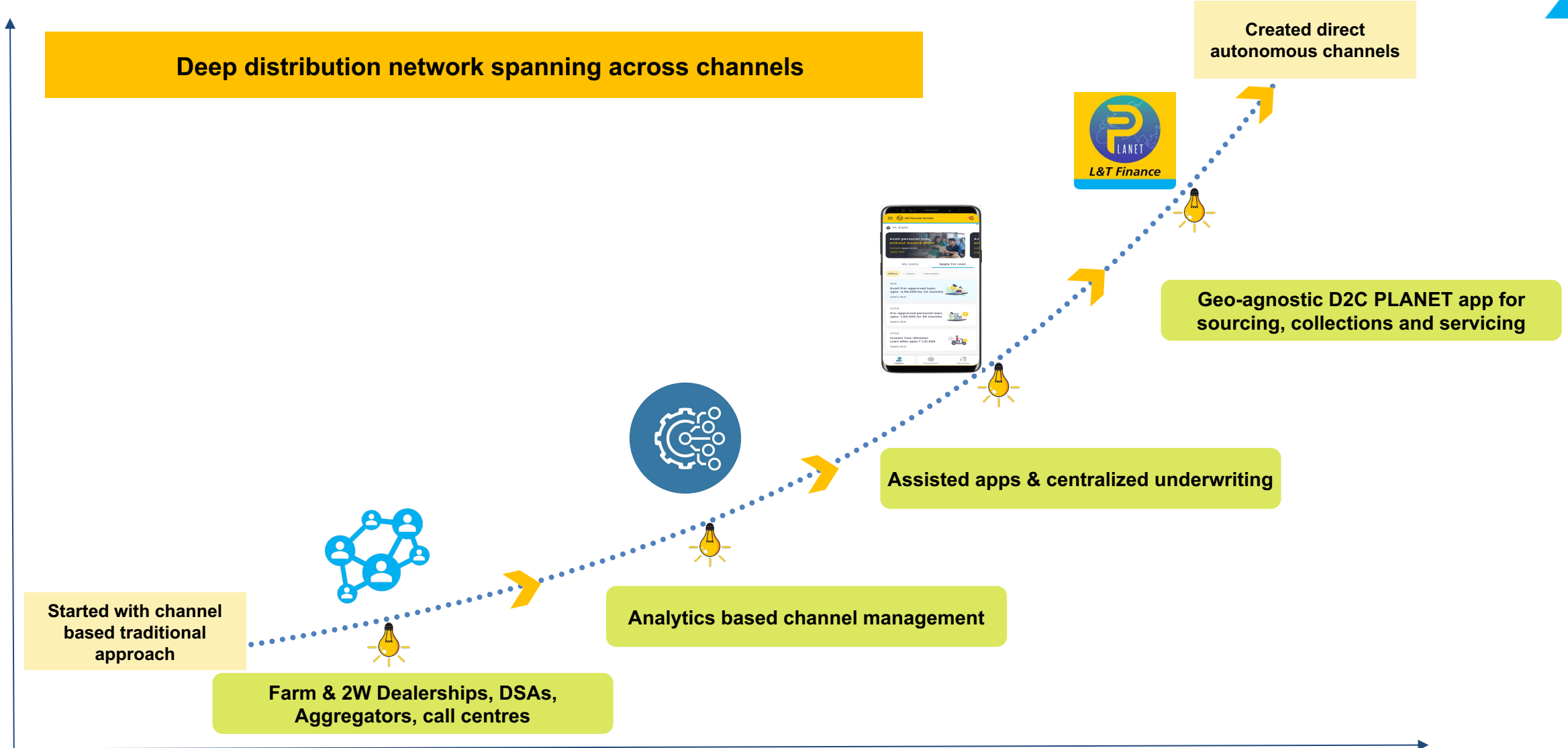
Strengthening the bespoke cross-sell & up-sell franchise



Harvesting our 2 Cr+ customer database

Elements of a profitable & sustainable Retail franchise

Evolution of an optimum distribution franchise

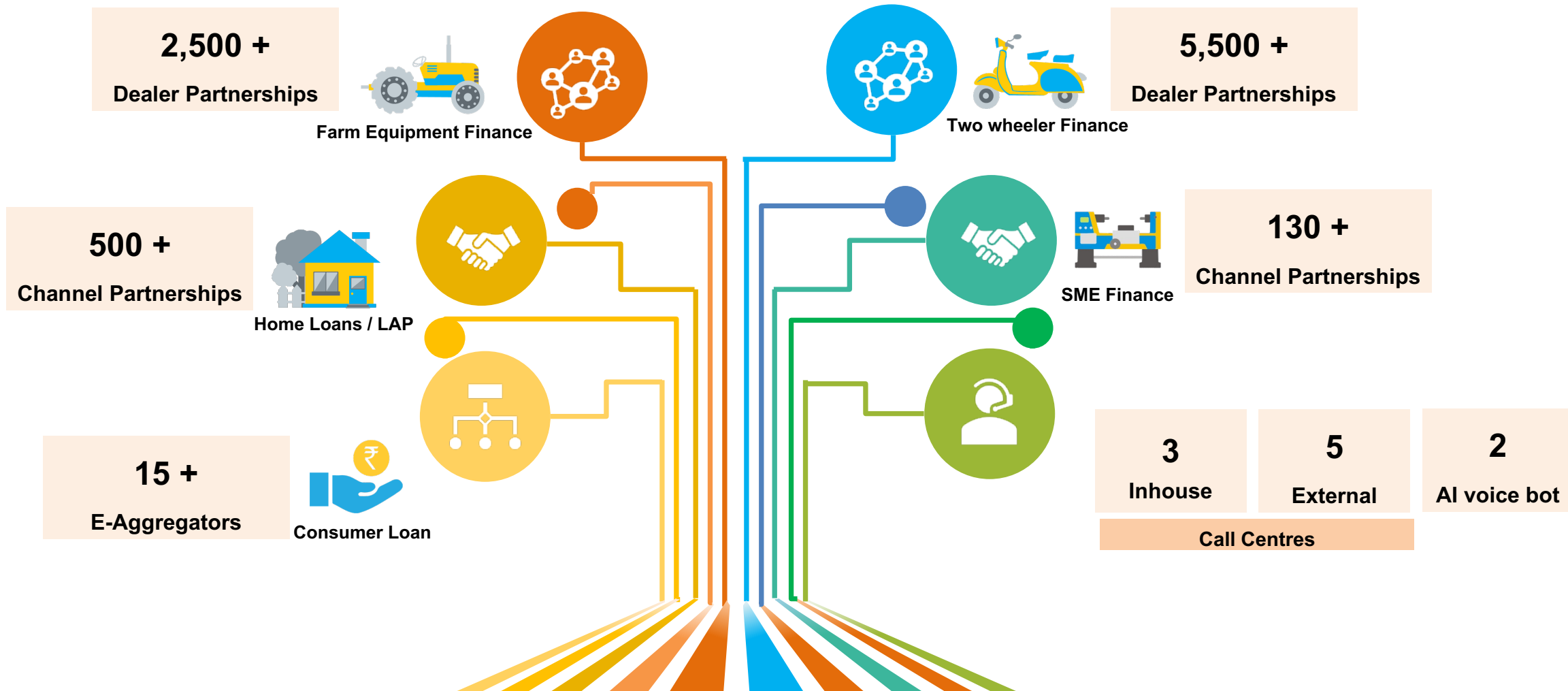


Elements of a profitable & sustainable Retail franchise

Strong physical network - Farm & 2W Dealerships, DSAs, Aggregators, Call Centres



LTF started with forging strong traditional channel-based distribution relationships



Elements of a profitable & sustainable Retail franchise

Analytics as a tool for differentiated relationship-based channel management



Deepened distribution channels through insights from data analytics

Value Proposition

Market share gains driven by granular dealer counter share strategy

Analytics driven business selection



Industry-best TAT proposition



Algorithm based preapproved TA



Dealer portal

Provide differential offerings

Right of First Refusal (ROFR) to LTF

Invest in dealer relationships

Real time TA reconciliation

Assess dealer potential



Sale volumes & market position



Portfolio Vintage



Counter share performance



Distribution network

Elements of a profitable & sustainable Retail franchise

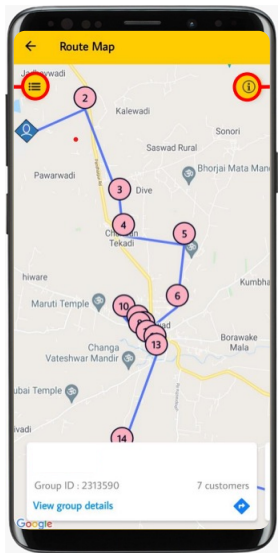
Digital delivery of loans through assisted apps & centralized underwriting



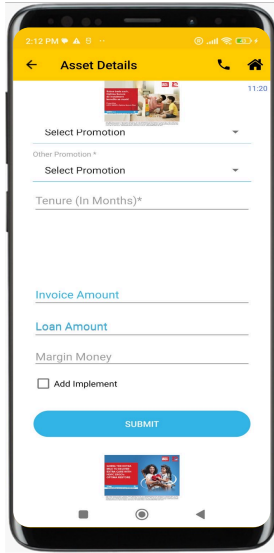
In the next phase, moved to developing assisted apps for customer loan delivery

ASSISTED APPS PROVIDING END-TO-END DIGITAL LOAN JOURNEYS

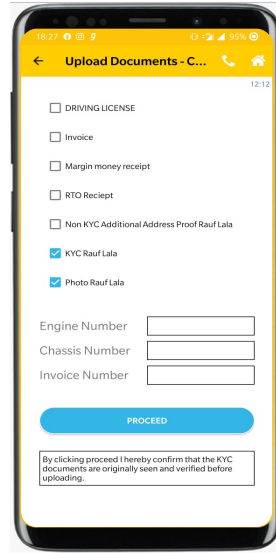
Rural Group Loans & Micro Finance



Farm Equipment Finance



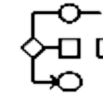
Two wheeler Finance



DIGITAL INTERVENTIONS



KYC – DigiLocker / Aadhaar OCR / QR



AI – Machine Learning Model / Scorecard



Selfie/Photo – Liveness / Face Match



Online Income Assessment / Digital Income Computation



Multi Bureau Check



E-agreement

Used by Field level officers for Sourcing, Disbursements & Collections

Superlative Customer Experience

Elements of a profitable & sustainable Retail franchise

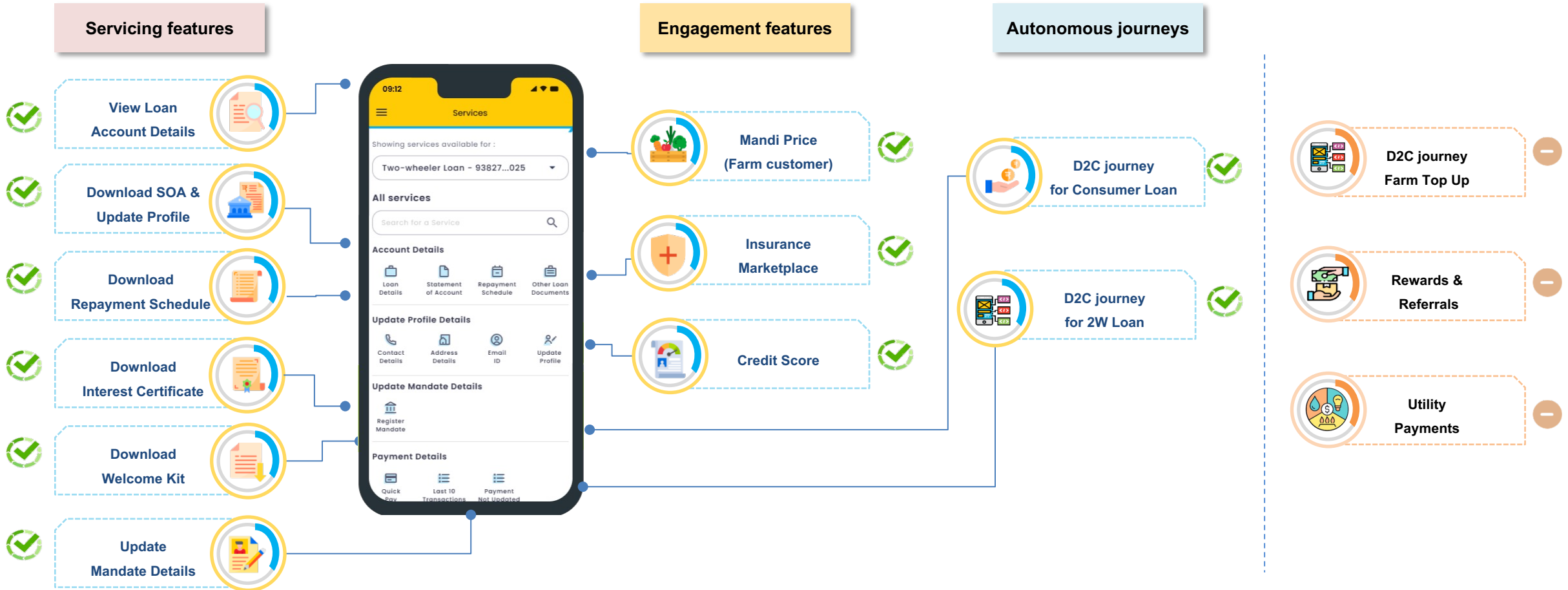
Geo-agnostic D2C PLANET app for sourcing, collections and servicing (1/2)



OUR 'PLANET' APP FEATURES

(Launched in March 2022)

Completed In Progress



26 Servicing channel enroute to becoming a geo-agnostic sourcing channel

Elements of a profitable & sustainable Retail franchise

Geo-agnostic D2C PLANET app for sourcing, collections and servicing (2/2)



Rs. 240 Cr+
Collections



Rs. 1,650 Cr+
Sourcing



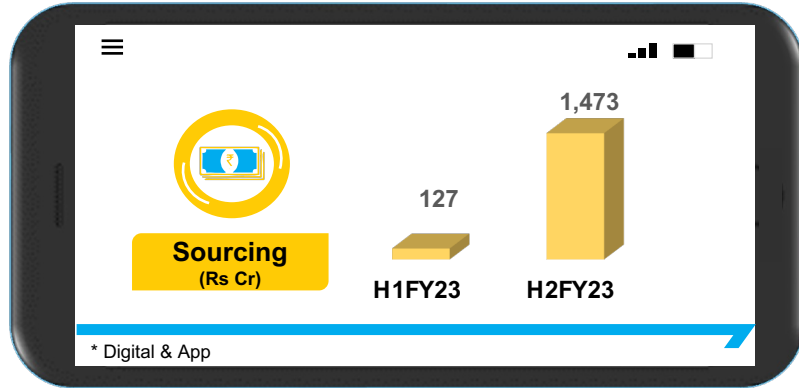
48 Lac+
Servicing Experience



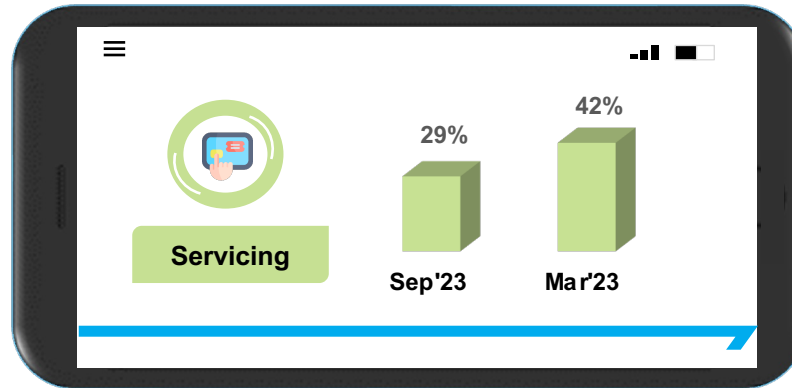
2.8 Lac+
Rural Customers



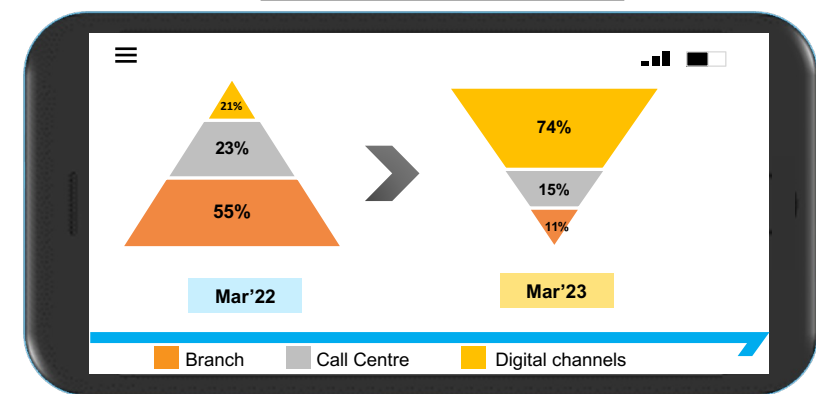
Geo-agnostic Sourcing



Self Servicing



Servicing channels



SOA Downloads

23 Lac +



Repayment Schedule

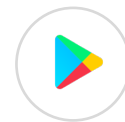
16 Lac +



Credit Score

14 Lac +

30,00,000+ Downloads



28,69,136 Downloads

4.5 ★★★★★



1,69,917 Downloads

4.3 ★★★★★

Elements of a profitable & sustainable Retail franchise

Risk governance and new age portfolio management



Focus on strengthening risk guardrails & underwriting capabilities

Risk detection with enhanced and real-time data analytics

- Internal risk triggers mapped with external intelligence to detect real time risk

Next-gen scorecards & risk-monitoring dashboards

- Segment based application scorecards to drive portfolio health; strong oversight mechanism through monthly empowered portfolio reviews

Hyper-personalization of risk profiles

- Dedicated risk analytics at asset level, dealer level, pin code level & customer level



Geo-agnostic underwriting capability

- STP process in place for Consumer Loans, Two wheeler Finance and Rural Group Loans & Micro Finance

Analytics-based multi-layer controls

- Combination of the scorecard, Credit rule engines, and bureau for decisioning

Early Warning Signals (EWS)

- EWS analytics based on data around customer behavior and market triggers

Leveraging state-of-the-art tech to create a Fintech@Scale

Fintech@Scale blueprint

Components to building a Fintech@Scale

1 Automated Process

- Existing: SFDC Workflow
- Strengthen: Business Rule Engine
- Build: Process Fintech Ecosystem



2 Scalability

- Existing: Google Cloud Platform
- Strengthen: Interactive QlikSense portals
- Build: Unified LOS

4 Customer Journeys

- Strengthen: Cross-Sell
- Strengthen: Customer Engagement
- Strengthen: Insurance
- Existing: Servicing



3 Security

- Existing: Gen 5 Firewall
- Strengthen: AI-based security assessment
- Existing: ISO 27001 Certification

Existing Strengthen Build

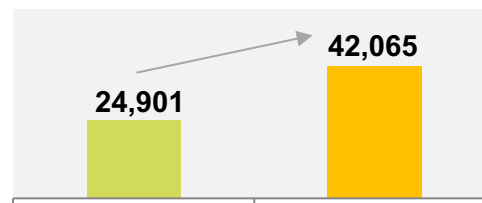
Leverage deep fintech capabilities to achieve Lakshya goals & beyond

Thereby leading to creation of a top-notch Retail Fintech@Scale

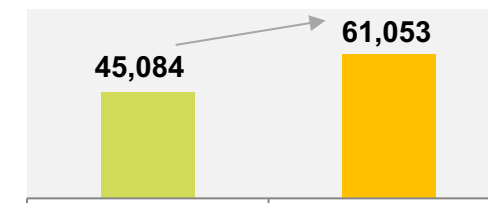
in Rs Cr



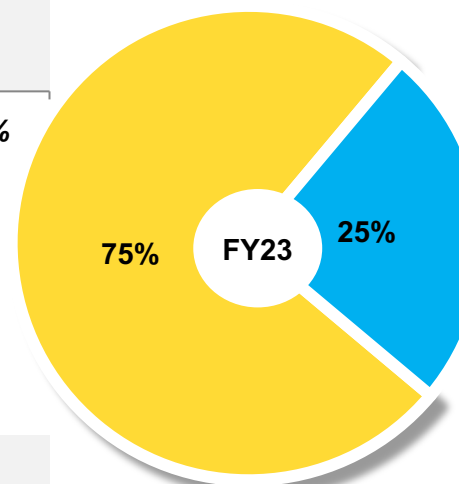
Leading to Lakshya Performance - RETAIL



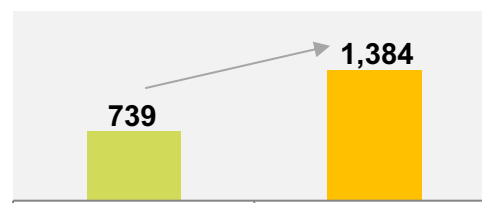
Disbursements growth @ 69%



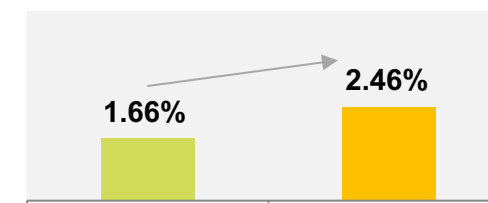
Book growth @ 35%



RETAILISATION @ 75%



PAT growth @ 87%



RoA increase @ 80 bps

FY22 FY23

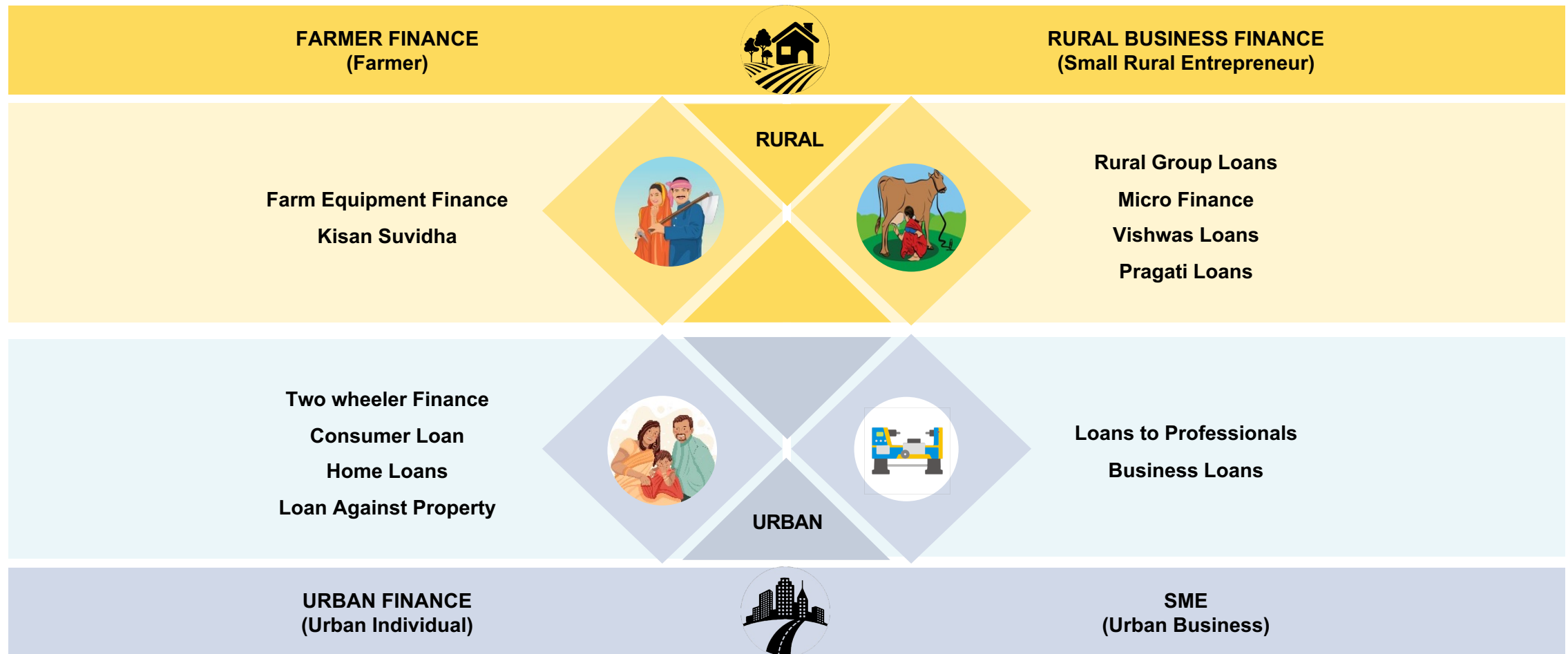
Poised to achieve Lakshya goals before FY2026 with targeted RoA of 3%

Annexures

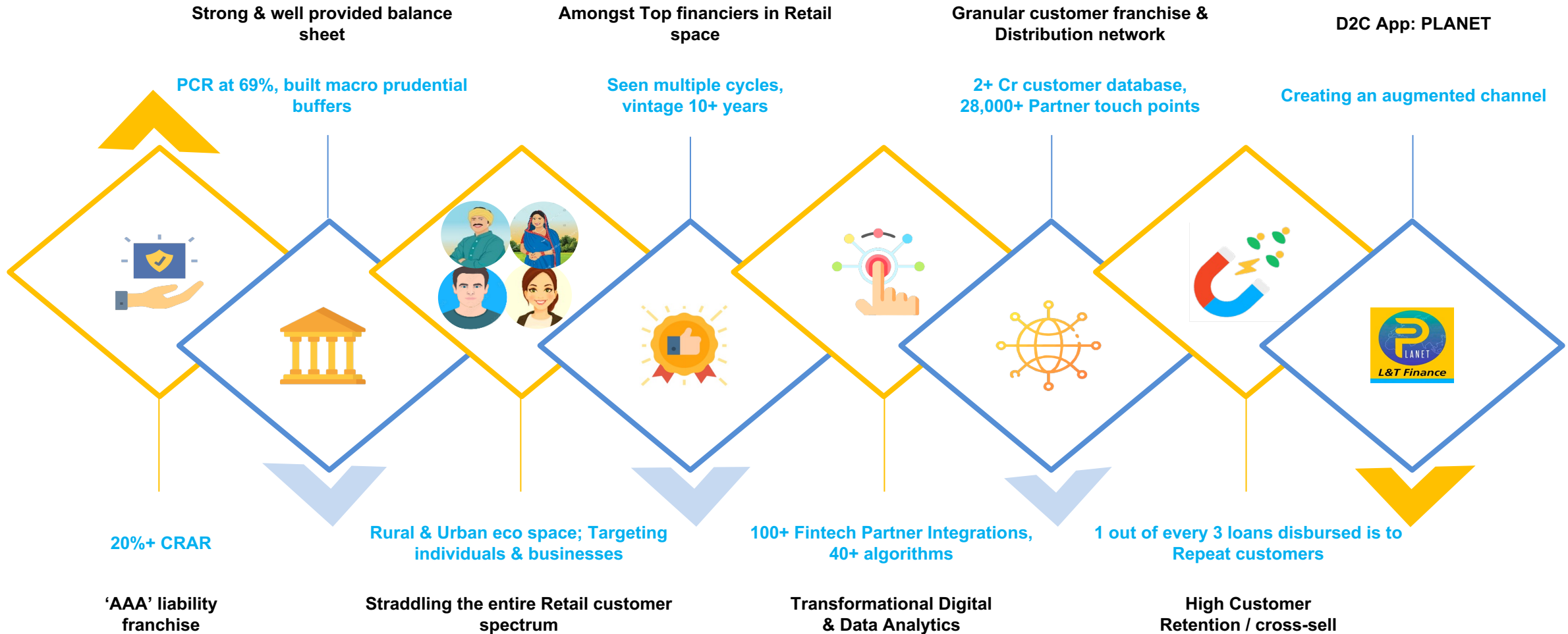
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- I Our dominant Retail Franchise built over a decade
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A Retail franchise built over a decade



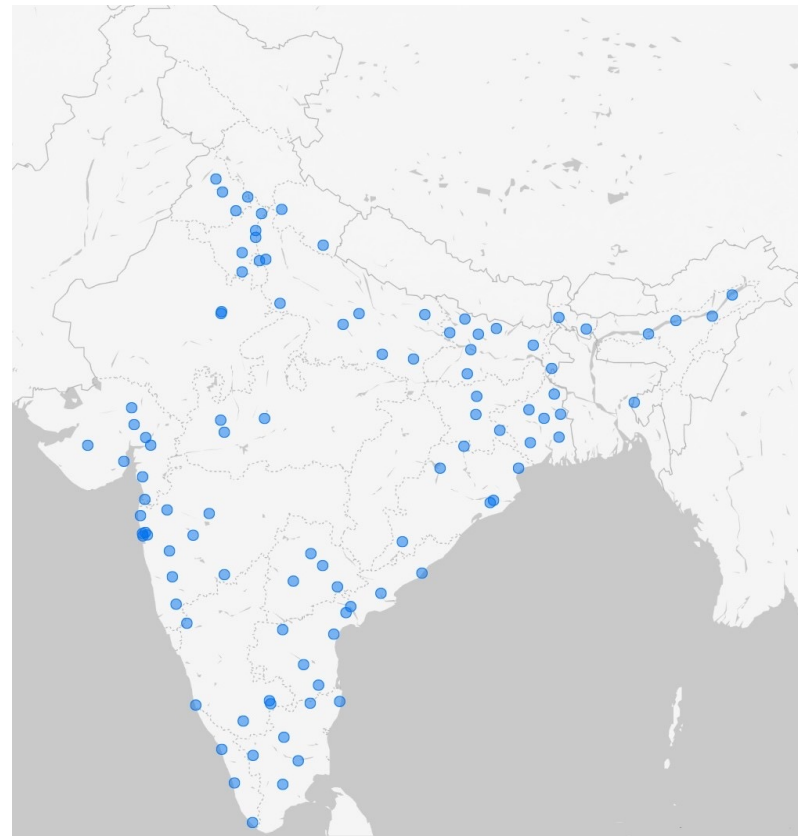
... backed by established sustainable differentiators



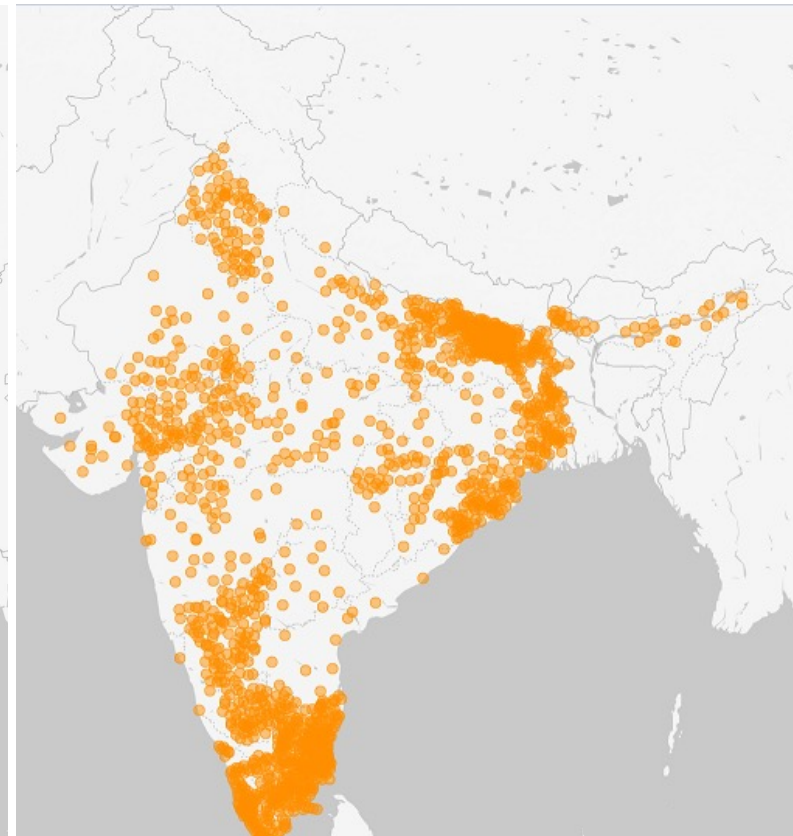
Thereby creating a granular distribution network...

20 States
2 UT
100+ Cities / Towns

18 States
1 UT
~2,00,000 Villages



LTF Urban Network



LTF Rural Network

State	No. of Branches	No. of MCs
Madhya Pradesh	27	66
Maharashtra	24	31
Uttar Pradesh	18	76
Gujarat	17	53
Karnataka	13	196
West Bengal	13	115
Andhra Pradesh	12	-
Telangana	11	-
Haryana	10	38
Rajasthan	10	58
Bihar	9	348
Punjab	7	39
Odisha	7	121
Tamil Nadu	6	370
Kerala	3	91
Others	19	54
Pan India	206	1,656

Built on the foundation of Data science based digital delivery

Leveraging data analytics across practices

Sourcing Analytics



- Industry peer Benchmarking
- Market Penetration
- Delinquency Trends
- Collection Efficiencies



- State Fiscal Position
- Rainfall Distribution
- Water reservoir Levels
- Agro-Climatic Zone



- Soil Moisture Levels
- Sowing pattern
- MSP / Mandi Prices
- Cash & Harvest Cycle

Underwriting Analytics



Asset related variables



Geographical parameters



Customer variables



Behavioural data



Risk Control variables

Collections Analytics



Customer profiling & Segmentation



Personalized treatment strategy



Channel of initiation

















































Right time for action

Built on the foundation of Data science based digital delivery

Building Next-Gen platform & expanding scope

Deepen existing and create new analytical models through harvesting of data

Scorecards		CL	TW	HL	RBF	Farm	SME
	Propensity Model (Sourcing / Collections)						
	App Scorecard				WIP		
	Risk Control Triggers						WIP
	Cross sell/ Up sell						
	Bounce Prediction						WIP
	X-Bucket Bounced Customer Model						WIP
	Normative Grid (asset based)	N.A.		WIP	N.A.		N.A.
	Settlement Model				WIP		WIP

Leading to market dominance through flagship products

Farm Equipment Finance – amongst the Leading Financiers



Well diversified footprint

- Vintage of 18+ years
- 170+ branches across 18 states & 1 UT
- 11 lac+ customer database
- Key states: Uttar Pradesh, Madhya Pradesh, Telangana, Karnataka



Dealer / OEM Relationship

- 2,500+ Dealers
- Analytics driven TA limits for top dealers
- Non-captive distribution franchise
- Well penetrated across Top 5 OEMs



Customer Centricity

- Retention products (Kisan Suvidha)
- Financing adjacencies through implement finance
- Paperless Digital Journey
- Best-in-class TAT: 24 hours



Operational excellence

- Collection led disbursements; CE @ 93.6%
- Analytics-based scorecard for decision-making
- Culture of '0 DPD'



Created Strong risk guardrails

- Water reservoir levels, Rainfall distribution
- State fiscal position
- Farm cash cycle, MSP, sowing pattern
- Tractor model / HP & other asset variables

Leading to market dominance through flagship products

Rural Group Loans and Micro Finance - amongst the Leading Financiers



Well diversified footprint

- Vintage of 14+ years
- 16 states across 321 districts, ~1,700 Meeting Centre Branches
- 1.2 Cr+ customer database
- Key states: Bihar, Tamil Nadu & Karnataka



Operational excellence

- Automated underwriting; geo-strategy based on women credit penetration
- Culture of '0 DPD'
- Collection-led disbursement; CE @ 99.8%
- Collection route-map tracking
- State of the art Risk Control Unit; Compulsory bureau check



Customer Centricity

- LTFS exclusive customers at ~40%
- Best-in-class TAT: 60 secs
- Retention products – ~50%* retention
- Optimum customer leverage; avg. o/s on book ~Rs 30,000 /-



Excellent Asset Quality; Conservative provisioning

- No additional top-up loans for delinquent customers
- 99.9% PCR on 90+ bucket
- Macro-prudential provisions



Created Strong risk guardrails

- Financier association limit – maximum 3
- Continued exposure checks and FOIR norms
- Internal & External DPD checks for fresh & repeat customers
- Customer profiling - on-us, off-us
- Pincode selection basis PAR & customer leverage

Leading to market dominance through flagship products

Two wheeler Finance - amongst the Leading Financiers



Well diversified footprint

- Vintage of 10+ years
- 101 locations across India
- 65 lac+ customer database
- Key states: West Bengal, Maharashtra, Gujarat



Dealer / OEM Relationship

- 5,500+ Dealers
- Algorithm based preapproved TA for top dealers
- Non-captive distribution franchise
- Analytics driven OEM cum Dealer business model



Customer Centricity

- Strong New To Credit proposition (~50%)
- Best-in-class TAT: 45 secs
- Paperless Digital Journey
- Innovative product offering
- Sabse Khaas Loan & Income Proof loans - 1st in Industry
- Ventured into EV financing



Operational excellence

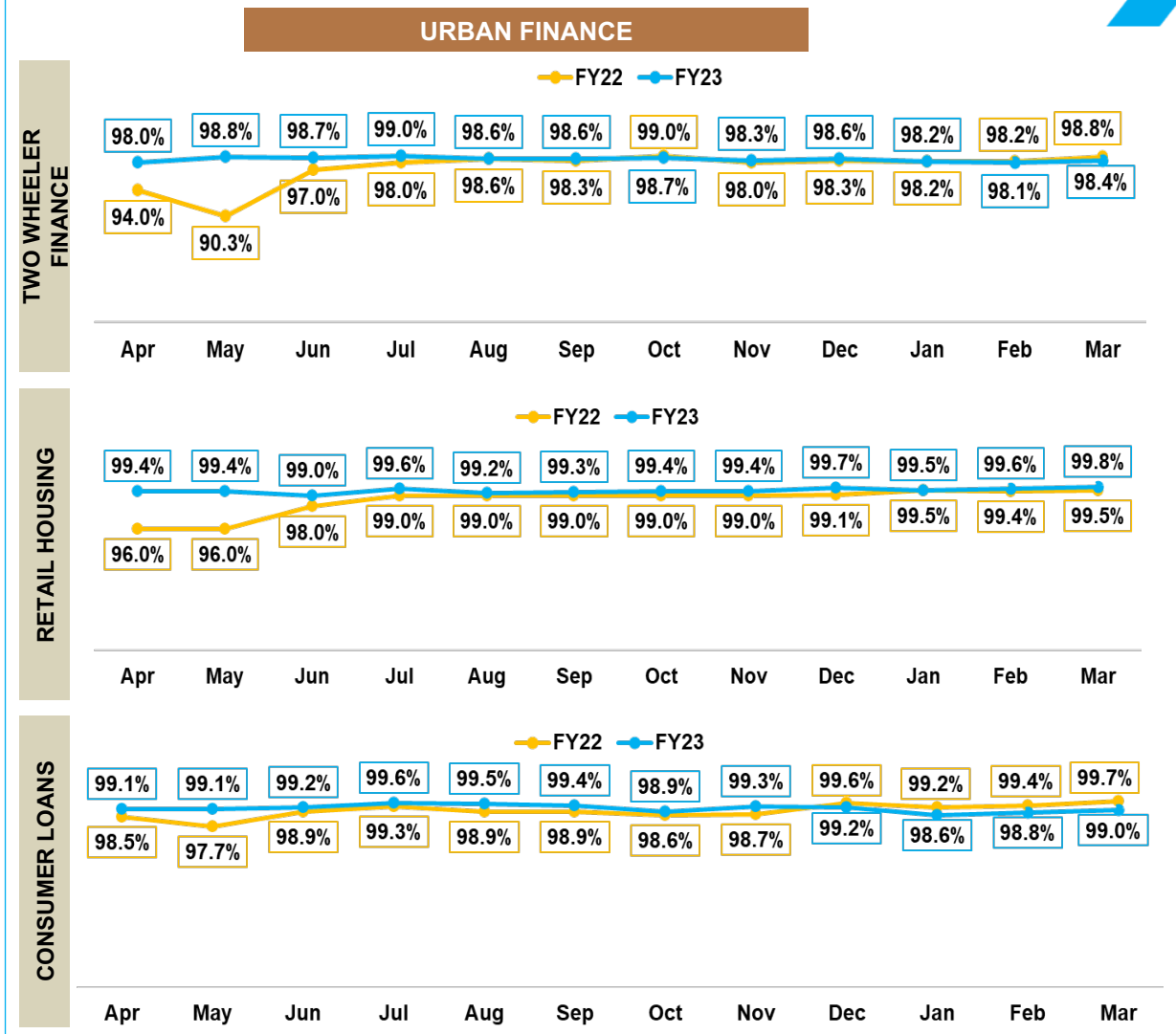
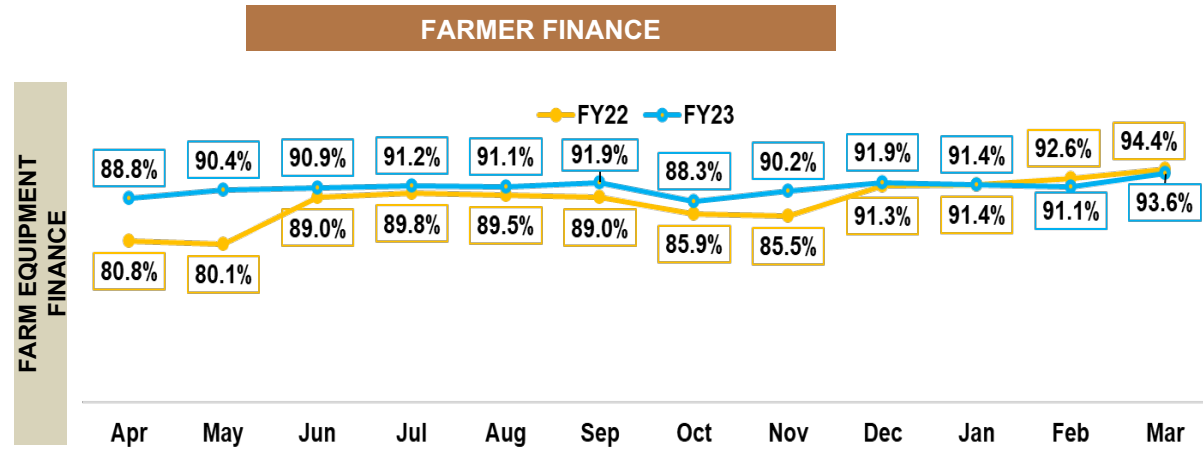
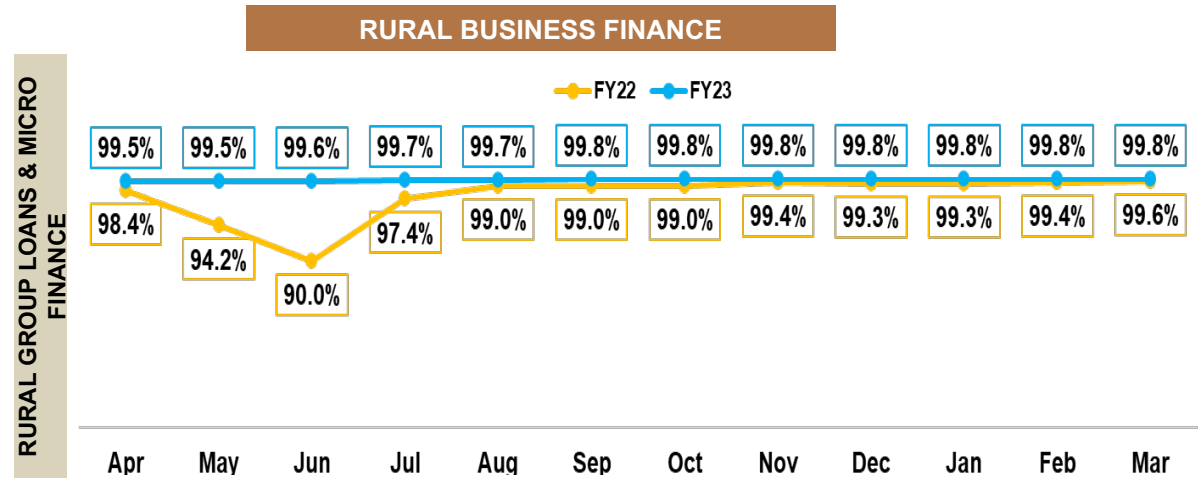
- Collection led disbursements; CE @ 98.4%
- Straight through processing
- Culture of '0 DPD'



Created Strong risk guardrails

- Customer profiling using lookalikes
- OEM model variables
- Pincode selection basis multivariate analysis
- Dealership performance

With strong collection efficiencies in Retail



To deliver a best in class Customer Value Proposition

LEVERAGING CUSTOMISED DIGITAL CAPABILITIES WITH THE INDIA STACK



Liveness matching
With OCR as KYC



Digilocker, fuzzy logic & penny credit



eNACH



AI in face deduplication



API integration with channel partners



e-Stamping



AI in geo-spatial intelligence



Auto population of customer details – Image processing



e-Sign



Reimagined credit models



Cloud-based infrastructure



3rd party API integration



Income estimation model



Application scorecard

CENTRALISED AND DIGITAL UNDERWRITING

LEADING TO BEST IN CLASS TAT

Login to sanction TAT



Farm Equipment

24 hours
Industry avg: 4 days



Rural Group Loans & Micro Finance

60 secs



Two wheeler

45 secs
Industry avg: 10-15 min



Consumer Loan

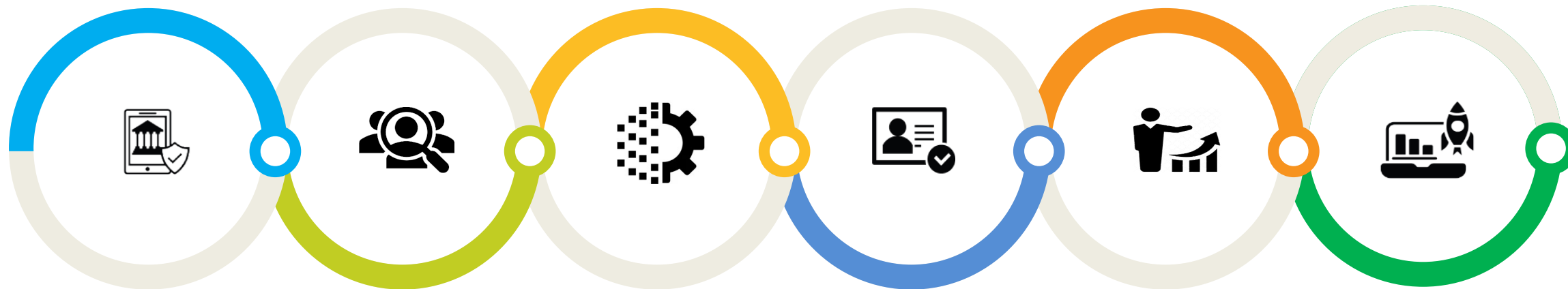
18 mins
Industry avg: 90 mins



Home Loan

20 mins
Industry avg: 1 hour

Thus becoming the L&T Finance we aspire for



TOP NOTCH
RETAIL NBFC

CATERING TO THE RURAL,
URBAN MASS AFFLUENT,
ASPIRER & SME SEGMENT

USING DIGITAL &
DATA ANALYTICS

TO
CREATE A CREDITWORTHY
POOL OF CUSTOMERS

FOR RETENTION, UPSELL &
CROSS-SELL

DELIVERING
TOP CLASS SUSTAINABLE
ROA

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Retail Lending Business – Business wise disbursement split

Disbursement							
Q4FY22	Q3FY23	Q4FY23	Y-o-Y (%)	Segments (Rs Cr)	FY22	FY23	Y-o-Y (%)
				Farmer Finance			
1,154	2,057	1,556	35%	Farm Equipment Finance	5,152	6,450	25%
				Rural Business Finance			
3,881	3,624	3,888	13%	Rural Group Loans	9,950	14,567	70%
-	657	513		Micro Finance	-	2,343	
				Urban Finance			
1,380	2,146	1,727	25%	Two wheeler Finance	5,084	7,110	40%
798	1,228	1,322	66%	Consumer Loans	2,254	4,886	117%
781	1,074	1,244	59%	Home Loans	2,293	4,188	83%
65	125	234	261%	LAP	106	542	413%
47	538	667	-	SME Finance	62	1,473	-
-	160	131	-	Acquired Portfolio	-	506	-
8,105	11,607	11,282	39%	Retail Finance	24,901	42,065	69%

Retail Lending Business – Business wise book split

Book				
Q4FY22	Segments (Rs Cr)	Q3FY23	Q4FY23	Y-o-Y (%)
	Farmer Finance			
11,317	Farm Equipment	12,447	12,819	13%
	Rural Business Finance			
13,278	Rural Group Loans & Micro Finance Loans	17,485	18,693	41%
	Urban Finance			
7,462	Two wheeler Finance	8,716	8,960	20%
2,301	Consumer Loans	4,719	5,471	138%
7,837	Home Loans	9,868	10,678	36%
2,827	LAP	2,645	2,732	(3%)
61	SME Finance	838	1,378	-
-	Acquired Portfolio	283	322	-
45,084	Retail Finance	57,000	61,053	35%

Lending Business – Business wise disbursement & book split

Disbursement							
Q4FY22	Q3FY23	Q4FY23	Y-o-Y (%)	Segments (Rs Cr)	FY22	FY23	Y-o-Y (%)
8,105	11,607	11,282	39%	Retail Finance	24,901	42,065	69%
528	104	48	(91%)	Real Estate Finance	1,617	366	(77%)
6,098	1,444	980	(84%)	Infrastructure Finance	10,683	4,544	(57%)
6,626	1,548	1,028	(84%)	Wholesale Finance	12,301	4,910	(60%)
14,731	13,155	12,310	(16%)	Focused Business	37,202	46,975	26%
-	-	-	-	De-focused	-	-	-
14,731	13,155	12,310	(16%)	Total Disbursement	37,202	46,975	26%

Book				
Q4FY22	Segments (Rs Cr)	Q3FY23	Q4FY23	Y-o-Y (%)
45,084	Retail Finance	57,000	61,053	35%
11,210	Real Estate Finance	7,362	5,779	(48%)
30,521	Infrastructure Finance	23,648	13,733	(55%)
41,731	Wholesale Finance	31,010	19,512	(53%)
86,815	Focused Business	88,010	80,565	(7%)
1,526	De-focused	416	328	(79%)
88,341	Total Book	88,426	80,893	(8%)

LTFH Consolidated – Summary financial performance

Q4FY22	Q3FY23	Q4FY23	Y-o-Y %	Summary P&L (Rs Cr)	FY22	FY23	Y-o-Y (%)
2,822	3,194	3,123	11%	Interest Income	11,356	12,165	7%
1,397	1,501	1,445	3%	Interest Expense	5,767	5,797	1%
1,425	1,693	1,679	18%	NIM	5,589	6,368	14%
345	318	347	1%	Fee & Other Income	1,307	1,382	6%
1,769	2,011	2,026	14%	Total Income	6,896	7,750	12%
634	769	787	24%	Operating Expense	2,370	2,929	24%
1,135	1,242	1,239	9%	Earnings before credit cost	4,526	4,821	7%
651	610	493	(24%)	Credit Cost	3,030	2,473	(18%)
485	632	746	54%	PBT (Before Exceptional Items)	1,496	2,348	57%
Exceptional Items							
-	2,608	-	-	Capital Gain on sale of Mutual Fund	-	2,608	-
-	2,687	-	-	Provisions on change in business model	-	2,687	-
485	553	746	54%	PBT (After Exceptional Items)	1,496	2,269	52%
342	454	501	46%	PAT	1,070	1,623	52%
Q4FY22	Q3FY23	Q4FY23	Y-o-Y %	Particulars (Rs Cr)	FY22	FY23	Y-o-Y(%)
88,341	88,426	80,893	(8%)	Closing Book	88,341	80,893	(8%)
87,819	90,652	89,231	2%	Average Book	87,984	89,413	2%
19,948	21,019	21,528	8%	Networth	19,948	21,528	8%
80.6	84.8	86.8	8%	Book Value per share (Rs)	80.6	86.8	8%
1.4	1.8	2.0	45%	Basic Earning per share (Rs)	4.3	6.6	52%

LTFH Consolidated – Key ratios

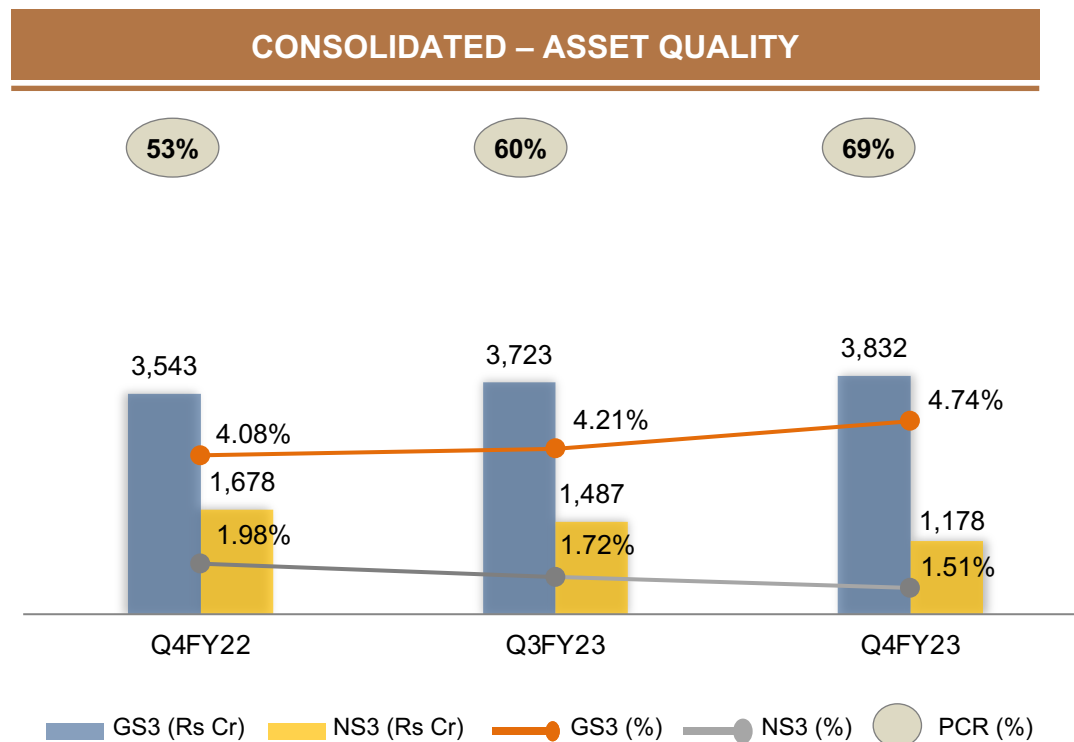
Key Ratios						
Q4FY22	Q3FY23	Q4FY23	Key Ratios	FY22	FY23	
13.03%	13.98%	14.20%	Yield	12.91%	13.61%	
6.58%	7.41%	7.63%	Net Interest Margin	6.35%	7.12%	
1.59%	1.39%	1.58%	Fee & Other Income	1.49%	1.55%	
8.17%	8.80%	9.21%	NIM + Fee & Other Income	7.84%	8.67%	
2.93%	3.37%	3.58%	Operating Expenses	2.69%	3.28%	
5.24%	5.44%	5.63%	Earnings before credit cost	5.14%	5.39%	
3.00%	2.67%	2.24%	Credit Cost*	3.44%	2.77%	
1.33%	1.66%	1.90%	Return on Assets#	1.04%	1.53%	
4.27	4.10	3.86	Debt / Equity (Closing)	4.27	3.86	
4.17	3.93	3.85	Debt / Equity (Average)	4.26	3.97	
6.90%	8.44%	9.37%	Return on Equity#	5.54%	7.79%	

Particulars	Tier I	Tier II	CRAR
Consolidated CRAR ratio	22.10%	2.42%	24.52%

*Credit cost for Q3FY23 and FY23 excludes provisions on change in business model

#Return on Equity and Return on Assets for Q3FY23 and FY23 are after exceptional items

LTFH Consolidated - Asset quality



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

Retail Finance – Summary financial performance

Performance Summary							
Q4FY22	Q3FY23	Q4FY23	Y-o-Y %	Summary P&L (Rs Cr)	FY22	FY23	Y-o-Y (%)
1,729	2,260	2,328	35%	Interest Income	6,565	8,367	27%
624	845	899	44%	Interest Expense	2,435	3,127	28%
1,104	1,415	1,428	29%	NIM	4,130	5,240	27%
157	163	294	87%	Fee & Other Income	526	831	58%
1,262	1,578	1,723	37%	Total Income	4,655	6,071	30%
484	617	651	34%	Operating Expense	1,779	2,322	30%
777	961	1,072	38%	Earnings before credit cost	2,876	3,749	30%
375	431	437	17%	Credit Cost	1,882	1,888	0%
402	530	635	58%	PBT	994	1,861	87%
299	394	472	58%	PAT	739	1,384	87%

Particulars (Rs Cr)	FY22	FY23	Y-o-Y(%)
Book	45,084	61,053	35%
Networth	8,319	13,211	59%

Retail Finance – Key ratios

Key Ratios						
Q4FY22	Q3FY23	Q4FY23	Key Ratios	FY22	FY23	
16.06%	16.30%	16.04%	Yield	15.74%	15.91%	
10.26%	10.20%	9.85%	Net Interest Margin	9.90%	9.96%	
1.46%	1.18%	2.03%	Fee & Other Income	1.26%	1.58%	
11.72%	11.38%	11.87%	NIM + Fee & Other Income	11.16%	11.54%	
4.50%	4.45%	4.49%	Operating Expenses	4.27%	4.41%	
7.22%	6.93%	7.39%	Earnings before credit cost	6.90%	7.13%	
3.48%	3.11%	3.01%	Credit Cost	4.51%	3.59%	
2.58%	2.61%	2.95%	Return on Assets	1.66%	2.46%	
4.75	5.43	4.44	Debt / Equity (Closing)	4.75	4.44	
4.63	4.63	4.52	Debt / Equity (Average)	4.67	4.54	
14.51%	14.97%	16.32%	Return on Equity	9.51%	13.80%	

Retail Finance - Stagewise assets & provision summary

G R O S S A S S E T S	Stage wise (in Rs Cr)	Q4FY22	Q4FY22 (% of Total)	Q3FY23	Q3FY23 (% of Total)	Q4FY23	Q4FY23 (% of Total)
	Stage 1	40,928	90.78%	53,383	93.65%	57,356	93.95%
	Stage 2	2,436	5.40%	1,642	2.88%	1,616	2.65%
	Stage 3	1,720	3.82%	1,976	3.47%	2,081	3.41%
	Total	45,084	100%	57,000	100%	61,053	100%

P R O V I S I O N	Stage wise (in Rs Cr)	Q4FY22	Q4FY22 (% PCR)	Q3FY23	Q3FY23 (% PCR)	Q4FY23	Q4FY23 (% PCR)
	Stage 1	418	1.02%	304	0.57%	298	0.52%
	Stage 2	1,282	52.65%	1,025	62.41%	1,207	74.67%
	Stage 3	1,222	71.03%	1,569	79.40%	1,659	79.75%
	Total	2,922	6.48%	2,897	5.08%	3,164	5.18%

N E T A S S E T S	Stage wise (in Rs Cr)	Q4FY22	Q4FY22 (% of Net Assets)	Q3FY23	Q3FY23 (% of Net Assets)	Q4FY23	Q4FY23 (% of Net Assets)
	Stage 1	40,510	90.70%	53,079	93.62%	57,059	93.92%
	Stage 2	1,153	2.63%	617	1.10%	409	0.68%
	Stage 3	498	1.14%	407	0.73%	421	0.71%

Wholesale Finance – Summary financial performance

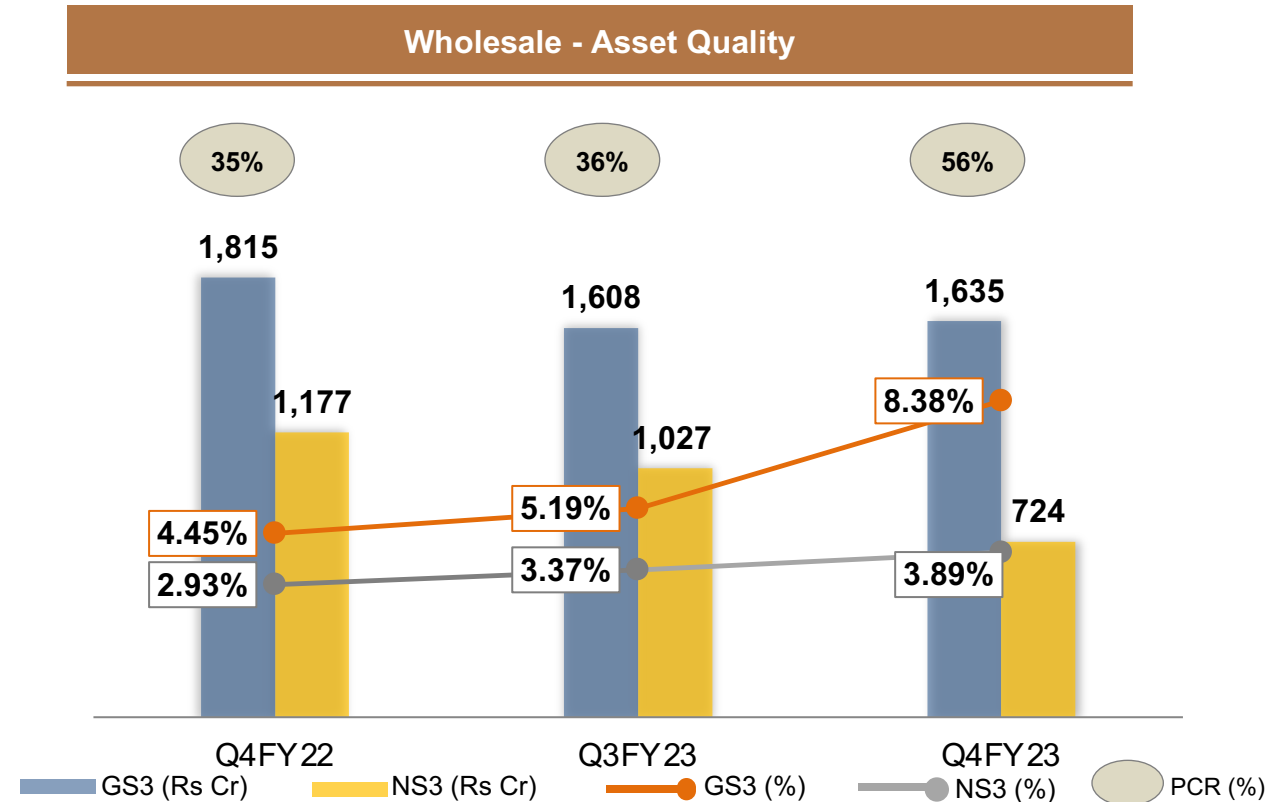
Performance Summary								
Q4FY22	Q3FY23	Q4FY23	Y-o-Y %	Summary P&L (Rs Cr)	FY22	FY23	Y-o-Y (%)	
1,038	919	787	(24%)	Interest Income	4,577	3,720	(19%)	
747	681	576	(23%)	Interest Expense	3,143	2,694	(14%)	
291	238	211	(28%)	NIM	1,434	1,026	(28%)	
89	94	42	(53%)	Fee & Other Income	362	286	(21%)	
380	332	253	(33%)	Total Income	1,796	1,312	(27%)	
102	97	96	(6%)	Operating Expense	400	411	3%	
278	235	157	(44%)	Earnings before credit cost	1,396	901	(35%)	
220	112	15	(93%)	Credit Cost	866	420	(51%)	
58	123	142	143%	PBT (Before Exceptional Items)	529	480	(9%)	
Exceptional Items								
-	2,687	-	-	Provisions on change in business model	-	2,687		
58	(2,564)	142	143%	PBT (After Exceptional Items)	529	(2,207)	-	
42	(2,041)	50	19%	PAT	383	(1,833)	-	
Particulars (Rs Cr)				FY22	FY23	Y-o-Y(%)		
Book				41,731	19,512	(53%)		
Networth				9,086	5,851	(36%)		

Wholesale Finance – Key ratios

Key Ratios						
Q4FY22	Q3FY23	Q4FY23	Key Ratios	FY22	FY23	
10.00%	10.36%	10.63%	Yield	10.44%	10.26%	
2.81%	2.68%	2.85%	Net Interest Margin	3.27%	2.83%	
0.86%	1.06%	0.57%	Fee & Other Income	0.82%	0.79%	
3.66%	3.74%	3.42%	NIM + Fee & Other Income	4.10%	3.62%	
0.99%	1.09%	1.30%	Operating Expenses	0.91%	1.14%	
2.68%	2.65%	2.12%	Earnings before credit cost	3.18%	2.48%	
2.12%	1.27%	0.20%	Credit Cost	1.98%	1.16%	
0.32%	0.76%	0.50%	Return on Assets [#]	0.72%	0.75%	
4.91	5.41	4.29	Debt / Equity (Closing)	4.91	4.29	
4.80	4.74	4.48	Debt / Equity (Average)	4.83	4.65	
1.86%	4.51%	2.85%	Return on Equity [#]	4.23%	4.35%	

[#]Return on Equity and Return on Assets for Q3FY23 are before exceptional items

Wholesale Finance – Asset Quality



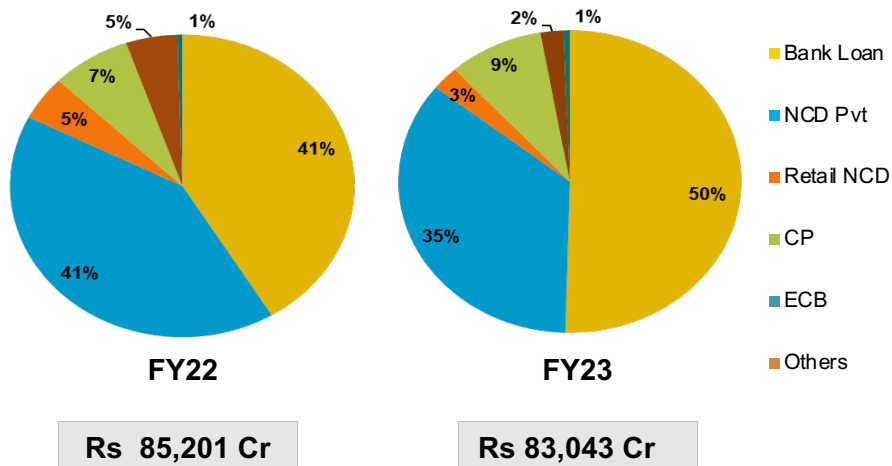
Index of Annexures

- I Our dominant Retail Franchise built over a decade
- II Financials
- III Other Annexures

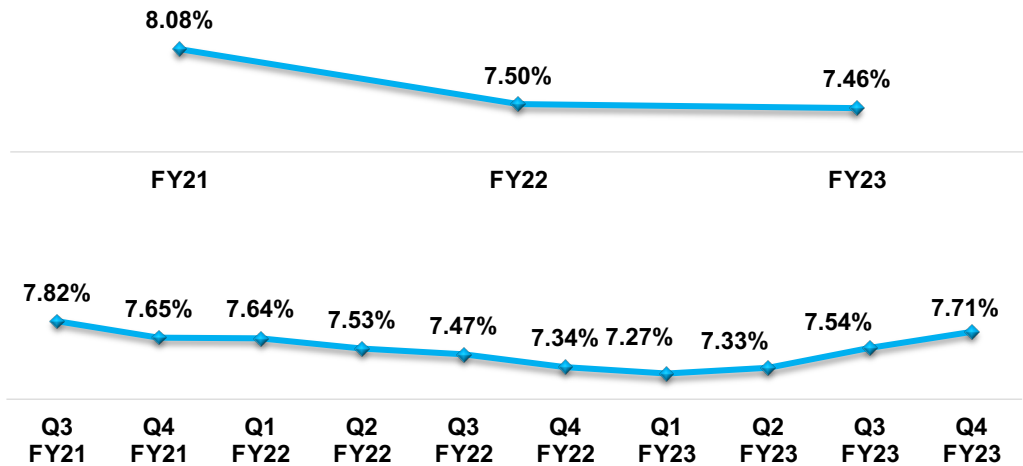
Astute Asset Liability Management

OUTPERFORMING IN TIMES OF RISING INTEREST RATE ENVIRONMENT

DIVERSIFIED LIABILITY MIX



WEIGHTED AVERAGE COST OF BORROWING (WAC)



'AAA' rating
CRISIL, ICRA, CARE, India Ratings



Prudent ALM along with changing portfolio mix towards retail



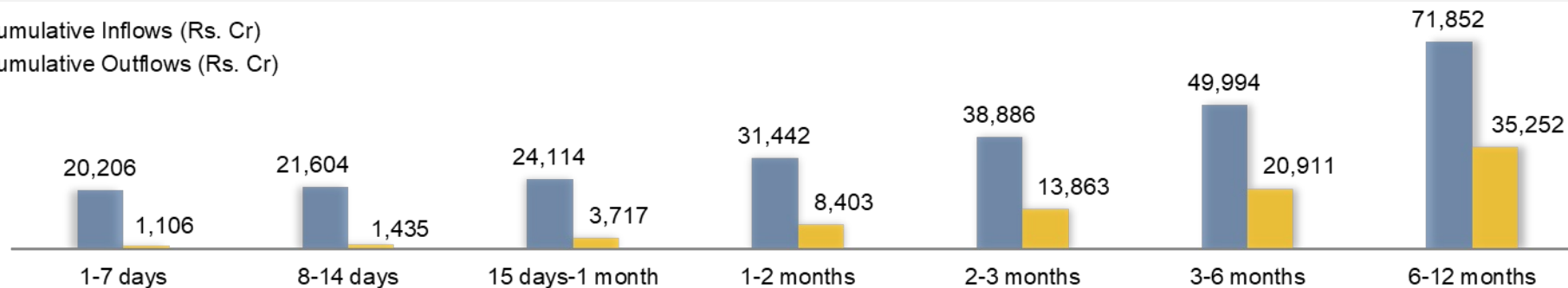
Leveraged Priority Sector Loans

Although policy rates have increased by 250 bps, our yearly WAC has reduced by 4 bps in FY23

Prudent ALM - as on March 2023

Structural Liquidity statement

■ Cumulative Inflows (Rs. Cr)
 ■ Cumulative Outflows (Rs. Cr)



Cumulative Positive Gap	19,100	20,169	20,397	23,040	25,023	29,083	36,600
Cumulative (%)	1728%	1405%	549%	274%	181%	139%	104%

Interest Rate sensitivity statement

1 year Gap	Rs. Cr
Re-priceable assets	65,836
Re-priceable liabilities	50,813
Positive	15,023

Continue to maintain cumulative positive liquidity gaps

AAA Credit Rating for LTFH and all its subsidiaries

Credit Ratings – LTFH and its subsidiaries

Ratings Update

- Long-term ratings of LTFH and all its lending subsidiaries (LTFs) have been reaffirmed 'AAA' (Stable Outlook) by all 4 rating agencies:
 - CRISIL: Sep'22
 - CARE: Sep'22
 - India Ratings: Apr'23
 - ICRA: Aug'22

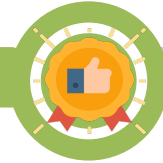
Key strengths highlighted by Rating Agencies

- Diversified business mix with strong presence across the financial services space
- Strategic importance and strong support to financial services business by the parent, Larsen and Toubro Ltd. (L&T: AAA)
- Strong resource raising ability and adequate capitalisation
- Comfortable liquidity position

Building ESG Conscious Organization

People | Business | Community

Awards



ICC Environment Excellence Awards 2022
(Certification of Appreciation)

ICAI Sustainability Reporting Awards 2021-22
: Plaque in the Integrated Reporting-Service
Sector Category

Business Sustainability award (Governance)
by Dun & Bradstreet India

Recognition



LTFH recognized as “ESG Champions of India
2023” in Dun & Bradstreet exclusive report

Acknowledged in the “List of Entities making
a positive impact on environment” by SABERA

Coverage of ESG@LTFS: Outlook Business
(March 2023) and participation as panelists
on various ESG forums

Key Achievement



Retained Constituent of the FTSE4Good
Index Series

Raised Sustainability Focused Social loan
of Rs. 380 Cr

Building ESG Conscious Organization

People | Business | Community

Environment Stewardship

Committed to environmental stewardship by responsible business conduct



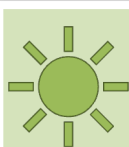
Emissions Avoided
Helped avoid 7.93 lakh+ tCO₂e emissions through renewable financing till Q4



EV Financing
100% jump in EV financing
23,539 EVs till Q4



Recycled Paper
21% of total paper consumption is recycled paper till Q4



Green Power
6x increase in consumption of green power preventing 1,327 tCO₂e until Q4

Social Responsibility

Investing in stakeholder relationships through transparent, ethical and equitable initiatives



Community Wellbeing
Supported 11.78 Lakh+ community members through CSR interventions



Employee Volunteering
171 hrs. of volunteering (virtual & physical sessions)



Value Chain Partners
Initiated assessment of ESG practices of vendor partners



Training - ESG
6,487 hours of ESG training to employees

Governance

Ensuring robust governance mechanism through accountability, compliance and oversight



Board awareness
100% of the Board trained on ESG & Infosec



Risk Framework
Framework updated to include, inter alia, enhanced ESG risks



Single entity structure
Initiated merger of entities to create one lending entity



Digitization
Monitoring of CSR project through automated tool

Corporate Social Responsibility

Uplifting Communities



Digital Financial Inclusion

11L+

DIGITAL FINANCIAL LITERACY

Community members supported through awareness on digital financial literacy

1L+

CONVERGENCE OF SOCIAL SCHEMES

Community outreached for convergence on social entitlement schemes

12%

ADOPTION OF DIGITAL PAYMENTS

Increase in the adoption of digital payment among community members through programmatic interventions

5000+

NEW WOMEN ENTREPRENEURS

New Women Entrepreneurs identified and imparted training on "Entrepreneurship Development Programme (EDP)"



Other Initiatives

50,000+

PROJECT PRAKRUTI

140 acres of land brought under horticulture plantation by planting 50,000+ saplings

250+ KI

CAPACITY BUILDING OF WATER USER GROUPS

Water replenished by providing timely training to Water User Groups in 122 villages.



16,000+

ROAD SAFETY AWARENESS

School students outreached through 20+ Road Safety awareness sessions

100+

HEALTHCARE

34,000+ beneficiaries outreached through 100 Eye Camps

Well experienced and diversified Board

BOARD OF DIRECTORS



S.N. Subrahmanyam, *Non-Executive Director, Chairperson*

- Current Managing Director and Chief Executive Officer of Larsen and Toubro Limited.
- Over 39 years of sterling experience in engineering, project management, transformative organizational leadership and a driver of digitalization.



R. Shankar Raman, *Non-Executive Director*

- Current whole time director and Chief Financial Officer of Larsen and Toubro Limited.
- Over 38 years of experience in finance, including audit and capital markets.



Thomas Mathew T., *Independent Director*

- Former Managing Director of Life Insurance Corporation of India.
- Over 41 years of experience in strategic leadership and operational experience in the Life Insurance Industry.



Dr. Rajani Gupte, *Independent Director*

- Current Vice Chancellor of Symbiosis International University, Pune.
- Over 41 years of experience in teaching and research at prestigious institutes.



Dinanath Dubhashi, *Managing Director & CEO*

- Over 31 years of experience across multiple domains in BFSI such as Corporate Banking, Cash Management, Credit Ratings, Retail Lending and Rural Financing.



S. V. Haribhakti, *Independent Director*

- Over 41 years of experience in audit, tax and consulting.
- He is also on the Board of Directors of several public and private companies.



P. V. Bhide, *Independent Director*

- Retired IAS officer of the Andhra Pradesh Cadre (1973 Batch)
- Former Revenue Secretary;
- Over 41 years of experience across various positions in the Ministry of Finance.
- He has also held various other key positions across departments.



Pavninder Singh, *Nominee Director*

- Managing Director with Bain Capital- Mumbai
- Earlier with Medrishi.com as Co-CEO and Consultant at Oliver Wyman.
- Over 24 years of experience.

Management Team



Dinanath Dubhashi
Managing Director & CEO
33 yrs exp, BNP Paribas, SBI Cap, CARE Ratings



Sachinn Joshi
Group CFO
33 yrs exp, Aditya Birla
Financial Services, Angel Broking,
IL&FS



Raju Dodti
CE – Wholesale Finance
25 yrs exp, IDFC, Rabo, ABN
Amro, Soc Gen



Rupa Rege Nitsure
Group Chief Economist
34 yrs exp, ICICI, Bank of Baroda



Tushar Patankar
Group Chief Risk Officer
28 yrs exp, Bajaj Finserv, ABN Amro,
HSBC, ANZ, IDFC Bank, ICICI Bank



Santosh Parab
General Counsel
30 yrs exp, IDBI, IDFC, Altico



Sanjay Garyali
CE – Urban Finance
27 yrs exp, Kotak Mahindra Bank,
HDFC Bank, GE Consumer Finance



Abhishek Sharma
Chief Digital Officer
18 yrs exp, Indian Army



Sonia Krishnankutty
CE – Rural Business Finance
24 yrs exp, Bank of Baroda



Apurva Rathod
Group Head - Secretarial & CSR and
Sustainability
21 yrs exp, Fidelity AMC, Kotak
Mahindra AMC



Asheesh Goel
CE – Farmer Finance
29 yrs exp, Citibank NA

Thank You