

July 19, 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 July 14, 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.lfs.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 – Q1FY24



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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



Agenda

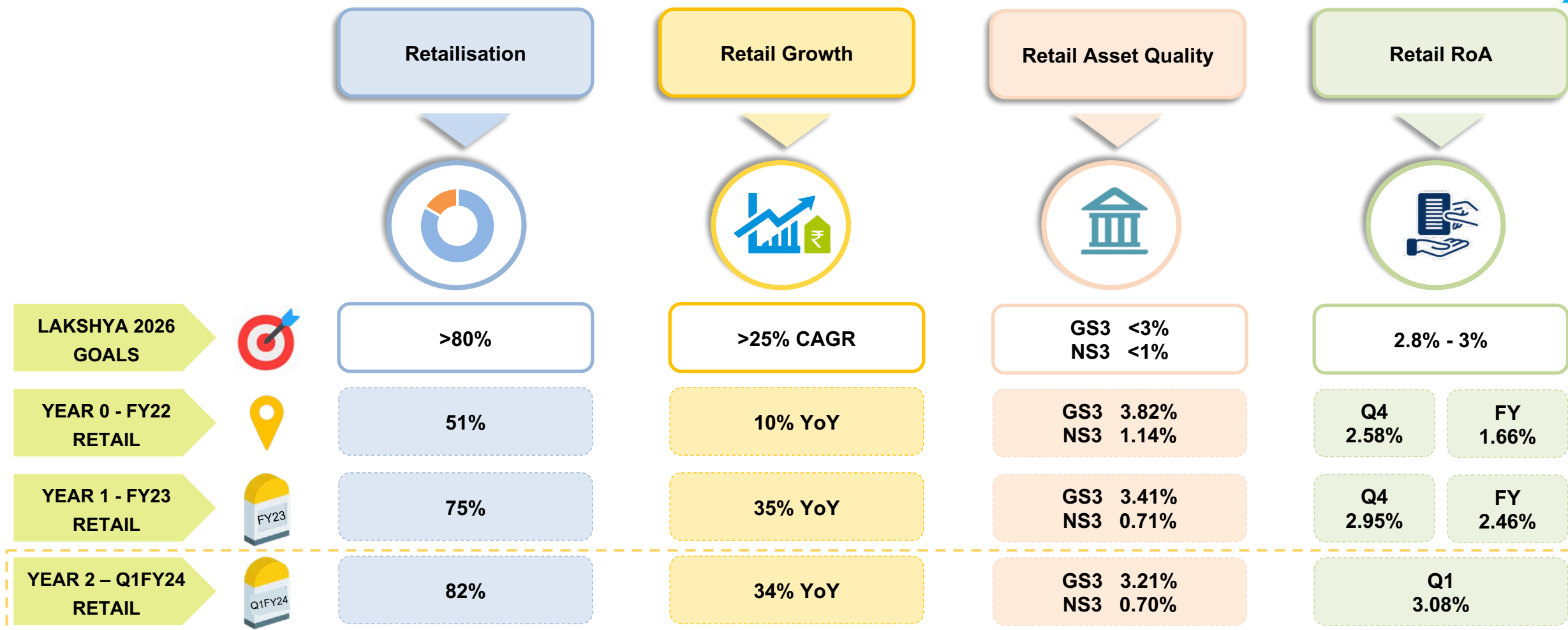
A Journey towards Lakshya 2026

Q1FY24 in Perspective

Fintech@Scale Update

B Annexures

Performance against Lakshya 2026 goals – Q1FY24

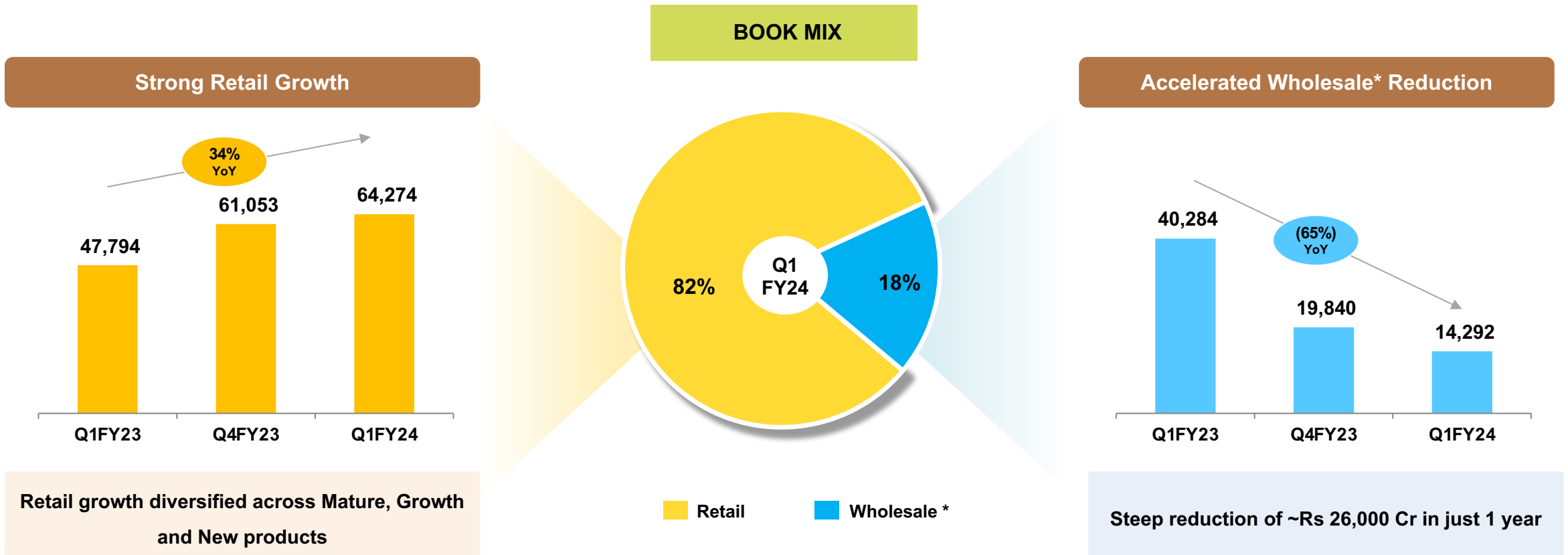


Lakshya was launched in April 2022. Year 0 refers to the financial year 2021-22 which is before the launch of Lakshya strategy

Poised to achieve Lakshya goals ahead of FY26

Retailisation: Growth in Retail and reduction in Wholesale

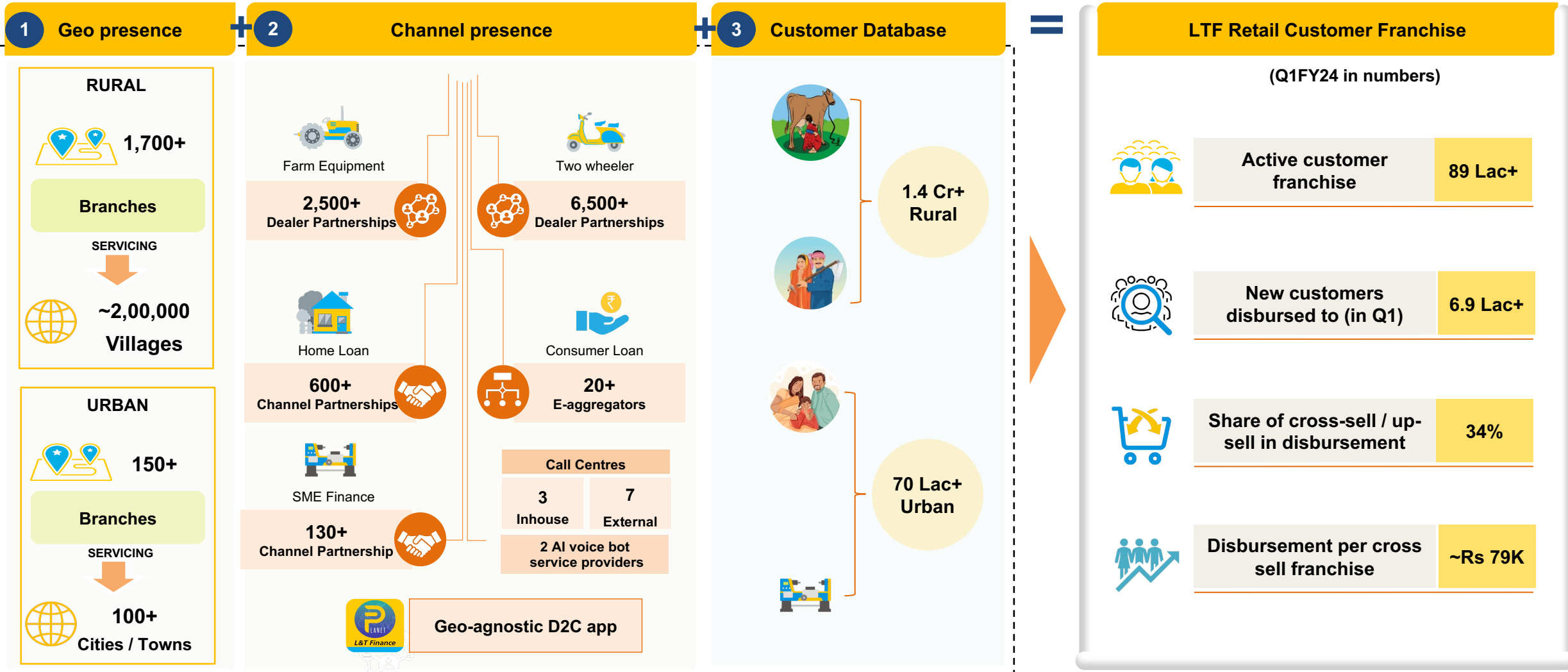
in Rs Cr



Achieved Lakshya 2026 goal of >80% Retailisation 3 years in advance

Retail: A deep pan India franchise

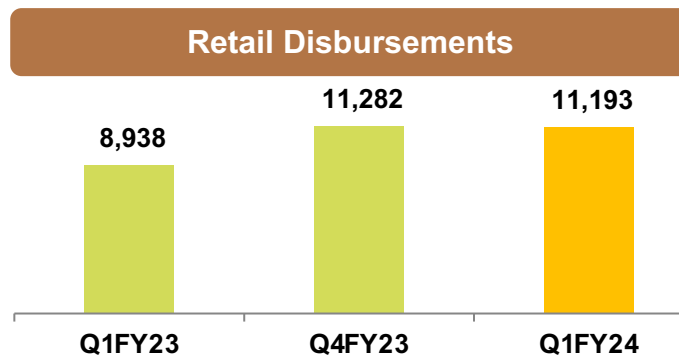
in nos.



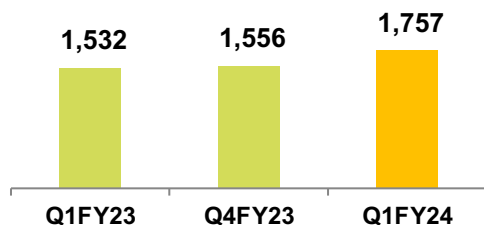
8 Active customers refers to customers having balance outstanding on book

Translating to a robust Retail disbursement growth of 25% YoY

in Rs Cr



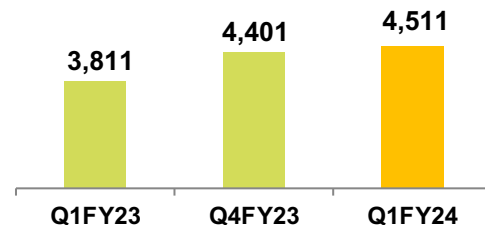
Farmer Finance



- Enhanced customer retention through Kisan Suvidha top-up & Refinance
- Launched end-to-end digital journey for Warehouse Receipt Finance (pilot) across 4 states, catering to 14 select commodities



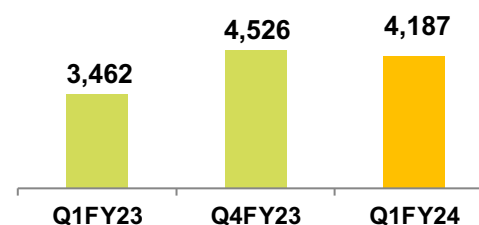
Rural Business Finance



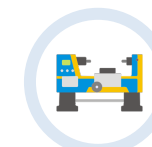
- Deepening geo-presence in under-penetrated markets
- Strengthening customer retention with a healthy share of vintage borrowers
- Initiated Rural LAP pilot in Madurai district of Tamil Nadu



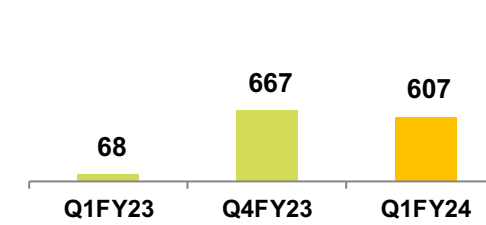
Urban Finance



- SKL+VIP penetration reached 30%, thus increasing the share of better credit customers
- Focus on increasing the contribution from LAP and SENP



SME Finance



- Geographical footprint extended to 28 locations from 16 locations in Q4FY23
- Expansion of channel ecosystem through digital initiatives

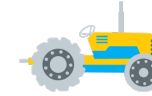
Strong growth witnessed across all Retail segments

Translating to a robust Retail disbursement growth of 25% YoY (1/3)

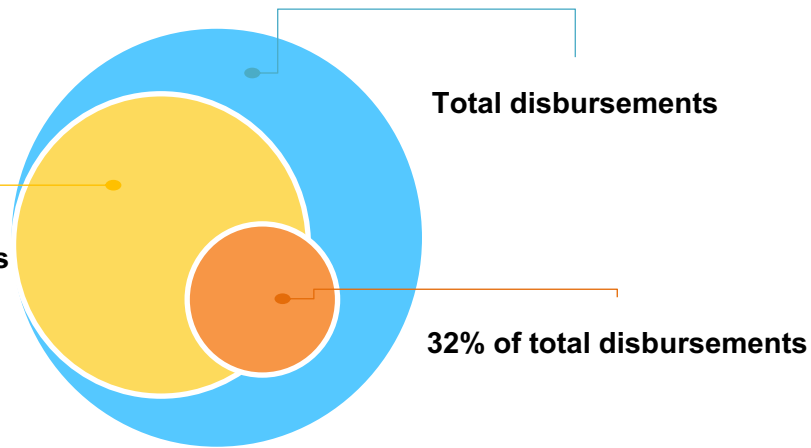
Delivered through optimum mix of customer retention & cross sell



Rural Group Loans & Micro Finance



Farm Equipment Finance

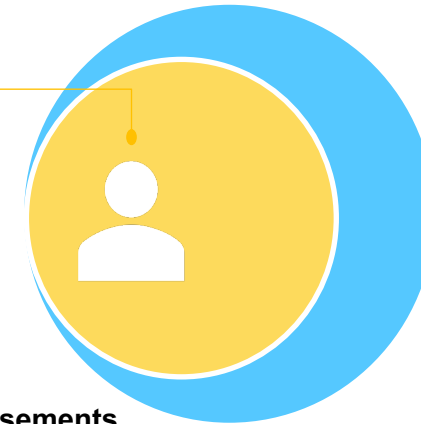


● Total disbursements ● Repeat customer share ● LTF exclusive customer share

Rs 4,511 Cr Rs 2,773 Cr Rs 1,444 Cr

Repeat disbursements are only to '0 DPD' customers

Higher customer retention through focused targeting



Analytics driven dealer relationships for higher counter share

● Total Fresh disbursements + Kisan Suvidha = Total disbursements

Rs 1,425 Cr Rs 332 Cr Rs 1,757 Cr

↓

● Top dealers share Customer retention through top up products

Rs 997 Cr 19%

Translating to a robust Retail disbursement growth of 25% YoY (2/3)

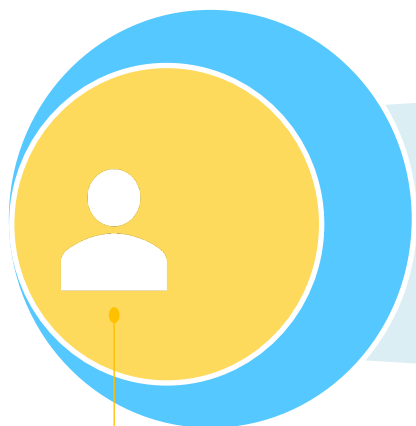
Delivered through optimum mix of customer retention & cross sell



Two wheeler Finance



Consumer Loans



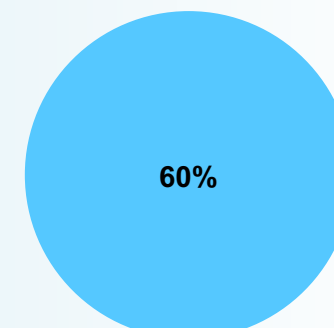
53% of total disbursements

Created Consumer Loans product from 2W for cross sell / up sell



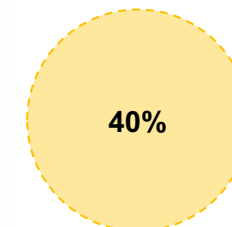
● Total disbursements
Rs 1,726 Cr

● Top dealers share
Rs 922 Cr



2W Loyalty / Top up customers / PLANET
Rs 697 Cr

Leveraging existing 2W customer database



e-aggregator
Rs 465 Cr

Scaling up e-aggregator as a new channel



Total disbursements
Rs 1,162 Cr

Analytics driven dealer relationships for higher counter share

Translating to a robust Retail disbursement growth of 25% YoY (3/3)

Delivered through optimum mix of customer segments

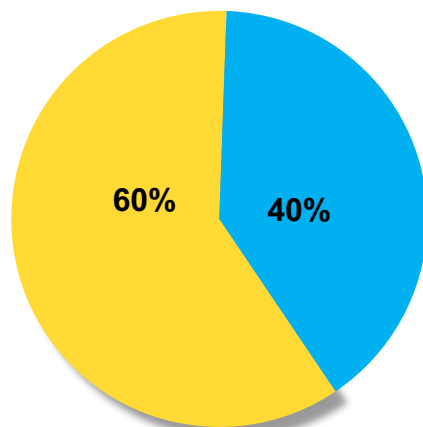


Home Loans & LAP

URBAN



SME Finance



● Salaried

Rs 782 Cr



● Self Employed

Rs 518 Cr

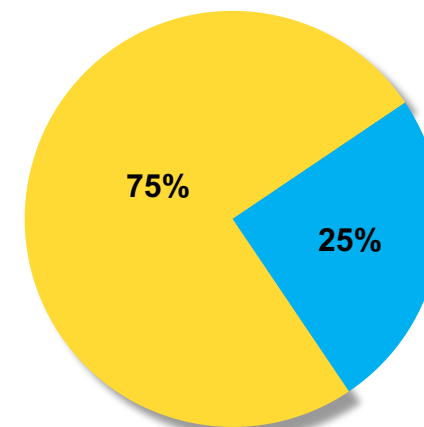


Total disbursements

Rs 1,299 Cr

Balancing customer mix for optimum returns

Diversifying channel mix



● Small Business

Rs 455 Cr



● Self-Employed Professionals (e.g. Doctors, CAs)

Rs 152 Cr



Total disbursements

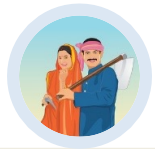
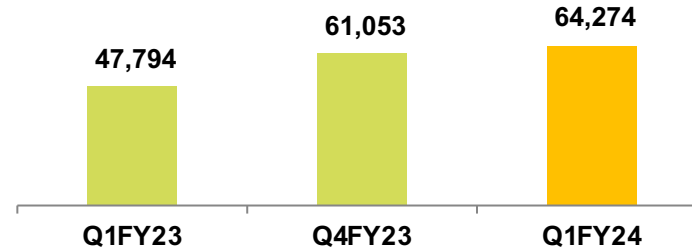
Rs 607 Cr

Leveraging channel partnerships and own branch network to grow in desired segments

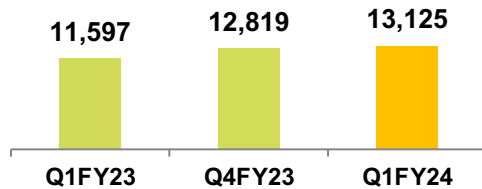
Leading to Retail book growth of 34% YoY

in Rs Cr

Retail Book



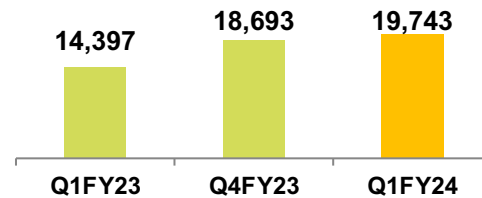
Farmer Finance



- Business scale-up by improving on-field productivity led by performance and potential mapping
- Growth through proactive portfolio management using digital and data analytics



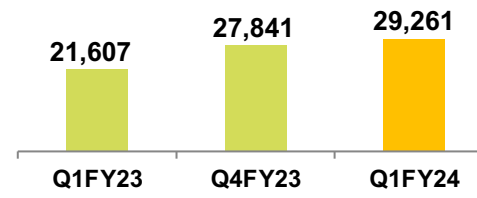
Rural Business Finance



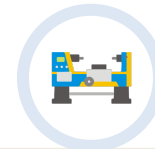
- Augmented offerings to exclusive customers through Pragati loan product
- Leveraging data analytics for objective decision making and prudent portfolio management



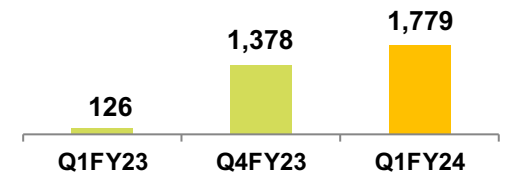
Urban Finance



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



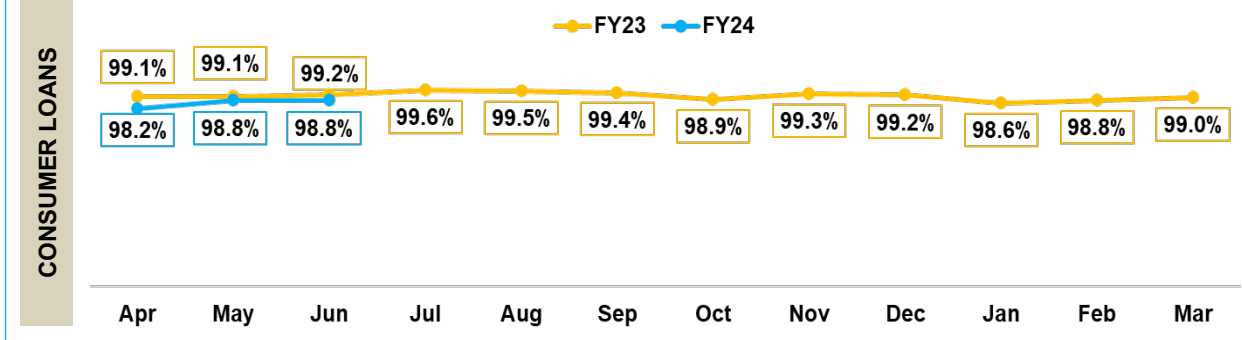
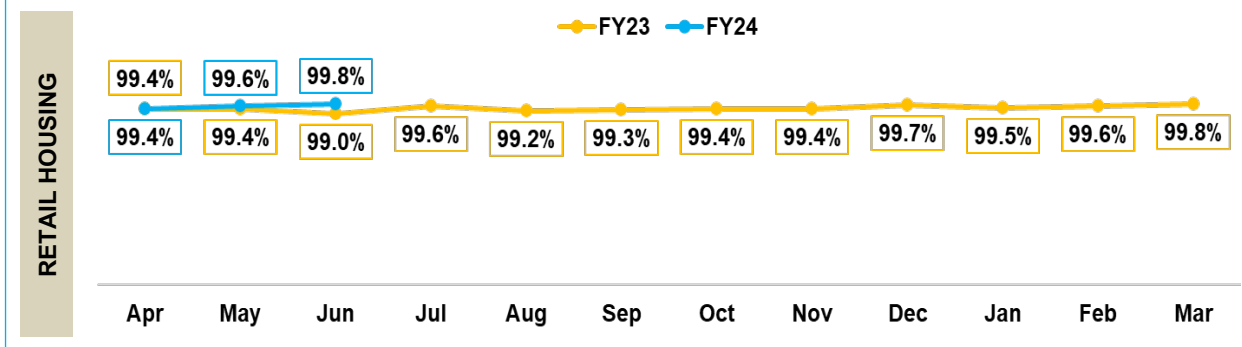
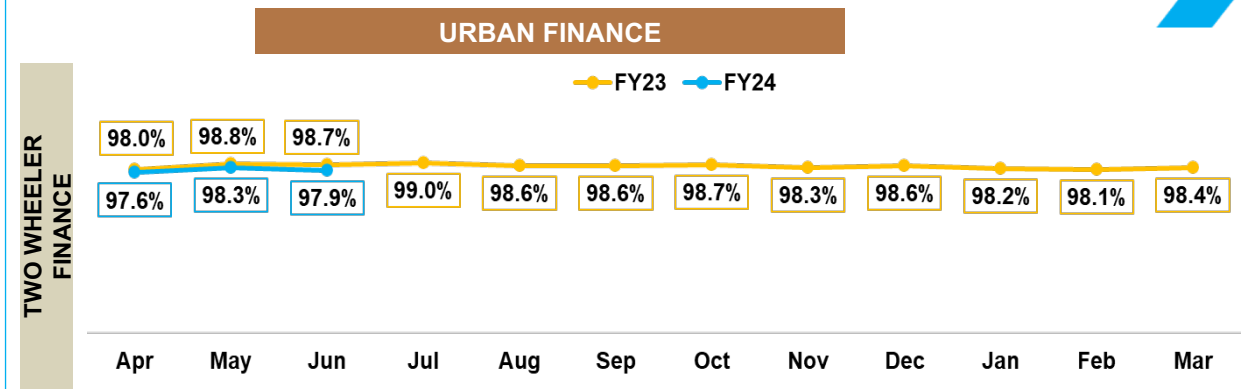
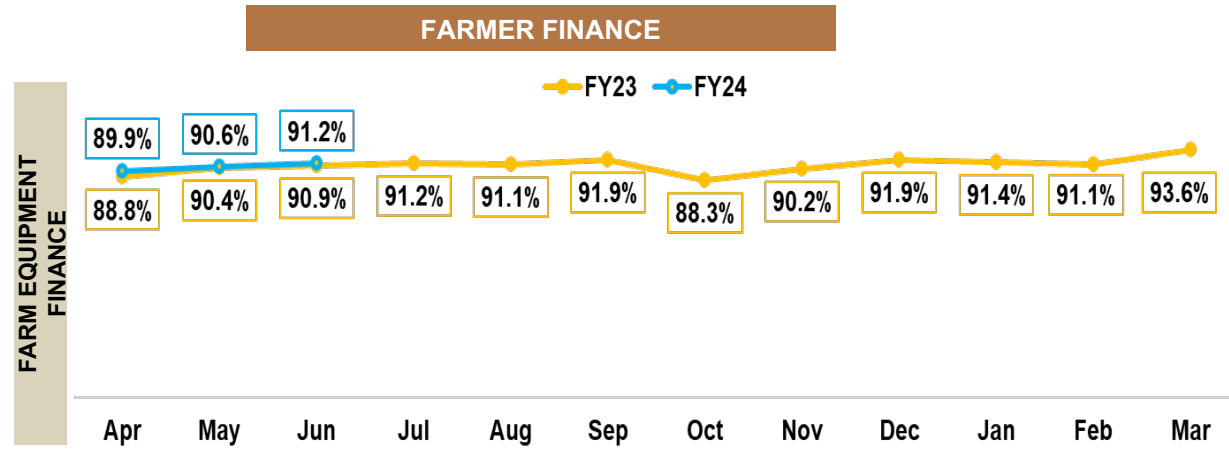
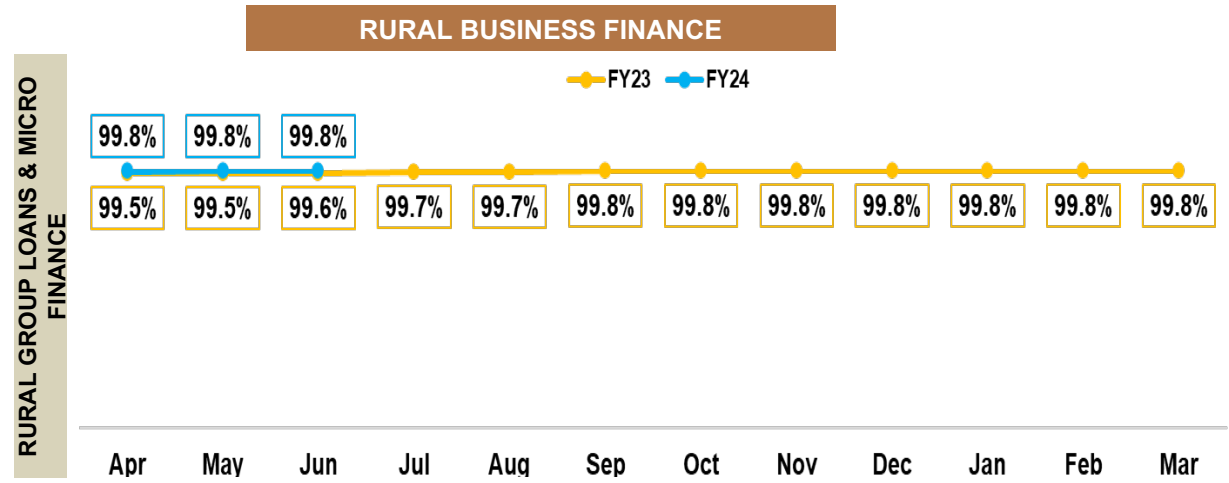
SME Finance



- Concerted efforts towards digitization & channel expansion helped scale-up
- Crossed the milestone booksize of Rs. 1,500 Cr

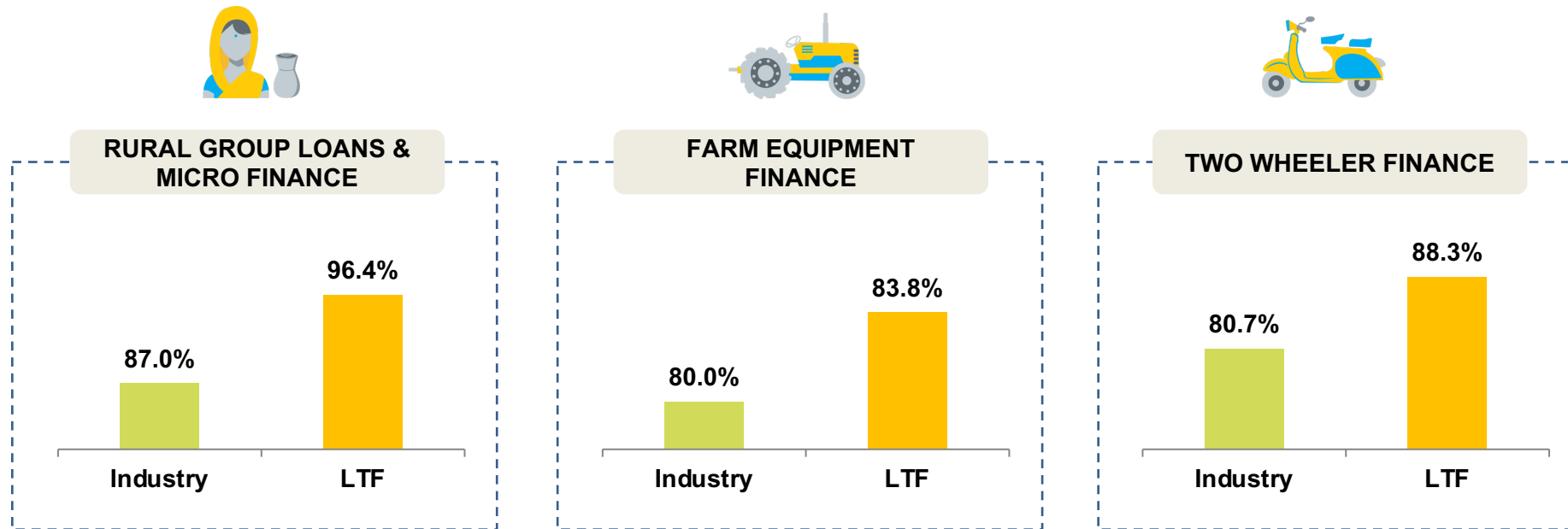
Strong growth witnessed across all Retail segments

While displaying superior collection efficiencies over time



14 Rural Group Loans & Micro Finance both were part of erstwhile Micro Loans; the split has been made following RBI circular on MFIs
 Regular CE = cashflow received from 0 dpd customer for billing / billing of 0 dpd customer

...& best-in-class '0 DPD' across flagship products



Best-in-class 0 DPD portfolio of LTF vis-à-vis the Industry

... resulting in pristine Retail Asset Quality (1/2)

Stagewise assets & provision summary

G R O S S A S S E T S	Stage wise (in Rs Cr)	Q1FY23	Q1FY23 (% of Total)	Q4FY23	Q4FY23 (% of Total)	Q1FY24	Q1FY24 (% of Total)
	Stage 1	43,794	91.63%	57,356	93.95%	60,480	94.10%
	Stage 2	2,273	4.76%	1,616	2.65%	1,731	2.69%
	Stage 3	1,727	3.61%	2,081	3.41%	2,063	3.21%
	Total	47,794	100%	61,053	100%	64,274	100%

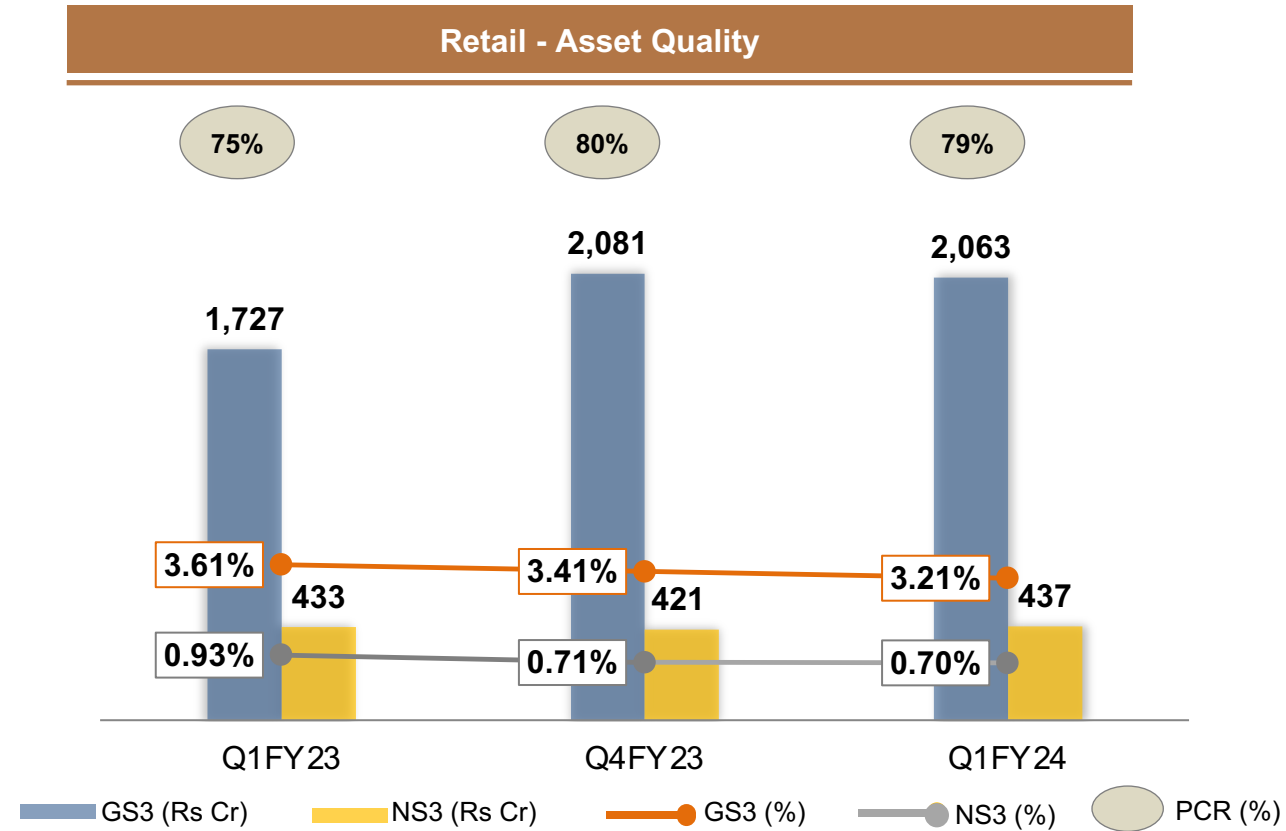
P R O V I S I O N	Stage wise (in Rs Cr)	Q1FY23	Q1FY23 (% PCR)	Q4FY23	Q4FY23 (% PCR)	Q1FY24	Q1FY24 (% PCR)
	Stage 1	282	0.64%	298	0.52%	381	0.63%
	Stage 2*	1,224	53.86%	1,207	74.67%	1,254	72.43%
	Stage 3	1,295	74.94%	1,659	79.75%	1,626	78.81%
	Total	2,800	5.86%	3,164	5.18%	3,261	5.07%

N E T A S S E T S	Stage wise (in Rs Cr)	Q1FY23	Q1FY23 (% of Net Assets)	Q4FY23	Q4FY23 (% of Net Assets)	Q1FY24	Q1FY24 (% of Net Assets)
	Stage 1	43,512	91.58%	57,059	93.92%	60,099	94.06%
	Stage 2	1,049	2.25%	409	0.68%	477	0.76%
	Stage 3	433	0.93%	421	0.71%	437	0.70%

*Stage 2 provisions include Macroprudential provisions

Stage wise book and corresponding provisions is based on customer dpd

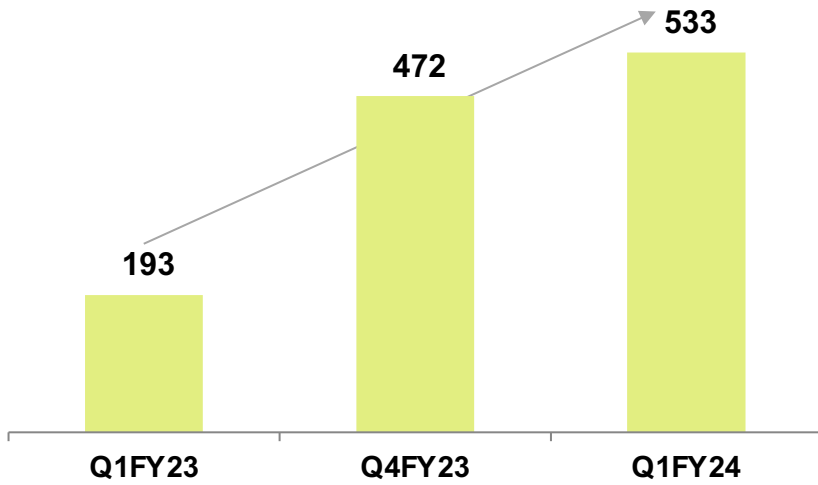
... resulting in pristine Retail Asset Quality (2/2)



For sustainable Retail PAT & RoA

Retail - PAT

in Rs Cr



Q1FY24 ROA TREE

LAKSHYA 2026 ROA TREE



NIMs + Fees

11.71%

11%



Opex

4.33%

4%



Credit cost

2.78%

3%



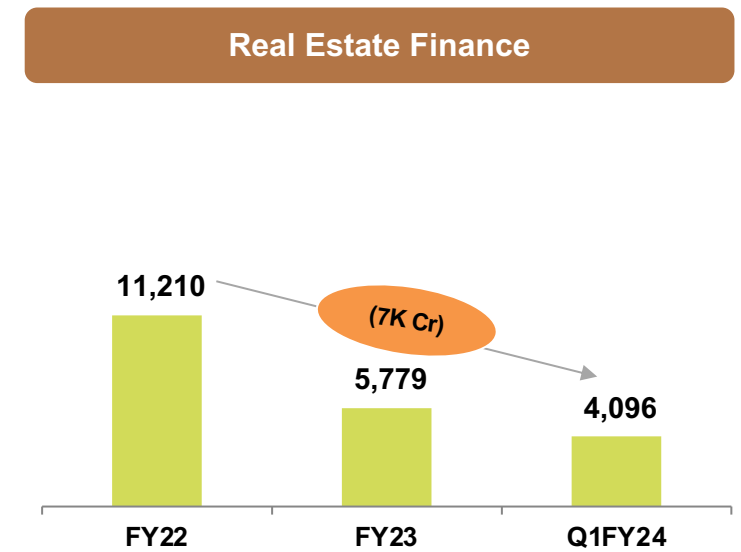
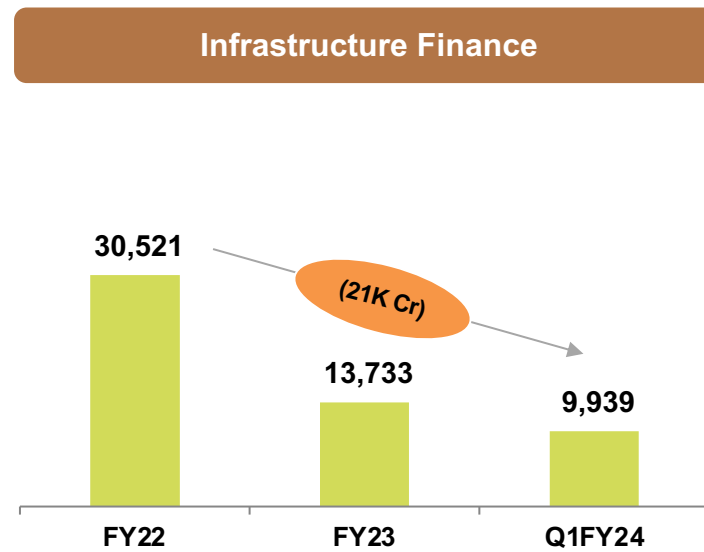
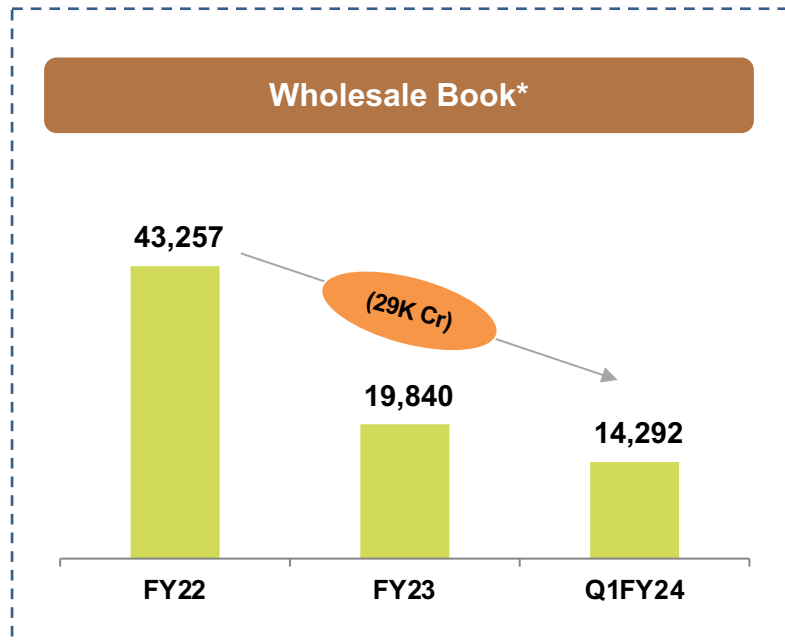
RoA

3.08%

2.8 - 3%

Coupled with rapid reduction in Wholesale book

in Rs Cr



Agenda

A Journey towards Lakshya 2026

Q1FY24 in Perspective

Fintech@Scale Update

B Annexures

App as a powerful digital channel for customer

PLANET App Features

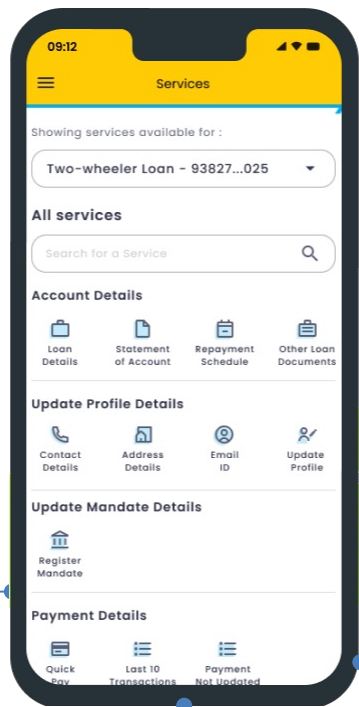


OUR 'PLANET' APP FEATURES (Launched in March 2022)

Completed In Progress

Servicing features

- View Loan Account Details
- Download SOA & Update Profile
- Download Repayment Schedule
- Download Interest Certificate
- Download Welcome Kit
- Update Mandate Details



Engagement features

- Mandi Price (Farm customer)
- Insurance Marketplace
- Credit Score

Autonomous journeys

- D2C journey for Consumer Loan
- D2C journey for 2W Loan

- D2C journey for Farm Top Up
- Rewards & Referrals
- Utility Payments
- D2C journey for Rural Group Loans & Micro Finance

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

App as a powerful digital channel for customer

PLANET App: Service Measurement Metrics upto Q1FY24 Update



Rs. 360 Cr+
Collections



Rs. 3,000 Cr+
Sourcing



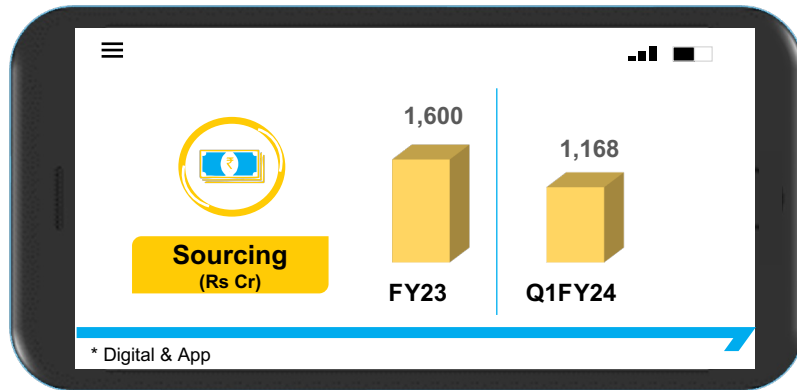
67 Lac+
Servicing Experience



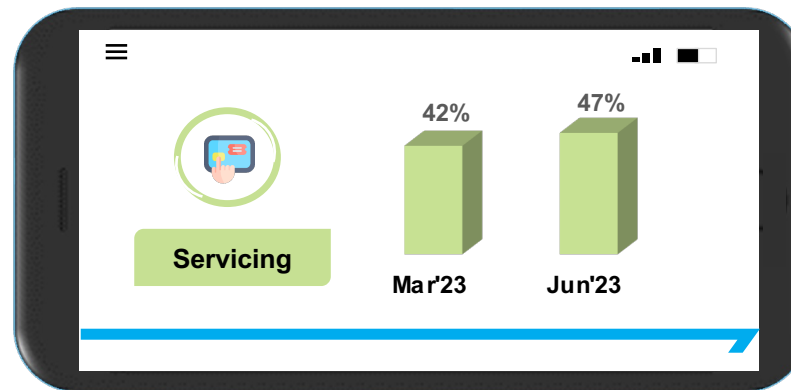
4.3 Lac+
Rural Customers



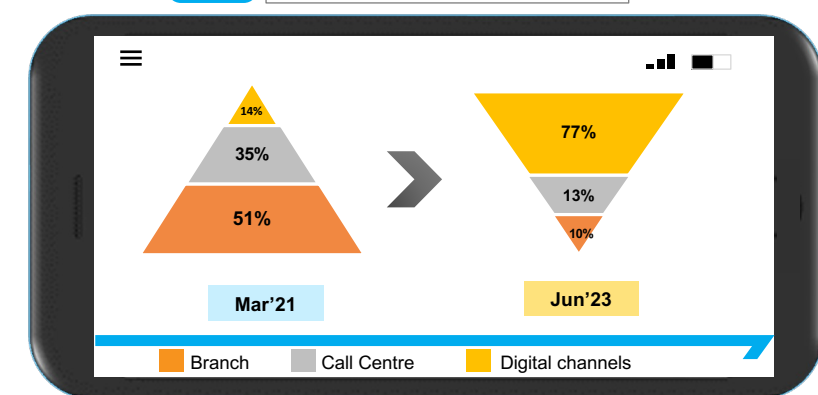
Geo-agnostic Sourcing



Self Servicing



Servicing channels



SOA Downloads

31 Lac +



Repayment Schedule

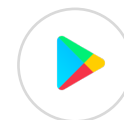
22 Lac +



Credit Score

19 Lac +

44,00,000+ Downloads



41,84,636 Downloads

4.2 ★★★★★



2,27,636 Downloads

4.3 ★★★★★

Developing Digital Finance Delivery as a customer value proposition

Q1FY24 Update

Digital Delivery: Touching every part of the customer ecosystem



100%

Paperless Journey in Rural Group Loans, 2W Finance, Farm Equip. Finance, Consumer Loans



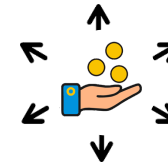
100%

Digital Disbursements (Rural + Urban)



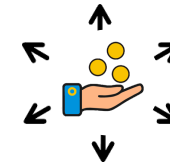
97%

eNACH Penetration (Urban)



14%

Digital Collections (Rural)



93%

Digital Collections (Urban)

Customer focused digital first approach in not only Urban but also in Rural

Conclusion

Trending well on all Lakshya 2026 goals



Performance Update

Retail disbursements at
Rs. 11,193 Cr (up 25% YoY)

Retail NIMs+Fees at
11.71% (up 14 bps YoY)

Consol PAT at
Rs. 531 Cr (up 103% YoY)

Merger Update: Single Lending Entity Structure

Merger of LTF & LTICL with LTFH

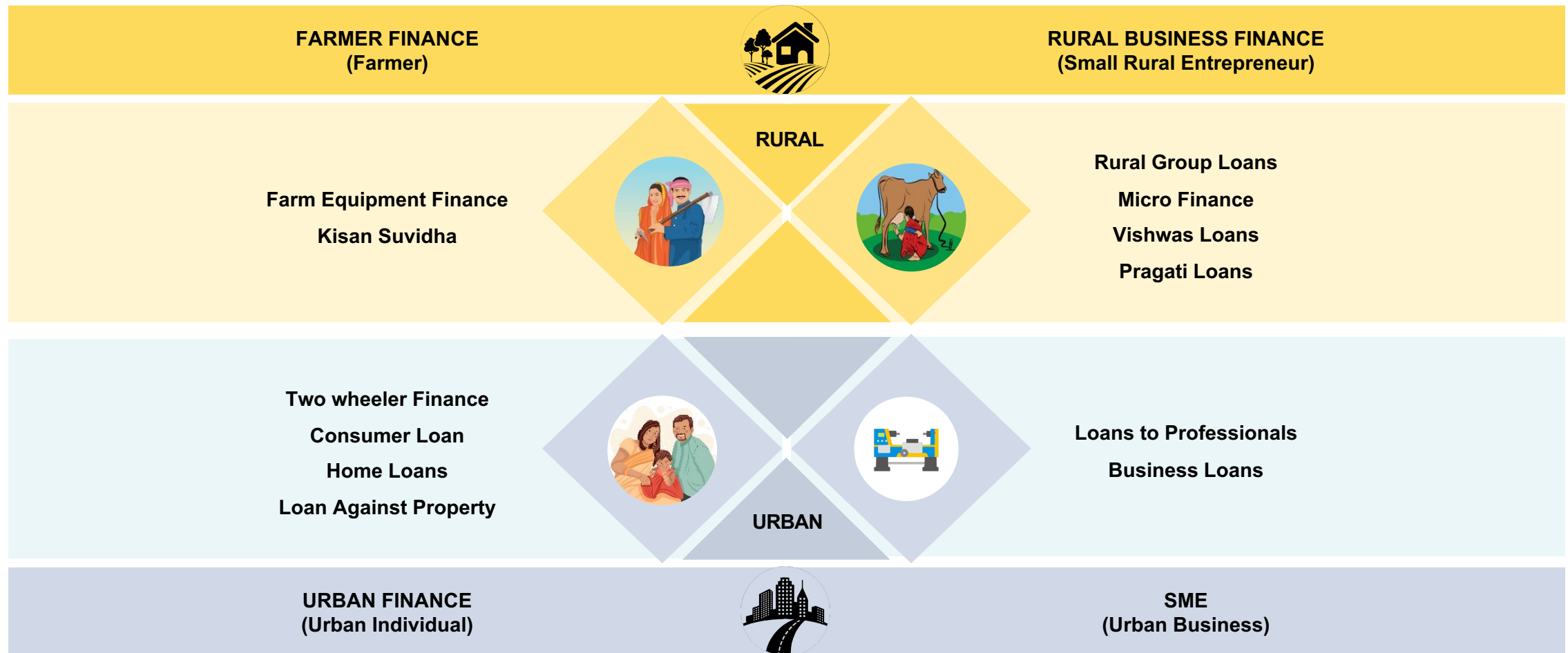
RBI	SEBI	Stock exchange	NCLT
✓	✓	✓	—
Final Approval	In-principle approval	Final Approval	Application filed with NCLT Mumbai & Kolkata
			NCLT directions received for convening relevant meetings
			✓
			✓

Annexures

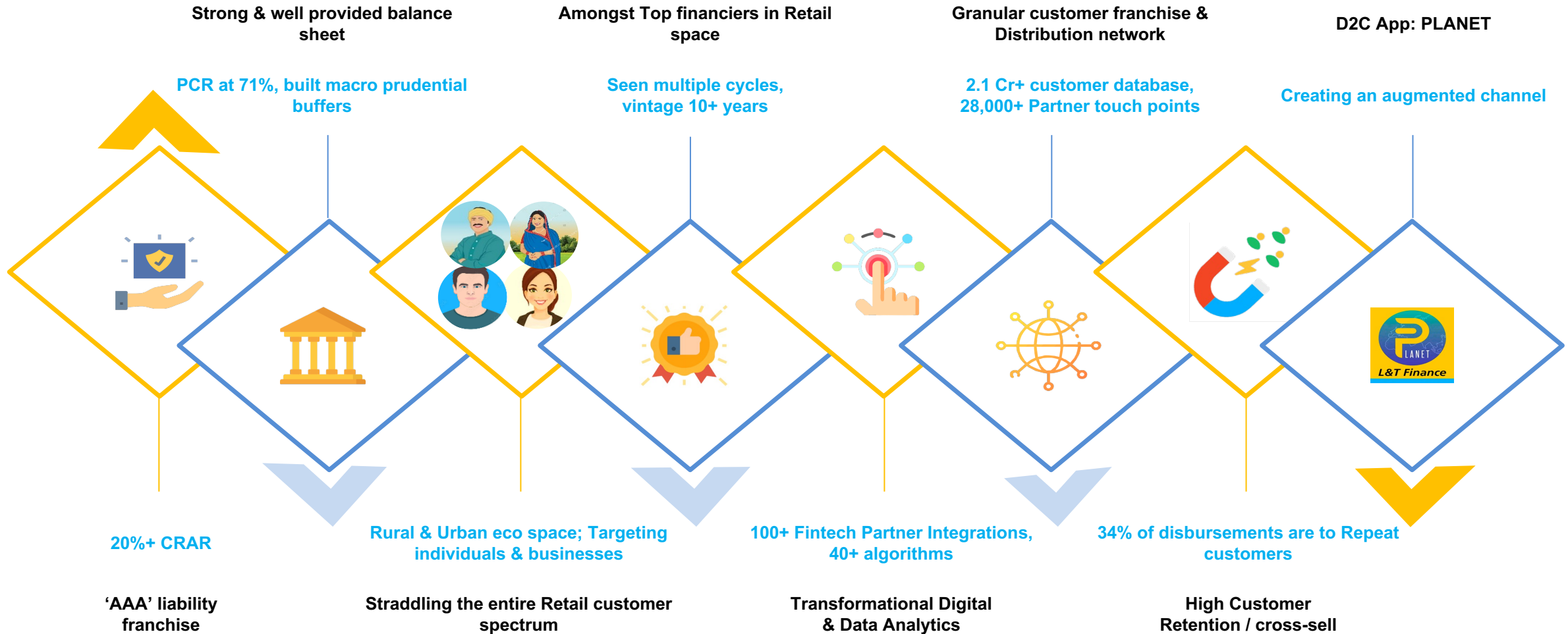
Index of Annexures

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

A Retail franchise built over a decade



... backed by established sustainable differentiators



Helped create winning products for over a decade

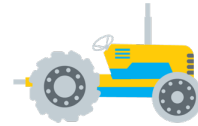
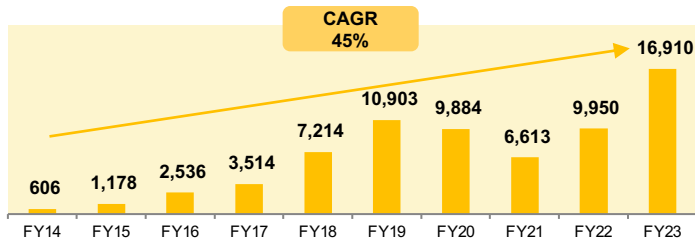
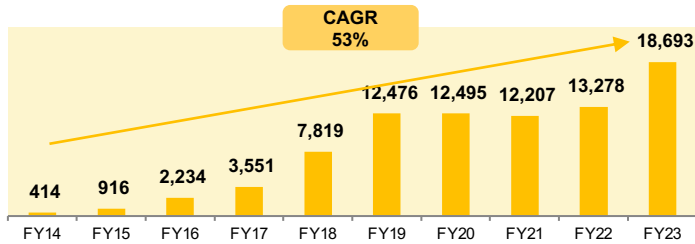
in Rs Cr



Rural Group Loans & Micro Finance

14+ years of Vintage

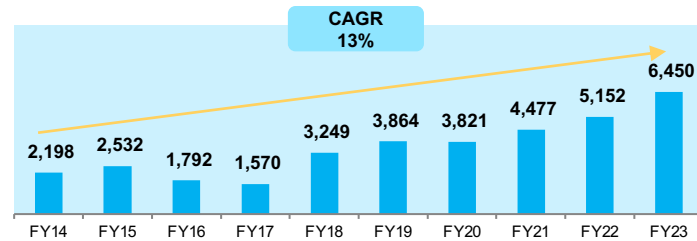
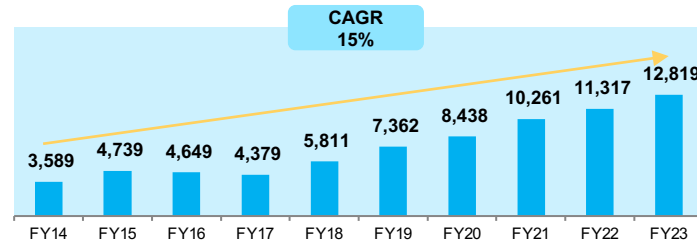
1.3 Cr+ customers serviced in rural India



Farm Equipment Finance

18+ years of Vintage

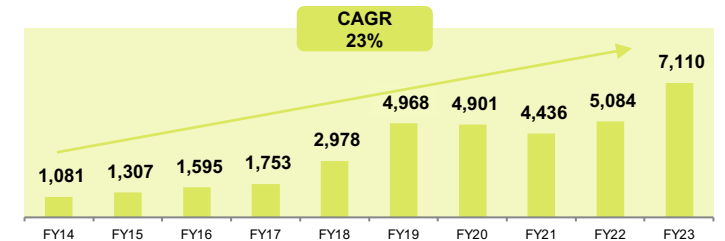
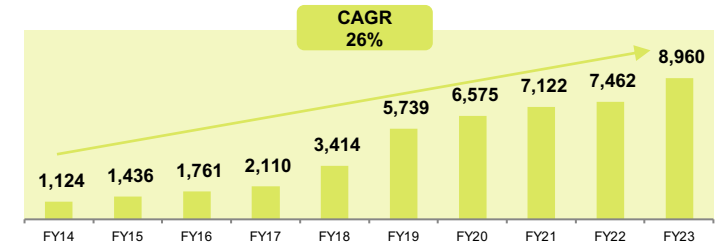
11 Lac+ customers serviced in rural India



Two wheeler Finance

10+ years of Vintage

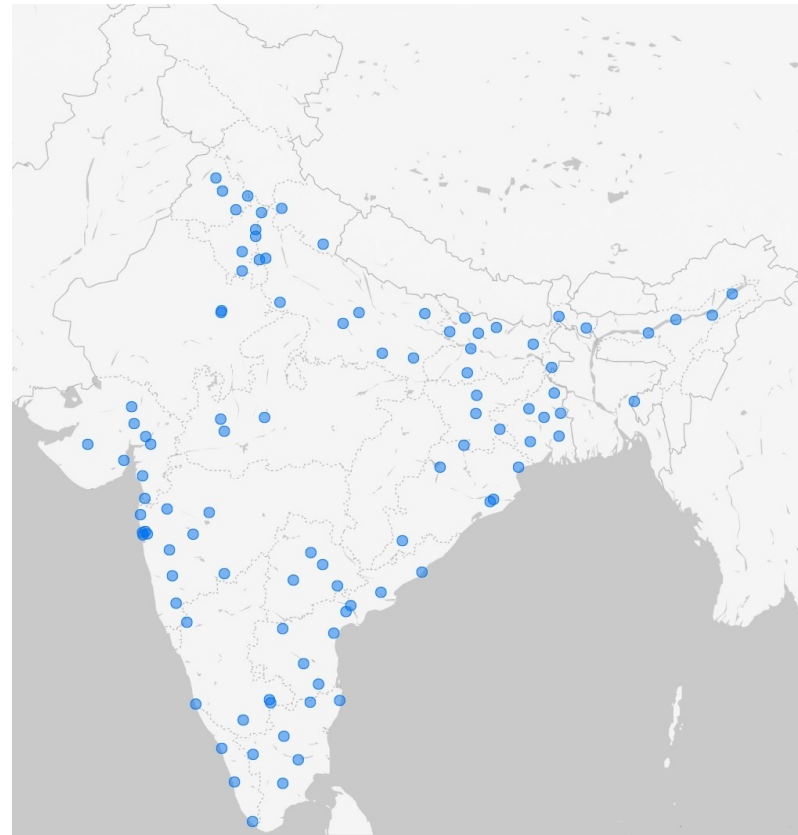
65 Lac+ customers serviced in urban India



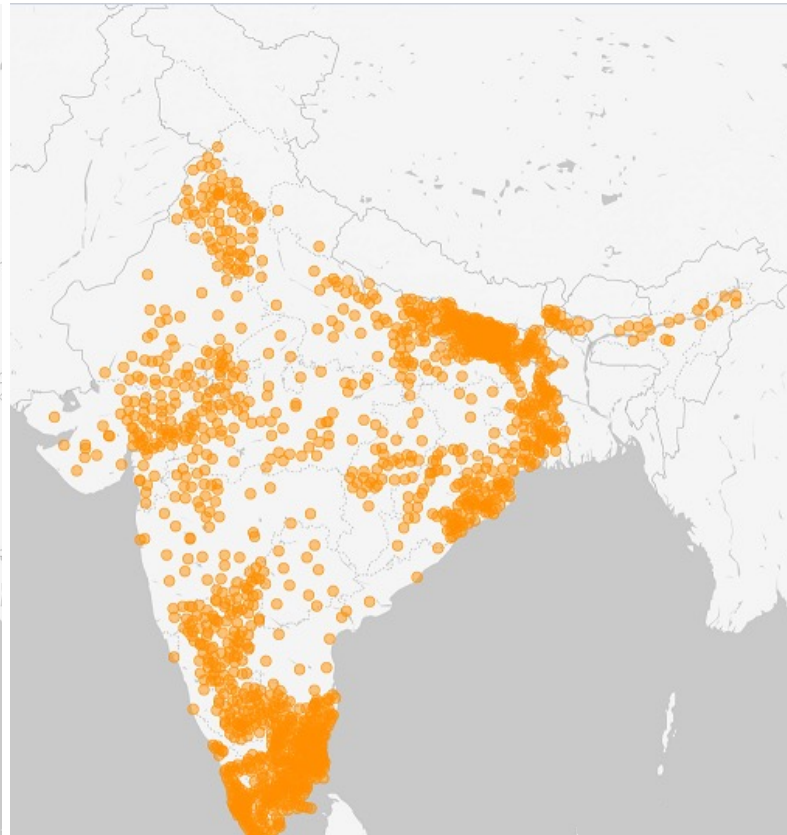
On the back of a granular distribution network

20 States
2 UT
100+ Cities / Towns

18 States
1 UT
~2,00,000 Villages



LTF Urban Network



LTF Rural Network

State	Urban Branches	Rural Branches
Madhya Pradesh	14	79
Maharashtra	19	36
Uttar Pradesh	11	87
Gujarat	13	57
Karnataka	10	199
West Bengal	12	116
Andhra Pradesh	10	2
Telangana	6	5
Haryana	7	41
Rajasthan	8	60
Bihar	8	349
Punjab	4	42
Odisha	6	122
Tamil Nadu	7	370
Kerala	3	91
Others	15	58
Pan India	153	1,714

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
- 1.3 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 32,000 /-



Excellent Asset Quality; Conservative provisioning

- No additional top-up loans for delinquent customers
- 100% PCR on 90+ bucket
- Macro-prudential provisions



Created Strong risk guardrails

- Financier association limit – maximum 3
- Continued exposure checks & 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

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 @ 91.2%
- 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

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

- 6,500+ 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

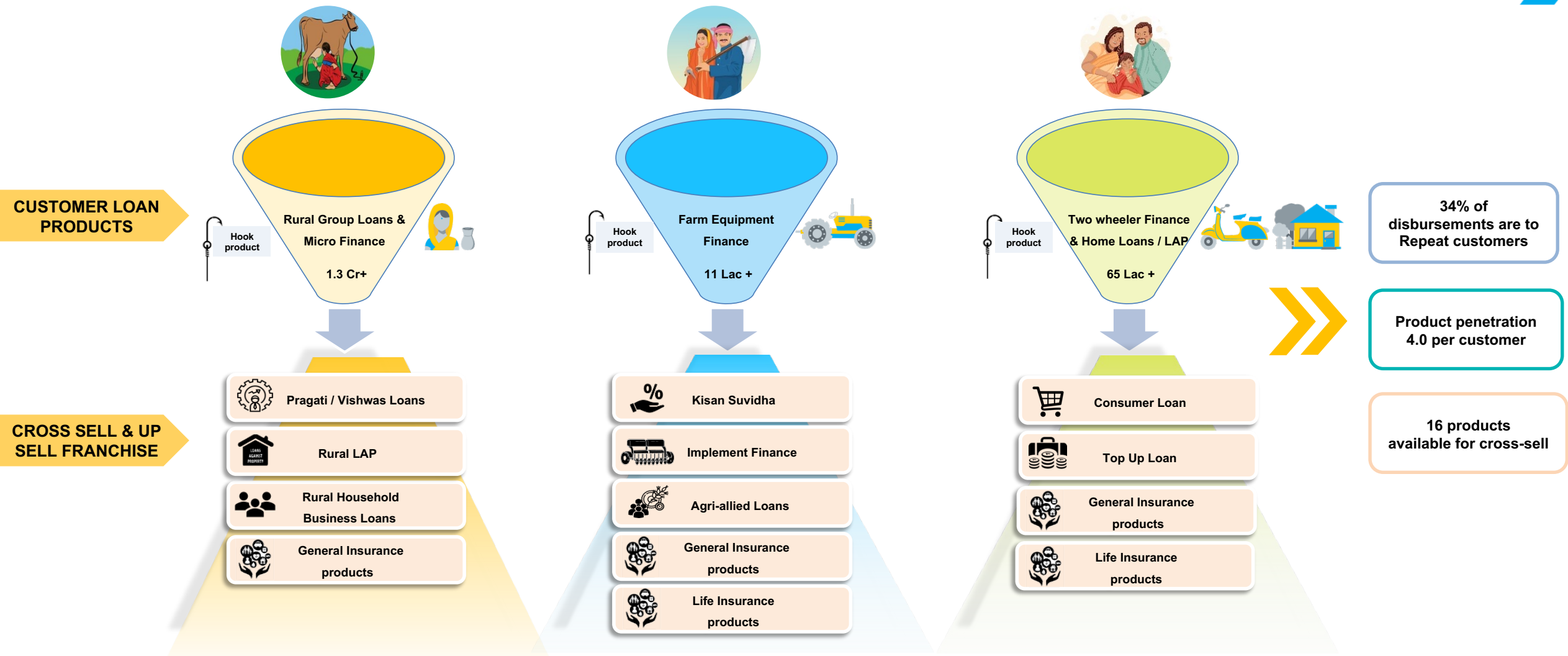
- Collection led disbursements; CE @ 97.9%
- Straight through processing
- Culture of '0 DPD'



Created Strong risk guardrails

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

Thereby creating a bespoke cross-sell & up-sell franchise

















































Harvesting our 2.1 Cr+ customer database

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

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



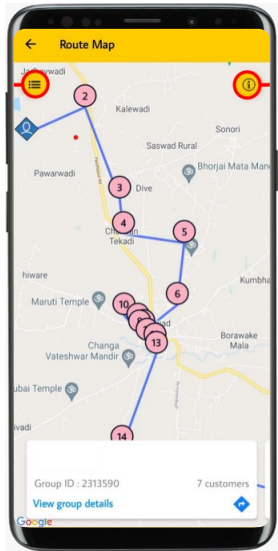
Right time for action

...through assisted apps & centralized underwriting

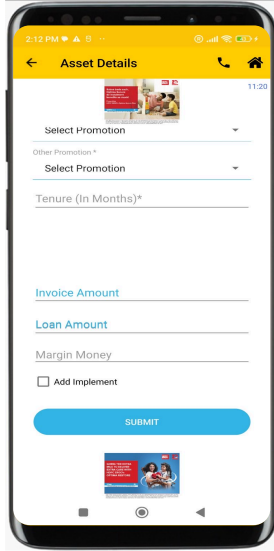
In the next phase, moved to developing assisted apps for customer loan delivery

ASSISTED APPS PROVIDING END-TO-END DIGITAL LOAN JOURNEYS

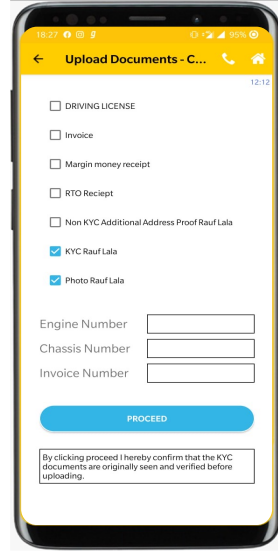
Rural Group Loans & Micro Finance



Farm Equipment Finance



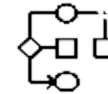
Two wheeler Finance



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



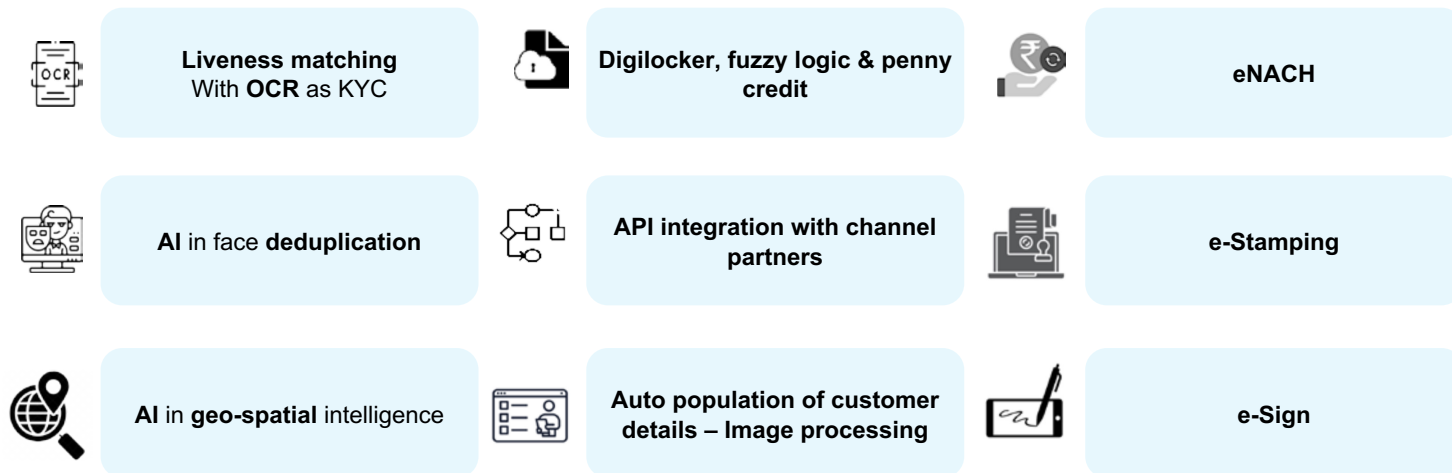
E-agreement

Used by Field level officers for Sourcing, Disbursements & Collections

Superlative Customer Experience

To deliver a best in class Customer Value Proposition

LEVERAGING CUSTOMISED DIGITAL CAPABILITIES WITH THE INDIA STACK



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



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

To create a Fintech@Scale

Fintech@Scale blueprint

Components to building a Fintech@Scale

1 Automated Process

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



2 Scalability

- Existing: Google Cloud Platform
- Strengthen: Interactive Qlik sense 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

Index of Annexures

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

Retail Lending Business – Business wise disbursement split

Disbursement				
Q1FY23	Segments (Rs Cr)	Q4FY23	Q1FY24	Y-o-Y (%)
	Farmer Finance			
1,532	Farm Equipment Finance	1,556	1,757	15%
	Rural Business Finance			
3,168	Rural Group Loans	3,888	4,240	18%
643	Micro Finance	513	271	
	Urban Finance			
1,517	Two wheeler Finance	1,727	1,726	14%
1,010	Consumer Loans	1,322	1,162	15%
857	Home Loans	1,244	1,072	25%
79	LAP	234	227	190%
68	SME Finance	667	607	-
66	Acquired Portfolio	131	130	96%
8,938	Retail Finance	11,282	11,193	25%

Retail Lending Business – Business wise book split

Book				
Q1FY23	Segments (Rs Cr)	Q4FY23	Q1FY24	Y-o-Y (%)
	Farmer Finance			
11,597	Farm Equipment Finance	12,819	13,125	13%
	Rural Business Finance			
14,397	Rural Group Loans & Micro Finance	18,693	19,743	37%
	Urban Finance			
7,488	Two wheeler Finance	8,960	9,190	23%
3,027	Consumer Loans	5,471	5,995	98%
8,369	Home Loans	10,678	11,274	35%
2,723	LAP	2,732	2,801	3%
126	SME Finance	1,378	1,779	-
66	Acquired Portfolio	322	367	-
47,794	Retail Finance	61,053	64,274	34%

Lending Business – Business wise disbursement & book split

Disbursement				
Q1FY23	Segments (Rs Cr)	Q4FY23	Q1FY24	Y-o-Y (%)
8,938	Retail Finance	11,282	11,193	25%
121	Real Estate Finance	48	132	9%
1,402	Infrastructure Finance	980	1,040	(26%)
1,522	Wholesale Finance	1,028	1,172	(23%)
10,461	Focused Business	12,310	12,365	18%
-	De-focused	-	-	-
10,461	Total Disbursement	12,310	12,365	18%

Book				
Q1FY23	Segments (Rs Cr)	Q4FY23	Q1FY24	Y-o-Y (%)
47,794	Retail Finance	61,053	64,274	34%
9,809	Real Estate Finance	5,779	4,096	(58%)
29,986	Infrastructure Finance	13,733	9,939	(67%)
39,795	Wholesale Finance	19,512	14,035	(65%)
87,589	Focused Business	80,565	78,309	(11%)
489	De-focused	328	257	(47%)
88,078	Total Book	80,893	78,566	(11%)

LTFH Consolidated – Summary financial performance

Performance Summary

Q1FY23	Summary P&L (Rs Cr)	Q4FY23	Q1FY24	Y-o-Y (%)
2,846	Interest Income	3,123	3,008	6%
1,413	Interest Expense	1,445	1,364	(3%)
1,433	NIM	1,679	1,644	15%
370	Fee & Other Income	347	323	(13%)
1,803	Total Income	2,026	1,967	9%
650	Operating Expense	787	778	20%
1,152	Earnings before credit cost	1,239	1,189	3%
795	Credit Cost	493	475	(40%)
357	PBT	746	714	100%
262	PAT	501	531	103%

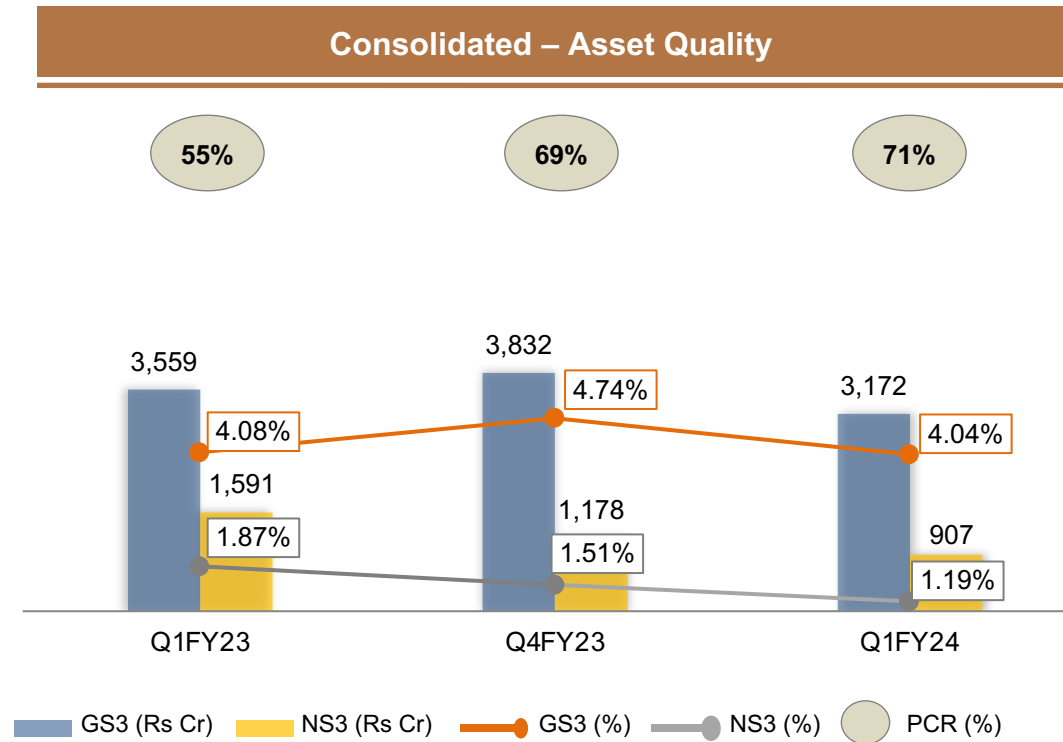
Q1FY23	Particulars (Rs Cr)	Q4FY23	Q1FY24	Y-o-Y(%)
88,078	Closing Book	80,893	78,566	(11%)
87,886	Average Book	89,231	82,059	(7%)
20,193	Networth	21,528	22,072	9%
81.6	Book Value per share (Rs)	86.8	89.0	9%
1.1	Basic Earning per share (Rs)	2.0	2.1	96%

LTFH Consolidated – Key ratios

Key Ratios			
Q1FY23	Key Ratios	Q4FY23	Q1FY24
12.99%	Yield	14.20%	14.74%
6.54%	Net Interest Margin	7.63%	8.06%
1.69%	Fee & Other Income	1.58%	1.58%
8.23%	NIM + Fee & Other Income	9.21%	9.64%
2.97%	Operating Expenses	3.58%	3.81%
5.26%	Earnings before credit cost	5.63%	5.83%
3.63%	Credit Cost	2.24%	2.33%
1.02%	Return on Assets	1.90%	2.13%
4.05	Debt / Equity (Closing)	3.86	3.42
4.04	Debt / Equity (Average)	3.85	3.50
5.18%	Return on Equity	9.37%	9.72%

Particulars	Tier I	Tier II	CRAR
Consolidated CRAR ratio	23.42%	2.33%	25.75%

LTFH Consolidated - Asset quality



Retail Finance – Summary financial performance

Performance Summary				
Q1FY23	Summary P&L (Rs Cr)	Q4FY23	Q1FY24	Y-o-Y (%)
1,807	Interest Income	2,328	2,503	39%
664	Interest Expense	899	964	45%
1,143	NIM	1,428	1,540	35%
200	Fee & Other Income	294	284	42%
1,343	Total Income	1,723	1,824	36%
500	Operating Expense	651	675	35%
844	Earnings before credit cost	1,072	1,149	36%
584	Credit Cost	437	433	(26%)
259	PBT	635	716	176%
193	PAT	472	533	176%

Q1FY23	Particulars (Rs Cr)	Q4FY23	Q1FY24	Y-o-Y(%)
47,794	Book	61,053	64,274	34%
9,051	Networth	13,211	14,299	58%

Retail Finance – Key ratios

Key Ratios				
Q1FY23	Key Ratios	Q4FY23	Q1FY24	
15.57%	Yield	16.04%	16.08%	
9.85%	Net Interest Margin	9.85%	9.89%	
1.72%	Fee & Other Income	2.03%	1.82%	
11.57%	NIM + Fee & Other Income	11.87%	11.71%	
4.30%	Operating Expenses	4.49%	4.33%	
7.27%	Earnings before credit cost	7.39%	7.38%	
5.03%	Credit Cost	3.01%	2.78%	
1.60%	Return on Assets	2.95%	3.08%	
4.50	Debt / Equity (Closing)	4.44	3.96	
4.51	Debt / Equity (Average)	4.52	4.03	
8.91%	Return on Equity	16.32%	15.67%	

Wholesale Finance – Summary financial performance

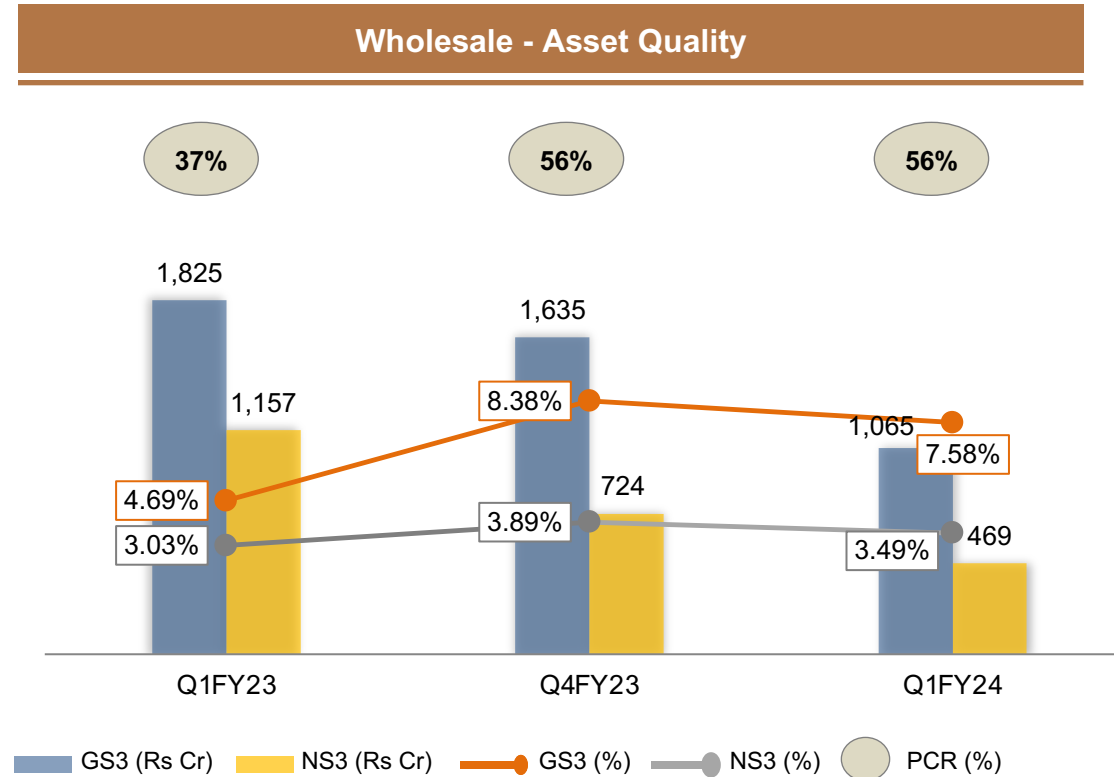
Performance Summary				
Q1FY23	Summary P&L (Rs Cr)	Q4FY23	Q1FY24	Y-o-Y (%)
1,000	Interest Income	787	500	(50%)
731	Interest Expense	576	424	(42%)
269	NIM	211	75	(72%)
89	Fee & Other Income	42	28	(69%)
358	Total Income	253	103	(71%)
109	Operating Expense	96	96	(11%)
249	Earnings before credit cost	157	7	(97%)
173	Credit Cost	15	45	(74%)
76	PBT	142	(39)	-
57	PAT	50	(28)	-

Q1FY23	Particulars (Rs Cr)	Q4FY23	Q1FY24	Y-o-Y(%)
39,795	Book	19,512	14,035	(65%)
8,614	Networth	5,851	5,272	(39%)

Wholesale Finance – Key ratios

Key Ratios				
Q1FY23	Key Ratios	Q4FY23	Q1FY24	
9.93%	Yield	10.63%	10.51%	
2.67%	Net Interest Margin	2.85%	1.59%	
0.88%	Fee & Other Income	0.57%	0.58%	
3.55%	NIM + Fee & Other Income	3.42%	2.17%	
1.08%	Operating Expenses	1.30%	2.02%	
2.47%	Earnings before credit cost	2.12%	0.14%	
1.72%	Credit Cost	0.20%	0.96%	
0.45%	Return on Assets	0.50%	(0.39%)	
4.94	Debt / Equity (Closing)	4.29	3.79	
4.70	Debt / Equity (Average)	4.48	3.94	
2.69%	Return on Equity	2.85%	(1.94%)	

Wholesale Finance – Asset Quality

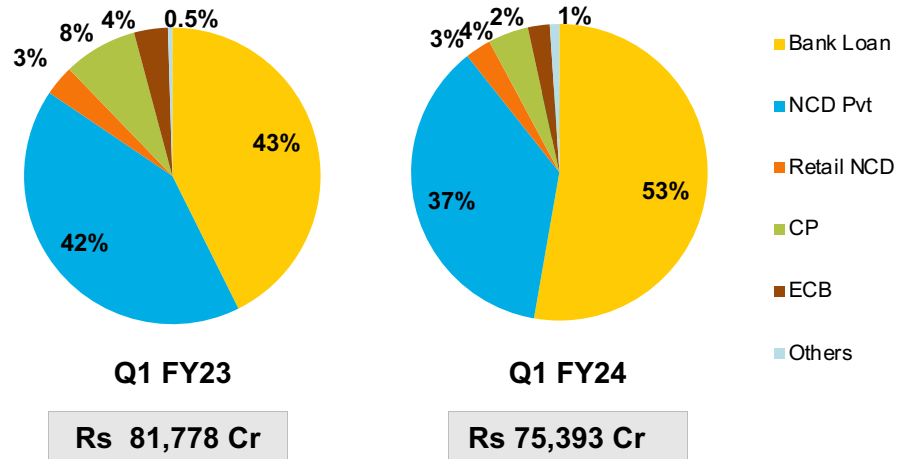


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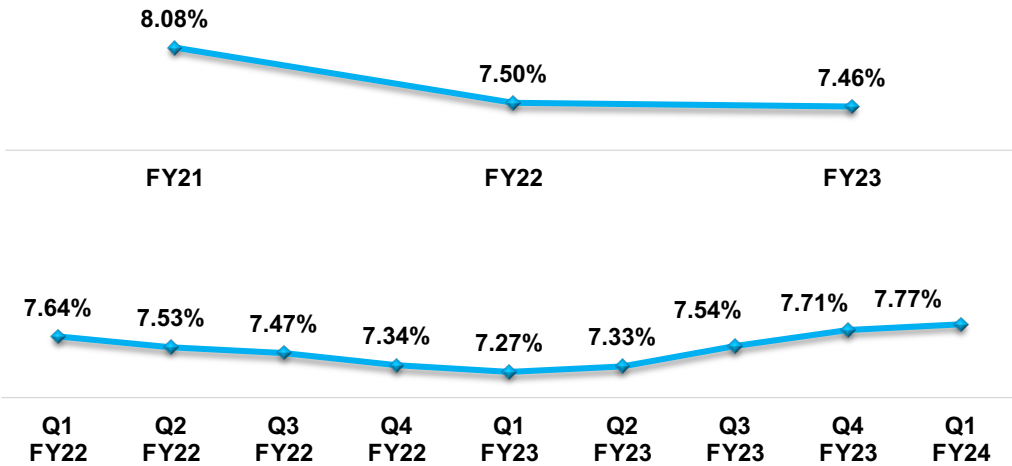
- I Our dominant Retail Franchise built over a decade
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Astute Asset Liability Management

DIVERSIFIED LIABILITY MIX



WEIGHTED AVERAGE COST OF BORROWING (WAC)



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

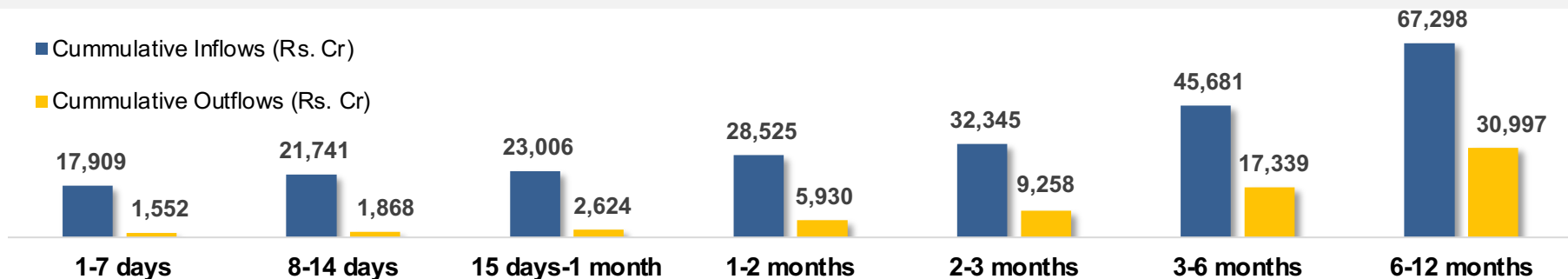


Leveraged Priority Sector Loans

Steady in times of rising interest rate environment

Prudent ALM - as on June 2023

Structural Liquidity statement



Cumulative Positive Gap	16,357	19,873	20,383	22,595	23,087	28,341	36,302
Cumulative (%)	1054%	1064%	777%	381%	249%	163%	117%

Interest Rate sensitivity statement

1 year Gap	Rs. Cr
Re-priceable assets	62,427
Re-priceable liabilities	46,195
Positive	16,231

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

ESG : Accelerating towards Lakshya (1/2)

Retail | Digital | Sustainable



Carbon Neutrality & Water Positive Target



ESG Rating

- ✓ Release of 1st Integrated Annual Report (IAR) FY23
- ✓ Non-financial information prepared in accordance with various standards
 - Global Reporting Initiative (GRI)
 - National Guidelines on Responsible Business Conduct (NGRBC)
 - Business Responsibility and Sustainability Reporting (BRSR) by SEBI
 - United Nations Sustainable Development Goals (UN SDGs)
 - Task Force on Climate-Related Financial Disclosures (TCFD)
- ✓ 23 sustainability targets adopted
- ✓ Integrated Annual Report assured by Independent Third Party Assurance provider
- ✓ Voluntary Assurance of BRSR by Independent Third Party Assurance provider

- ✓ ~30% reduction in Scope 1 & Scope 2 Emissions
- ✓ Achieved carbon sequestration of 547 tCO₂e
- ✓ Water Positivity status achieved with third party assurance

- ✓ Retained the Constituent of FTSE4GoodIndex Series

ESG : Accelerating towards Lakshya (2/2)

Retail | Digital | Sustainable



Environment

- ✓ **Green power:** ~389 tCO₂e of GHG emissions avoided from operations by switching to green power across 14 branches (7 new branches to green power in Q1)
- ✓ **Recycled Paper:** 58% usage of recycled papers
- ✓ **EV Financing:** 7,477 EVs financed



Social

- ✓ **Employee Volunteering:** Completed 330 hours
- ✓ **CSR footprint:** Expansion of our CSR outreach in 4 new districts i.e. Madurai (Tamil Nadu), Murshidabad (West Bengal), Supaul (Bihar), Gorakhpur (Uttar Pradesh)
- ✓ **Active Women Borrowers:** 62,47,851 active women borrowers received Rural Group Loans & Micro Finance



Governance

- ✓ **ESG Policies:** reviewed & approved by the Board
- ✓ **Risk Awareness** mascot 'Sachet Kumar', launched to educate customers and employees on fraud trends and cyber safety
- ✓ **Certification:** ISO 20000-1:2018 (Service Management System or IT Service Management System) successfully certified in May'23



Corporate Social Responsibility

Uplifting Communities



Digital & Financial Inclusion



MoUs signed with **3** implementing agencies for extending Digital Sakhi project in 4 states (Uttar Pradesh, Bihar, West Bengal and Tamil Nadu).



Digital Sakhi project launched in Madurai, Tamil Nadu with an aim to create digital & financial literacy amongst **5,00,000+** community members.



1,50,000+ community members outreached under digital Sakhi project in Karnataka, Kerala, West Bengal & Odisha.



Facilitated **10,000+** community members to access and avail benefits of social entitlement & other government schemes.



Other Initiatives



Horticulture plantation under Project Prakruti extended to additional **100+ acres** of land in Tumkur district, Karnataka.



Relief kits distributed to **500+** victims of train accident in Balasore, Odisha.



Created road safety awareness amongst **750+** school children in 4 schools of Mumbai.



Initiated capacity building trainings of water user groups in **20+** villages in Maharashtra.



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 39 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 42 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 42 years of experience in teaching and research at prestigious institutes.



Dinanath Dubhashi, *Managing Director & CEO*

- Over 33 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 42 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 42 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 25 years of experience.

Management Team



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



Sudipta Roy
Chief Operating Officer
29 yrs exp, ICICI Bank, Citibank,
Deutsche Bank



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



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



Rupa Rege Nitsure
Group Chief Economist
35 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, Customer
Service & Operations
24 yrs exp, Bank of Baroda



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



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

Thank You