

## **L&T Finance Holdings Ltd. retail disbursements at an all-time high of Rs. 11,607 crore**

- **Profit After Tax (PAT) at Rs. 454 crore**, up 39% Year-on-Year (YoY), with Retail PAT constituting 87% of the consolidated PAT
- **Retail portfolio mix** of the company now stands at **64%** of the total loan book
- **'Single large lending entity'** - Proposed merger of its subsidiary lending entities: L&T Finance Ltd. and L&T Infra Credit Ltd. with itself, i.e., the non-lending, equity-listed holding company - L&T Finance Holdings Ltd.
- **Powering up with digital technology towards becoming a Fintech@Scale**

**January 13, 2023, Mumbai:** L&T Finance Holdings Ltd. (LTFH), one of the leading Non-Banking Financial Companies (NBFCs), is scaling up on its journey towards becoming a customer-focused, retail financier and has recorded the highest-ever quarterly retail disbursements at Rs. 11,607 crore for the quarter ended December 31, 2022. This translates into a growth of 53 percent compared with the same quarter a year ago and a growth of 13 percent as against the previous quarter ended September 30, 2022.

The retail portfolio mix of the company stood at 64 percent in the quarter ended December 2022 compared with 50 percent in the same quarter a year ago and 58 percent in the previous quarter ended September 30, 2022. The retail book now stands at Rs. 57,000 crore, up 34 percent YoY and up 10 percent Quarter-on-Quarter (QoQ).

Commenting on the financial results, **Mr. Dinanath Dubhashi, Managing Director & CEO, L&T Finance Holdings Ltd.** said, "We are progressing well on our journey towards Lakshya 2026 to become a top class, 'digitally-enabled', 'customer-focused', retail finance company. Our results in Q3FY23 not only highlight our robust business strengths, but also reflect our continued focus on accelerated retailisation, with the retail portfolio mix reaching 64%. On the strategic initiatives front, we have recently concluded the sale of our mutual fund business and are progressing well on our retailisation journey consisting of two major pillars, namely 'Strong Retail Growth' and 'Accelerated sell-down of Wholesale portfolio'. We have also created adequate provisions to support the accelerated sell-down process. With a view to further strengthen the Fintech franchise, the Company continued to emphasize on digitisation, data analytics and customer-facing applications, with a clear focus on expanding the existing channels and ecosystems, and creating newer channels. Our application PLANET has recently crossed 17 lakh downloads. All these developments show that we are moving in the right direction to achieve our Lakshya 2026 goals and sustainably create value for all our stakeholders."

During the quarter ended December 31, 2022, LTFH continued with its strong business momentum across all its flagship products, with focus on customers, processes, and technology to aid further scalability.

Rural Business Finance witnessed disbursements of Rs. 4,281 crore during the quarter through various strategic initiatives. This translates into a growth of 36 percent on a YoY basis with monthly disbursement run-rate of approximately Rs.1,400 crore The Company has also achieved the highest ever quarterly disbursements in two of its products, namely two-wheeler finance on the back of increased festive demand (with disbursement of Rs. 2,146 crore) and farmer finance with quarterly disbursements crossing Rs. 2,000 crore.

Besides, LTFH continued to scale up its Consumer Loans business by recording disbursements worth Rs. 1,228 crore in the quarter ended December 31, 2022, compared with Rs. 650 crore in the same

quarter a year ago. The growth is attributed to initiatives like partnerships with various e-aggregators and seamless tech integration.

Sustained growth momentum continues in Housing Loans and Loan against Property as disbursements went up by 83 percent YoY reaching Rs. 1,199 crore in Q3FY23. LTFH also saw strong growth in its newest business segment SME Loans with quarterly disbursement reaching Rs. 538 crore and portfolio size crossing Rs. 800 crore during the quarter.

Increased retailisation is not only limited to retail growth but also comprises an accelerated reduction of the wholesale business. In line with its objective of an accelerated reduction, the portfolio of the wholesale business reduced to Rs. 31,010 crore from Rs. 40,788 crore at the end of December 31, 2021 and Rs. 37,597 crore at the end of September 30, 2022.

### **Moving to a 'Single large lending entity':**

LTFH after divestment of the mutual fund business, has proposed merger of its subsidiary lending entities - L&T Finance Ltd. and L&T Infra Credit Ltd. with itself i.e., the non-lending, equity-listed, holding company. This will result in a simple, unified structure. This strategic initiative is in line with the intent of having the 'Right Structure' leading to optimal utilisation of capital and effective utilisation of management bandwidth. This merger would be subject to necessary statutory/regulatory approvals.

### **About L&T Finance Holdings (LTFH):**

LTFH (<https://www.ltfh.com>), a leading Non-Banking Financial Company (NBFC), offers a range of financial products and services through its wholly-owned subsidiaries. L&T Financial Services (LTFH) is the brand name of L&T Finance Holdings Limited and its subsidiaries. Headquartered in Mumbai, the company has been rated AAA — the highest credit rating for NBFCs — by four leading rating agencies. It has also received leadership scores and ratings by global and national Environmental, Social and Governance (ESG) rating providers for its sustainability performance. The company was awarded FICCI's Corporate Social Responsibility Award for "Women Empowerment" and "Maharashtra CSR Award" for its flagship Digital Sakhi project.

Under Right to Win, being in the 'right businesses' has helped the company become one of the leading financiers in key retail products.

LTFH is focused on creating a top-class digitally enabled retail finance company as part of the Lakshya 2026 plan. The goal is to move the emphasis from product-focus to customer-focus and establish a robust retail portfolio with quality assets, thus creating a Fintech @ Scale while keeping ESG at the core. Fintech @ Scale is one of the pillars of the company's strategic roadmap - Lakshya 2026. The company has over 7 crore customer database, and this database is being leveraged to cross-sell, up-sell as well as identify new customers.

