

L&T Finance Holdings Limited

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Postal Ballot Notice

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Members,

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, ("the Act"), if any, read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions appended below are proposed to be passed as special resolutions by way of postal ballot/ e-voting:

Item No. 1: Issue of Equity Shares on Preferential Basis

To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the relevant Rules of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the Articles of Association of the Company, the Listing Agreement(s) entered into between the Company and the BSE Ltd. (BSE) / National Stock Exchange of India Ltd. (NSE), the Guidelines for Preferential Issue contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the "SEBI ICDR Regulations"), Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder (including any statutory amendment(s), modification(s) and or re-enactment(s) thereof, for the time being in force) and subject to the approvals, consents, permissions and/ or sanctions, as may be required from the Government of India, the Reserve Bank of India, the Foreign Investment Promotion Board, SEBI, Stock Exchange(s) and any other relevant statutory, governmental authorities or departments, institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and/ or modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and/ or sanctions and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the "**Board**") which terms shall be deemed to include any Committee duly constituted by the Board to exercise one or more of its powers, including the powers conferred by this Resolution), consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, on a preferential basis, up to 3,18,36,971 (Three Crore Eighteen Lakhs Thirty Six Thousand Nine Hundred and Seventy One) Equity Shares of the face value of Rs. 10/- each fully paid-up for cash at an issue price of Rs. 74/- per Equity Share or such other higher price as may be arrived at in accordance with the SEBI ICDR Regulations to **BC Investments VI Limited (Investor 1)**, in accordance with the terms and conditions contained in the Investment Agreement dated

September 21, 2015 and upon such other terms and conditions as may be deemed appropriate by the Board in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations or other applicable laws.

RESOLVED FURTHER THAT the Relevant Date, as per the SEBI ICDR Regulations for the determination of issue price of Equity Shares be Monday, September 21, 2015, being the date 30 (thirty) days prior to the deemed date of shareholders meeting.

RESOLVED FURTHER THAT the Equity Shares to be allotted to the proposed allottee pursuant to the aforesaid preferential allotment shall rank pari passu in all respects including as to entitlement to dividend, voting powers and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company with the existing fully paid up Equity Shares of face value of Rs. 10/- each of the Company, subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the aforesaid Equity Shares allotted in terms of this Resolution shall be subject to lock-in requirements as per the provision of Chapter VII of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and are hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient including application to Stock Exchanges for obtaining of in-principle approval, listing of shares, filing of requisite documents with the Registrar of Companies, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said Equity Shares, utilization of issue proceeds, signing of all deeds and documents as may be required without being required to seek any further consent or approval of the shareholders."

Item No. 2: Issue of Warrants on Preferential Basis

To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the relevant Rules of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, (including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the Articles of Association of the Company, the Listing Agreement(s) entered into between the Company and the BSE Ltd. (BSE) / National Stock Exchange of India Ltd. (NSE), the Guidelines for Preferential Issue contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time (the "SEBI ICDR Regulations"), Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder (including any statutory amendment(s), modification(s) and or re-enactment(s) thereof, for the time being

in force) and subject to the approvals, consents, permissions and/or sanctions, as may be required from the Government of India, the Reserve Bank of India, the Foreign Investment Promotion Board, SEBI, Stock Exchange(s) and any other relevant statutory, governmental authorities or departments, institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and/or, modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and/or sanctions and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which terms shall be deemed to include any committee duly constituted by the Board, to exercise one or more of its powers, including the powers conferred by this Resolution), consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, on a preferential basis, up to 6,38,20,990 (Six Crore Thirty Eight Lakhs Twenty Thousand Nine Hundred and Ninety) Share Warrants (“Warrants”) to **BC Asia Growth Investments (Investor 2)**, in accordance with the terms and conditions contained in the Investment Agreement dated September 21, 2015, with a right to them to apply for and get allotted one equity share (“Equity Share”) of the face value of Rs. 10/- each for every Warrant held by them within a period of 18 (Eighteen) months from the date of allotment of Warrants at Rs. 74/- per Equity Share or such other higher price as may be arrived at in accordance with the SEBI ICDR Regulations and upon such other terms and conditions as may be deemed appropriate by the Board at its absolute discretion in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations or other applicable laws.

RESOLVED FURTHER THAT the Relevant Date, as per the SEBI ICDR Regulations for the determination of issue price of Equity Shares pursuant to the exercise of the Warrants be Monday, September 21, 2015, being the date 30 (thirty) days prior to the deemed date of shareholders meeting.

RESOLVED FURTHER THAT in accordance with the applicable provisions of SEBI ICDR Regulations, the Warrant holders shall pay an amount equivalent to at least 25% of the price fixed per Warrant on or before the allotment of the Warrants.

RESOLVED FURTHER THAT:

- (i) The tenure of the Warrants shall not exceed 18 months (“**Tenor**”) from the date of the allotment.
- (ii) The Warrants by themselves do not give to Investor 2 any rights of the shareholders of the Company.
- (iii) The Warrants shall be locked in for the period specified by applicable law. The Equity Shares allotted pursuant to exercise of the Warrants shall be locked in for the period specified by applicable law.
- (iv) Subject to (iii) above, the title to the Warrants may be transferred by endorsement and delivery to an Affiliate of Investor 2 in the same manner as in the case of a negotiable instrument transferable by endorsement and delivery.
- (v) Investor 2 shall be entitled to exercise any or all of the Warrants in one or more tranches by issuance of written notice to the Company no later than 30 business days prior to the expiry of the Tenor. The notice shall set out the number of Warrants proposed to be exercised by Investor 2, together with the aggregate amount payable to the Company. The Company shall within 7 business days of the notice convene a meeting of the Board to implement the exercise of the Warrants specified in the said notice and issue and allot the corresponding number of additional shares to Investor 2.
- (vi) The Company shall procure that within 4 business days of the issuance and allotment of any Equity Shares to Investor 2 upon conversion of Warrants, the listing and trading approvals for such Additional Shares are received from the Exchanges and such Equity Shares commence trading on the Exchanges within such period.
- (vii) The Company shall have the right to require accelerated exercise of Investor Warrants subject to satisfaction of the conditions referred to in the Investment Agreement executed between the Company and the Investors.
- (viii) In the event that the Company completes any form of capital restructuring prior to the conversion of the Warrants, then, the number of Equity Shares that each Warrant converts into and the price payable for such Equity Shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable laws, Investor 2 (i) receives such number of Equity Shares that Investor 2 would have been entitled to receive, and (ii) pays such consideration for such Equity Shares to the Company which Investor 2 would have been required to pay, had the Warrants been exercised immediately prior to the completion of such capital restructuring.
- (ix) Upon exercise by Investor 2 of the Warrants, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to Investor 2, evidence of the credit of the Equity Shares to the depository account of Investor 2 and entering the name of Investor 2 in the records of the Company (including in the register of members of the Company) as the registered owner of such Equity Shares.
- (x) In the event only a part of the Warrants are converted into Equity Shares prior to completion of their Tenor, the Company shall issue a new Warrant certificate in respect of the unexercised Warrants, to be exercised during the remaining Tenor of the Warrants, and deliver the same to the Investor 2 at the same time as allotment of Equity Shares in respect of the exercised Warrants.
- (xi) Subject to applicable laws, it is hereby expressly agreed that where pursuant to a scheme of arrangement, a company issues shares or similar securities to the Company’s shareholders, then Investor 2 shall be entitled to receive in lieu of the Warrants held by Investor 2 such number of shares, warrants or similar securities issued by such company, on the same terms and conditions and with the same rights as the Warrants, and at such effective price that Investor 2 would have been entitled to receive immediately after the occurrence of such scheme of arrangement had the Warrants been exercised immediately prior to the occurrence of such scheme of arrangement.
- (xii) In the event the Warrants or any part thereof are not exercised and converted to Equity Shares prior to the expiry of the Tenor, then (i) such Warrants shall automatically lapse immediately after expiry of the Tenor, (ii) Investor 2 shall have no liability or obligations to subscribe to any Equity Shares which correspond to the aforesaid Warrants, and (iii) the Company shall have no liability or obligations to issue any Equity Shares

which correspond to the aforesaid Warrants.

- (xiii) Subject to applicable laws, the Company shall give at least a thirty (30) days prior written notice to Investor 2 of the date of occurrence of any of the events specified in points (viii) and (xi) above.
- (xiv) Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of the certificate representing the Warrant certificate and (in the case of loss, theft or destruction) upon delivery of an indemnity agreement in an amount reasonably satisfactory to it, or (in the case of mutilation) upon surrender and cancellation thereof, the Company shall issue, in lieu thereof, a new certificate on the same terms and conditions.
- (xv) Until the Warrants are transferred, the Company shall treat Investor 2 as the absolute owner for all purposes without being affected by any notice to the contrary.
- (xvi) The Warrant certificate may be split, upon surrender of the Warrant certificate to the Company, for any number of new Warrant certificates representing such aggregate number of Warrants as was represented by the original Warrant certificate.

RESOLVED FURTHER THAT the Equity Shares to be allotted to the proposed allottee pursuant to the aforesaid preferential allotment upon conversion of Warrants shall rank pari passu in all respects including as to entitlement to dividend, voting powers and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company with the existing fully paid up Equity Shares of face value of Rs. 10/- each of the Company, subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the aforesaid Warrants allotted in terms of this Resolution and the resultant Equity Shares arising on exercise of right attached to such Warrants shall be subject to lock-in requirements as per the provision of Chapter VII of the SEBI ICDR Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and are hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient including application to Stock Exchanges for obtaining of in-principle approval, listing of shares, filing of requisite documents with the Registrar of Companies, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said Warrants, utilization of issue proceeds, signing of all deeds and documents as may be required without being required to seek any further consent or approval of the shareholders."

Item No. 3: Alteration of Articles of Association of the Company

To consider and, if thought fit, to pass the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) consent of the Members of the Company be and is hereby accorded to alter the Articles of Association of the Company immediately upon Completion as per the terms of the Investment Agreement, as under:

The following definitions shall be added in the "Interpretation" clause:

"Acceleration Notice" has the meaning ascribed to it in Article 5A(4)(a).

"Acceleration Right" has the meaning ascribed to it in Article 5A(4)(a).

"Additional Capital Acceptance Notice" has the meaning ascribed to it in Article 6(3)(b).

"Additional Capital Offer Period" has the meaning ascribed to it in Article 6(3)(b).

"Additional Shares" means the equity shares issued by the Company to the Investor 2 upon exercise of the Investor Warrants in accordance with the terms as have been agreed between the Company and the Investor 2.

"Additional Capital Shares" has the meaning ascribed to it in Article 6(3)(a).

"Affiliate" of a person (the "Subject Person") means (i) in the case of any Subject Person other than a natural person, any other person that, either directly or indirectly through one or more intermediate persons, controls, is controlled by or is under common control with the Subject Person, and (ii) in the case of any Subject Person that is a natural person, any other person that, either directly or indirectly, is controlled by the Subject Person or that is a Relative of the Subject Person. For purposes of this definition, "Control" means the power to direct the management or policies of a Person, whether through the ownership of over fifty percent (50%) of the voting power of such Person, through the power to appoint over half of the members of the board of directors or similar governing body of such Person, through contractual arrangements or otherwise. As regards the Investors, "Affiliate" of Investors shall include (a) funds managed or advised by Bain Capital Partners, LLC and entities controlled by or under common control with Bain Capital Investors, LLC, and (b) investment entities and special purpose vehicles which are 100% owned, either directly or indirectly, by funds referred to in (a) above, but, for all purposes hereunder, shall exclude their portfolio companies.

"Banking Entity" means (i) a 'banking company' licensed under the Banking Regulation Act, 1949, (ii) any foreign bank regulated by a banking supervisory authority in the country of its incorporation, or (iii) a holding company of the aforementioned companies which Controls the banking company or the foreign bank (as the case may be).

"Government Approvals or Governmental Approvals" means any consent, approval, authorization, waiver, permit, grant, franchise, concession, agreement, license, certificate, exemption, order, registration, declaration, filing, report or notice of, with or to any Government in relation to the carrying of the business of the Company or otherwise.

"Business Days" means a day (excluding Saturdays and Sundays) on which banks generally are open in Mumbai, India and Mauritius for the transaction of normal banking business.

"Capital Restructuring" means any form of restructuring by the Company of its share capital including consolidation, sub-division or splitting of its shares or issue of any rights shares, bonus shares or issue of shares pursuant to any scheme of arrangement, including merger, amalgamation, or de-merger or any classification of shares or variation of rights into other kinds of securities.

"Equity Share Capital" means the total issued and paid up equity share capital of the Company.

“Equity Securities” means, in respect of a company, the equity capital, equity shares, or any right, options, warrants or other securities (including derivative securities) that are directly or indirectly convertible into, or exercisable or exchangeable for, equity capital or equity shares.

“Exchanges” means the BSE Limited and the National Stock Exchange of India Limited.

“Exercise Notice” has the meaning ascribed to it in Article 5A(1).

“Fully Diluted Basis” means that the calculation is to be made assuming that all outstanding convertible equity securities, including warrants, (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged or issued, as the case may be.

“Investment Agreement” means the investment agreement executed on September 21, 2015 by and amongst the Company, Investor 1 and Investor 2.

“Investor 1” means BC Investments VI Limited, a company incorporated under the laws of Mauritius and having its registered office at Suite 110, 10th Floor, Ebene Heights Building, 34 Ebene Cybercity, Ebene, Republic of Mauritius.

“Investor 2” means BC Asia Growth Investments, a company incorporated under the laws of Mauritius and having its registered office at Suite 110, 10th Floor, Ebene Heights Building, 34 Ebene Cybercity, Ebene, Republic of Mauritius.

“Investors” means Investor 1 and Investor 2 collectively.

“Investors’ Director” means one non retiring non-executive director jointly nominated by the Investors for appointment as a director on the Board.

“Investor Warrants” means 6,38,20,990 warrants issued and allotted by the Company to Investor 2 which, when exercised, are convertible into Additional Shares as has been agreed between the Company and the Investor.

“Law” includes all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders, judgments, decrees of any Government, statutory authority, tribunal, board, court or recognised stock exchange and, if applicable, international treaties and regulations.

“Listing Agreement” means any listing agreement executed by the Company with the Exchanges.

“Losses” means all losses, liabilities, obligations, claims, demands, actions, suits, judgments, awards, fines, penalties, taxes, fees, settlements and proceedings, expenses, royalties, deficiencies, diminution in value of shares, assets, damages (whether or not resulting from third party claims), charges, costs (including costs of investigation, remediation or other response actions), interests, penalties, out-of-pocket expenses, attorneys’ and accountants’ fees and disbursements but shall exclude any punitive or special losses or any punitive or special damages.

“Material Subsidiaries” means L&T Finance Limited, L&T Infrastructure Finance Company Limited, L&T Housing Finance Limited, L&T FinCorp Limited, L&T Investment Management Limited and any other Subsidiary of the Company which qualifies as a material subsidiary under the Listing Agreement or any modification, replacement or substitution thereof.

“Offer Notice” has the meaning ascribed to it in Article 6(3)(a).

“Offer Terms” has the meaning ascribed to it in Article 6(3)(a).

“Ownership” means, with respect to each Investor, as of any date of determination, without double counting, the sum of the effective (i) direct ownership interest in the Equity Share Capital (whether through Equity Shares or any other Equity Securities) on a Fully Diluted Basis, and (ii) indirect ownership in or economic interest in or economic rights derived from the Equity Share Capital held through any intermediate entities which hold Equity Securities of the Company.

“Relative” means a relative as defined under the Act.

“Strategic Investor” means any Third Party Investor which is an operating company or the direct holding company of an operating company, other than a Banking Entity, whether in the financial services or non-financial services sector, provided that, (i) such Third Party Investor shall not be an investment fund, mutual fund, venture capital fund, alternate fund, private equity fund, pension fund, corporate fund, sovereign wealth fund, investment vehicle, pooling vehicle, investment manager, asset manager, institutional investor, portfolio investor or any Person set up to make financial investments or any Person whose primary purpose is to invest capital, and (ii) in the view of the Board the subscription by such Third Party Investor to Equity Securities constituting more than 10% of the Equity Share Capital shall have a direct and material benefit for the business of the Company or the businesses of the Material Subsidiaries by virtue of any of the following:

- (a) superior origination, management or effective disposal of business assets,
- (b) superior origination, management or diversification of liabilities,
- (c) superior operational or technological advantage in the prosecution of the business,
- (d) superior competitive positioning in the relevant business in any way not covered by the above example business- relevant brand value,
- (e) strengthen defense against a hostile takeover,
- (f) in any other manner that in the opinion of the Board is value accretive.

“Tenor” has the meaning ascribed to it in Article 5A(1).

“Third Party Investor” has the meaning ascribed to it in Article 18A.

“Waiting Period” has the meaning ascribed to it in Article 5A(4)(c).

The present Article 5 shall stand substituted as under:

“The Company may issue equity shares with voting right and/or with differential voting rights as to dividend, voting or otherwise, other Equity Securities and preference shares in accordance with these Articles, the Act, the Rules and other applicable laws”.

A new Article 5A shall be inserted after Article 5 as follows:

- “1) The Investor Warrants shall be subject to the terms and conditions contained in Article 5B below. The tenure of the Investor Warrants shall not exceed eighteen months from the date of subscription of the Investor Warrants (the Tenor). Each Investor Warrant shall entitle Investor 2, to subscribe to one (1) Additional Share of the Company upon exercise of the Investor Warrants. Investor 2 shall be entitled to exercise any or all of the Investor Warrants in one or more tranches by issuance of written notice to the Company (Exercise Notice) no later than 30 Business Days prior to the expiry of the Tenor. The Exercise Notice shall set out the number of Investor Warrants proposed to be exercised by Investor 2, together

- with the aggregate amount payable to the Company. The Company shall within 7 Business Days of the Exercise Notice convene a meeting of the Board to implement the exercise of the Investor Warrants specified in the Exercise Notice and issue and allot the corresponding number of Additional Shares to Investor 2.
- 2) In the event the Investor Warrants or any part thereof are not exercised and converted to Additional Shares prior to the expiry of the Tenor, then (a) such Investor Warrants shall automatically lapse immediately after expiry of the Tenor, (b) Investor 2 shall have no liability or obligations to subscribe to any Additional Shares which correspond to the aforesaid Investor Warrants, and (c) the Company shall have no liability or obligations to issue any Additional Shares which correspond to the aforesaid Investor Warrants.
 - 3) The Company shall procure that within 4 Business Days of the issuance and allotment of any Additional Shares to Investor 2, the listing and trading approvals for such Additional Shares are received from the Exchanges and such Additional Shares commence trading on the Exchanges within such period.
 - 4) The Company shall have the right to require accelerated exercise of Investor Warrants subject to the following:
 - (a) Upon fulfilment of the conditions specified in Article 5A(5) below, to the reasonable satisfaction of the Investor 2 and subject to the conditions set out in Article 5A(4)(c) below, the Company shall have the right (**Acceleration Right**), by issue of a written notice to Investor 2 (**Acceleration Notice**), to require Investor 2 to convert some or all of the Investor Warrants into Additional Shares. The Acceleration Notice shall set out the number of Investor Warrants required to be exercised by Investor 2, together with the aggregate amount payable to the Company.
 - (b) The Company shall, on a date mutually agreed with Investor 2, which shall be no earlier than 30 Business Days of the Acceleration Notice, convene a meeting of the Board to implement the exercise of the Investor Warrants specified in the Acceleration Notice and issue and allot the corresponding number of Additional Shares to Investor 2. Investor 2 shall make payment of the consideration for the aforesaid Additional Shares, simultaneous with the issuance and allotment of such Additional Shares to Investor 2.
 - (c) The Company shall be entitled to exercise the Acceleration Right only (i) after the expiry of at least 6 months from the date of subscription of the Investor Warrants (**Waiting Period**), (ii) by issuing the Acceleration Notice within 15 days of the publication of the quarterly financial results for any financial quarter by the Company, after the expiry of the Waiting Period, and (iii) by issuing an Acceleration Notice to Investor 2 no later than 30 Business Days prior to the expiry of the Tenor.
 - (5) Conditions for exercise of Acceleration Right by the Company
 - (a) The Company shall use all possible mechanisms including, but not limited to, those listed below, to balance the capital employed across its Relevant Entities in an effort to maintain the Actual Tier 1 CAR at each such entity at or above 11.5 %.
- (b) Unless otherwise mutually agreed between the Company and Investor 2, the Company shall have the right to exercise its Acceleration Right in accordance with Clause 2.3 only if the Actual Tier 1 CAR for any of the Relevant Entities as at the end of the Relevant Financial Quarter is less than 11.5%, provided the following conditions set out in (i) and (ii) below are fulfilled to the satisfaction of the Board:
- (i) The Company has used its best efforts to:
 - A. Book incremental assets in Relevant Entities with relatively higher Actual Tier 1 CAR and / or transfer assets from Relevant Entities with lower Actual Tier 1 CAR to Relevant Entities with higher Actual Tier 1 CAR,
 - B. Transfer capital by way of dividends or employ any other funding mechanism from Relevant Entities with relatively higher Actual Tier 1 CAR to Relevant Entities with lower Actual Tier 1 CAR, and
 - C. Raise long-term funds at the Company or other Relevant Entities and infuse the same in the form of equity capital in to the Relevant Entities with low Actual Tier 1 CAR.
 - (ii) If despite making best efforts as set out in A above, if the Actual Tier 1 CAR of any of the Relevant Entity as at the end of the Relevant Financial Quarter is less than 11.5%, then the Company shall be entitled to exercise the Acceleration Right only with respect to such number of Investor Warrants as are required to infuse sufficient funds in the Company to bring the Actual Tier 1 CAR of the Relevant Entity whose Tier 1 CAR is less than 11.5% equal to 11.5% provided that such amount is not less than Rs. 1,000,000,000 (Rupees One billion). For avoidance of doubt, it is clarified that the Company shall be entitled to exercise the Acceleration Right only if the quantum of funds required by the Company to increase the Actual Tier 1 CAR of the deficient Relevant Entity to 11.5% is at least Rs. 1,000,000,000 (Rupees One billion), and in such case, Investor 2 shall be required to exercise only such number of Investor Warrants as are required for such amount to be paid to the Company in consideration for conversion of the appropriate number of Investor Warrants into Additional Shares in accordance with these Articles.
 - (iii) For purposes hereof:
 - A. Actual Tier 1 CAR shall be calculated for each Relevant Entity as at the end of Relevant Financial Quarter.
 - B. Relevant Financial Quarter shall refer to the completed financial quarter immediately preceding the date of exercise of the Accelerating Right.
 - C. The Relevant Entities shall refer to L&T Infrastructure Finance Company Ltd., L&T Infra Debt Fund Ltd, L&T Finance Ltd., L&T FinCorp Ltd., Family Credit Ltd. and L&T Housing Finance Ltd.

D. Actual Tier 1 CAR for each Relevant Entity shall be computed in accordance with Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 and the Prudential Norms issued by the National Housing Bank, as may be applicable to each Relevant Entity, and which are in force as at the end of the Relevant Financial Quarter and shall be based on the quarterly financial results for the Relevant Financial Quarter as disclosed by the Company to the Exchanges pursuant to approval by the Board."

A new Article 5B shall be inserted after Article 5A as follows:

"Investor Warrants shall be issued on the following terms and conditions:

- 1) Upon exercise by Investor 2 of the Investor Warrants, the Company shall issue and allot appropriate number of Additional Shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to Investor 2, evidence of the credit of the Additional Shares to the depository account of Investor 2 and entering the name of Investor 2 in the records of the Company (including in the register of members of the Company) as the registered owner of such Additional Shares.
- 2) The Investor Warrants shall be locked in for the period specified by Law. The Additional Shares allotted pursuant to exercise of the Investor Warrants shall be locked in for the period specified by Law.
- 3) In the event only a part of the Investor Warrants are converted into Additional Shares prior to the completion of their Tenor, the Company shall issue a new Investor warrant certificate in respect of the unexercised Investor Warrants, to be exercised during the remaining Tenor of the Investor Warrants, and deliver the same to Investor 2 at the same time as allotment of Additional Shares in respect of the exercised Investor Warrants.
- 4) In the event that the Company completes any form of Capital Restructuring prior to the conversion of the Investor Warrants into Additional Shares, then, the number of Additional Shares that each Investor Warrant converts into and the price payable for such Additional Shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable Laws, Investor 2 (i) receives such number of Additional Shares that Investor 2 would have been entitled to receive, and (ii) pays such consideration for such Additional Shares to the Company which Investor 2 would have been required to pay, had the Investor Warrants been exercised immediately prior to the completion of such Capital Restructuring.
- 5) Subject to Laws, it is hereby expressly agreed that where pursuant to a scheme of arrangement, a company issues shares or similar securities to the Company's shareholders, then Investor 2 shall be entitled to receive in lieu of the Investor Warrants held by Investor 2 such number of shares, warrants or similar securities issued by such company, on the same terms and conditions and with the same rights as the Investor Warrants, and at such effective price that Investor 2 would have been entitled to receive immediately after the

occurrence of such scheme of arrangement had the Investor Warrants been exercised immediately prior to the occurrence of such scheme of arrangement.

- 6) Subject to applicable Laws, the Company shall give at least a thirty (30) days prior written notice to Investor 2 of the date of occurrence of any of the events specified in clause (d) and (e) above.
- 7) Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of the certificate representing the Investor warrant certificate and (in the case of loss, theft or destruction) upon delivery of an indemnity agreement in an amount reasonably satisfactory to it, or (in the case of mutilation) upon surrender and cancellation thereof, the Company shall issue, in lieu thereof, a new certificate on the same terms and conditions.
- 8) Subject to (2) above, the title to the Investor Warrants may be transferred to an Affiliate of Investor 2 by endorsement and delivery in the same manner as in the case of a negotiable instrument transferable by endorsement and delivery.
- 9) Until the Investor Warrants are transferred, the Company shall treat Investor 2 as the absolute owner for all purposes without being affected by any notice to the contrary.
- 10) The Investor warrant certificate may be split, upon surrender of the Investor warrant certificate to the Company, for any number of new Investor warrant certificates representing such aggregate number of Investor Warrants as was represented by the original Investor warrant certificate."

A new clause (3) shall be added after clause (2) of Article 6:

- "3) Notwithstanding anything contained in these Articles, the Investors shall have the following pre-emptive rights in respect of further issue of Equity Securities:
 - (a) In the event the Company proposes to issue any additional Equity Securities to any third Person (other than (i) to a Third Party Investor pursuant to Articles 18A(a) or 18A(b), or (ii) pursuant to exercise of employee stock options of the Company which are disclosed in the Investment Agreement) on a preferential allotment basis, the Company shall first offer to issue the Equity Securities to each of the Investors on a proportionate basis with respect to the aggregate Ownership of the Investors and their Affiliates in the Company (**Additional Capital Shares**), on the same terms and conditions on which any additional Equity Securities are proposed to be issued to such other Person, which terms and conditions shall be set out in a written notice with respect to such further issue (the terms of such offer, the **Offer Terms**, and the notice, the **Offer Notice**).
 - (b) The Investors shall have the right to accept the Offer Terms within a period of 7 (seven) days from the date of the Offer Notice (the **Additional Capital Offer Period**). If an Investor agrees to subscribe to all or some of the Additional Capital Shares within the Additional Capital Offer Period, it shall deliver a written notice stating its acceptance to subscribe to all or such number of the Additional Capital Shares that it wishes to subscribe to (**the Additional Capital Acceptance Notice**). The Company shall complete the issuance and allotment of such number of the Additional Capital Shares as are

stated in the Additional Capital Acceptance Notice within a period of 30 days from the date of the Additional Capital Acceptance Notice, 30 days from receipt of any Governmental Approvals required for such issuance, whichever is later, subject to applicable Law.

- (c) If an Investor issues an Additional Capital Acceptance Notice for some and not all of the Additional Capital Shares, the Company, subject to Article 18A, may allot the unaccepted Additional Capital Shares not agreed to be subscribed to the proposed allottee on the Offer Terms, to the proposed allottee. The allotment to the proposed allottee shall be completed within a period of 30 days from the expiry of the Additional Capital Offer Period or 30 days from receipt of any Governmental Approvals required for such issuance, whichever is later, failing which, the allotment shall once again be subject to the provisions of Articles 6(3)(b) to 6(3)(d).
- (d) If either Investor does not respond to the Offer Notice within the Additional Capital Offer Period or decline to subscribe to all of the Additional Capital Shares, the issuance of the Additional Capital Shares shall not take place and the Company shall, subject to Article 18A, be entitled to issue such Equity Securities to a third party on terms no more favourable than the Offer Terms."

A new Article 18A shall be added after Article 18 as follows:

"Without prejudice to any other rights available to the Investors under these Articles, the rights that the Investors shall be entitled to with respect to the Company shall, under no circumstances, be less favourable than those granted to any other investor and/or its Affiliates (collectively "**Third Party Investor**") by the Company, either directly and/or indirectly in the Company. In the event that any Third Party Investor is conferred with rights which are more favourable than rights granted to the Investors under these Articles or otherwise, notwithstanding anything in these Articles, the rights of the Investors shall be modified and amended in accordance with the rights granted to the Third Party Investor to confer on the Investors rights at least as favourable as those conferred on such investor. The Company shall take all necessary steps to amend these Articles to give effect to such modification of rights of the Investors. Provided that the Company shall not be required to provide to an Investor such more favourable rights as are being provided to the Third Party Investor in the following instances only:

- (a) if such Third Party Investor is a Strategic Investor, and proposes to acquire, directly or indirectly whether by subscription or by purchase, in tranches or otherwise, Equity Securities aggregating to more than 10% (Ten percent) of the Equity Share Capital on a Fully Diluted Basis; or
- (b) if such Third Party Investor is a Banking Entity, and proposes to acquire directly or indirectly whether by subscription or by purchase in tranches or otherwise, Equity Securities aggregating to more than 5% (Five percent) of the Equity Share Capital on a Fully Diluted Basis."

The present Article 98 shall stand substituted as under:

"All the Directors (Other than Independent Directors and the Investors' Director) including the Managing Director(s) and Whole Time Director(s) shall be liable to retire by rotation. However, such retirement shall not be deemed as break in service, if such Managing Director(s) or Whole Time Director(s) are re-appointed

immediately. Subject to the foregoing, the Board shall have the power to determine the directors whose period of office is or is not liable to retire by rotation subject to the provisions of the Act."

The present Article 99 shall stand substituted with the following:

"The Board shall consist of at least such number of Independent Directors as are statutorily required and such directors shall possess such qualification as may be prescribed under Act and shall be appointed for such tenure as prescribed by the Act and the Rules and they shall not be liable to retire by rotation and shall be paid, apart from sitting fees as referred in this Article such remuneration as may be decided by Board of directors in accordance with the approval granted by the Members in General Meeting, if required. For avoidance of doubt, the Investors' Director shall not be construed or counted by the Company as an independent director for the purpose of determining the number of independent directors."

A new clause (4) is added after clause (3) of Article 100:

"4) Without prejudice to the generality of the foregoing, the Company shall pay the Investors' Director (or the Alternate Director (if applicable), if any, all reasonable out of pocket expenses (including international air fares) incurred in order to attend shareholder, Board, committee and other meetings of the Company, or otherwise perform their duties and functions as a director of the Company or member of any committee of the Company".

A new clause (2) is added after clause (1) of Article 103 and the existing clause (2) will be referred to as clause (3):

"2) The Investor shall be entitled to, from time to time, nominate one person, to be appointed as the alternate director to its Investors' Director and the Company shall exercise all its rights and powers and take all requisite actions to ensure that such person is appointed forthwith as the Investors' Director's alternate director."

New clause (2) is added after clause (1) of Article 104:

"2) Notwithstanding anything contained in these Articles, Investors shall have the right to (but not the obligation to) jointly nominate for appointment and maintain in office one non retiring non-executive director (and to remove from office any director so appointed and to appoint another in the place of the director so removed) from the Board. The rights of the Investors under in respect of the Investors' Directors shall be exercised jointly and through Investor 1 at all times. The Company shall exercise all powers and rights available to it to ensure that the person(s) nominated by the Investors are expeditiously appointed or removed (as the Investors may specify) as Directors."

The present clause (1) of Article 118 shall stand substituted with the following:

"1) The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such Member or Members of its body as it thinks fit, provided that the Investors' Director shall be entitled to be a member of all the Committees of the Board."

A new clause (3) is added after clause (2) of Article 148 and the existing clause (3) will be referred to as clause (4):

"3) Notwithstanding anything contained in these Articles and

subject to the provisions of the Act, the Investors' Director shall not be liable and the Company shall indemnify him against:

- a) any act, omission or conduct of or by the Board, any of their committees, the Company, or its employees or agents as a result of which, in whole or in part, an Investor Director (or any alternate Director to such Investors' Director), is made a party to, or otherwise incurs any Loss pursuant to, any action, suit, claim or proceeding arising out of or relating to any such conduct;
- b) any action or failure to act as may be required to be taken by an Investors' Director (or any alternate Director to such Investors' Director), in good faith at the request of or with the consent of the Company; or
- c) contravention of any applicable Law in relation to the Company and any action or proceedings taken against an Investors' Director (or any alternate director to such Investors' Director), in connection with any such contravention or alleged contravention.

Such indemnification shall be in addition to the obligation of the Company to obtain a directors' and officers' insurance policy as set out in (4) below. Such indemnification shall survive cessation of the Investors' Directors as directors of the Company."

The present clause (4) of Article 148 shall stand substituted as under:

"4) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and Key Managerial Personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably. The director's liability insurance for the Investors' Director shall be for an amount and on such terms as may be mutually agreed with the Investors."

New clause (2) and (3) are added after clause (1) of Article 153:

- "2) To the extent permissible under Law, the Investors' Director shall not be liable for any default or failure of the Company in complying with the provisions of any applicable Law.
- 3) The Investors' Director shall not be identified by the Company as an officer who is in default of the Company or occupier of any premises used by the Company, or the director in charge of managing affairs, or an employer of the Company under applicable Law."

A New Article 154 as follows shall be added after Article 153:

"If the aggregate Ownership of the Investors and their Affiliates falls below 3.33% (Three point thirty three percent) of the Equity Share Capital on a Fully Diluted Basis, the rights of the Investors contained in: (a) Articles 104(2) i.e. the right to appoint Investors' Director on the Board of the Company and its committees; (b) Article 6(3) i.e. the pre-emptive right of the Investors; and (c) Article 18A shall fall away.

For avoidance of doubt it is clarified that any Ownership acquired by the Investors or any of their Affiliates after the date of the Investment Agreement shall not be counted for the purposes of this Article except if such Ownership is acquired:

- (i) under the terms of the Investment Agreement by subscription to Equity Shares, Investor Warrants and Additional Shares or

- by exercise of Pre-emptive Rights by the Investors; or
- (ii) by the Investors under Law by subscription to Equity Shares in a rights issue by the Company; or
- (iii) by acquisition of Equity Shares by the Investors or their Affiliates pursuant to Ownership that is acquired by Investors or their Affiliates on or prior to the date of the Investment Agreement."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to this resolution."

By order of the Board of Directors
For **L&T Finance Holdings Limited**

N. Suryanarayanan

Company Secretary
ACS No. - 12343

Date : September 21, 2015

Place : Mumbai

Registered Office: L&T House, N. M. Marg, Ballard Estate,
Mumbai – 400001.

NOTES:

- 1) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Equity Listing Agreement, the Members are informed that the Company is pleased to offer 'Remote e-voting' facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate remote e-voting. Remote e-voting is optional and Members shall have the option to vote either through remote e-voting or through Postal Ballot Form. The detailed procedure with respect to remote e-voting is mentioned below. For the aforesaid purpose, the Board of Directors has appointed Mr. S. N. Ananthasubramanian, Practising Company Secretary or failing him Ms. Malati Kumar, Practising Company Secretary (Alternate Scrutinizer), as Scrutinizer for scrutinizing the Remote e-voting process as well as voting through Postal Ballot Form in a fair and transparent manner.
- 2) The Statement as required under Section 102 of the Companies Act, 2013 is annexed to this Notice. A Postal Ballot Form is also enclosed.
- 3) The voting commences on Tuesday, September 22, 2015. The Members are requested to note that:
 - a) Duly completed Postal Ballot Form should reach the Scrutinizer before 5:00 p.m. on Wednesday, October 21, 2015. Postal Ballot Forms received after the said time and date will be strictly treated as if the reply from such Members has not been received.
 - b) Similarly, the Remote e-voting needs to be exercised before 5:00 p.m. on Wednesday, October 21, 2015. Please note that Remote e-voting module will be disabled for Voting after the said time and date.

- 4) Any Member who has not received the Postal Ballot Form may write to the Company/ Registrar & Share Transfer Agents (RTA) of the Company for obtaining a duplicate form.
- 5) The Member cannot vote both by post and e-voting and if he votes both by post and e-voting, his voting by post shall be treated as invalid.
- 6) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on cut-off date of Friday, September 11, 2015 only shall be entitled to avail the facility of remote e-voting or Voting at the Meeting.
- 7) A person who is not a Member as on the cut-off date of Friday, September 11, 2015 should treat this Notice for information purposes only.
- 8) The Notice is being sent to all the Members whose names appear in the Register of Members / Beneficiary Position maintained by the Depositories as on Friday, September 11, 2015. Voting rights shall be reckoned on the paid up value of the shares registered in the names of the Members as on Friday, September 11, 2015.
- 9) In the event of any grievance relating to remote e-voting, the Members/Beneficial owners may contact the following: Mr. Wency Furtado, Dy. Manager, CDSL, P. J. Towers, 16th Floor, Dalal Street, Fort, Mumbai-400001, E-mail: helpdesk.evoting@cdslindia.com, Helpdesk: 18002005533.
- 10) The Resolution, if passed by requisite majority, shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting i.e. Wednesday, October 21, 2015.

INSTRUCTIONS FOR VOTING

Voting through Physical Postal Ballot Form

- 1) The Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the Postal Ballot Form duly completed with the assent (for) or dissent (against), in the enclosed postage pre-paid self-addressed envelope, so as to reach the Scrutinizer, on or before 5.00 p.m. on Wednesday, October 21, 2015, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.
- 2) The Members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted.
Envelopes containing Postal Ballot Form if deposited in person or sent by courier at the expense of the Members will also be accepted.

E-Voting Facility

The Company is pleased to offer **remote e-voting facility** for its Members to enable them to cast their votes electronically. The procedure and instructions for the same are as follows:

1. The shareholders should log on to the remote e-voting website : www.evotingindia.com.
2. Click on Shareholders.
3. Now Enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter

Folio Number registered with the Company

4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	OR Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
10. Click on the Electronic Voting Sequence Number (EVSN) of "L&T Finance Holdings Limited".
11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

13. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
16. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. Note for Non – Individual Shareholders and Custodians:
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate(s).
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
18. In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and remote e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Declaration of Results:

- 1) The Scrutinizer shall within two days of conclusion of ballot process i.e. Wednesday, October 21, 2015 submit the Consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes, if any, to the Chairman of the Company or any other Director authorized by the Board, who shall countersign the same and declare the result of the voting forthwith. Further, the Result of the Postal Ballot will be announced on Friday, October 23, 2015 at 5.00 p.m. at 9th Floor, Conference Room, City- 2, C.S.T. Road, Vidyanagari Marg, Kalina, Mumbai – 400098.
- 2) The Result of the Postal Ballot will be declared by the Chairman

or any other Director of the Company in the presence of the Company Secretary, based on the Scrutinizer's Report after taking into consideration the votes cast through remote e-voting and Vote cast through Postal Ballot Form and the same would be displayed on the website of the Company www.ltfinanceholdings.com and the Agency (CDSL) post intimation to Stock Exchanges. Further, the results will be displayed on the Notice Board of the Company at its Registered Office as well as Corporate Office.

ANNEXURE TO THE NOTICE

(The Statement under Section 102 of the Companies Act, 2013)

Item No. 1 & 2

With a view to augment funds to meet its working capital requirements and to support the capital requirements of its subsidiaries for their growth plans, the Board of Directors (the Board) of the Company, at its meeting held on Monday, September 21, 2015, approved the issue of up to 3,18,36,971 (Three Crore Eighteen Lakhs Thirty Six Thousand Nine Hundred and Seventy One) Equity Shares of the face value of Rs. 10/- each at a price of Rs. 74/- per Equity Share of the Company to **BC Investments VI Limited (Investor 1)** and 6,38,20,990 (Six Crore Thirty Eight Lakhs Twenty Thousand Nine Hundred and Ninety) Warrants at a price of Rs. 74/- each per Warrant to **BC Asia Growth Investments (Investor 2)**, to be issued and allotted on a preferential basis in accordance with the terms and conditions contained in the Investment agreement dated September 21, 2015 amongst the Company, Investor 1 and Investor 2 ('Investment Agreement'), subject to the approval of Members by way of Postal Ballot and such other approvals, consents, permissions and sanctions including, without limitation, of the Foreign Investment Promotion Board and the Reserve Bank of India as may be and to the extent required for the purpose. The Warrant holders i.e. Investor 2 will have a right to apply for and get allotted Equity Shares of the face value of Rs. 10/- each within a period of 18 (eighteen) months from the date of allotment of the Warrants in accordance with the terms of Investment Agreement and at Rs. 74/- per Warrant as determined in accordance with the applicable Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 amended as of date.

The proposed allottees have confirmed that they have not sold any equity shares of the Company during the six months preceding the relevant date as described in the text of the Special Resolution.

As required in terms of Regulation 73(1) of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI Regulations") and the provisions of Section 62(1)(c) of the Companies Act, 2013 read with Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014, the disclosures in connection with the aforesaid issue of Equity Shares / Warrants are as follows:

(a)	Objectives of the preferential issue	To maintain adequate working capital as may be required for funding the operations of the Company and that of its subsidiaries.
(b)	Total number of shares or other securities to be issued	<ol style="list-style-type: none"> 1) 3,18,36,971 (Three Crore Eighteen Lakhs Thirty Six Thousand Nine Hundred and Seventy One) Equity Shares to Investor 1. 2) 6,38,20,990 (Six Crore Thirty Eight Lakhs Twenty Thousand Nine Hundred and Ninety) Warrants to Investor 2.

(c)	Price or price band at/within which the allotment is proposed	Rs. 74/- per Equity Share* Rs. 74/- per Warrant* *or such other higher price as may be arrived at in accordance with the SEBI ICDR Regulations.
(d)	Basis on which the price has been arrived at along with report of the registered valuer	Not applicable as the Company's equity shares are listed on BSE & NSE.
(e)	Relevant date with reference to which the price has been arrived at	In accordance with the provisions of SEBI ICDR Regulations, the 'Relevant Date' for the purpose of determination of issue price of Equity Shares and Warrants shall be September 21, 2015 being the date 30 (thirty) days prior to the deemed date of shareholders meeting.
(f)	Class or classes of persons to whom the allotment is proposed to be made	Body Corporate(s).
(g)	Intention of the promoters, directors or key management personnel of the issuer to subscribe to the offer	The Promoters, Directors or Key Management Personnel of the issuer are not subscribing to the offer.

(h) The Shareholding pattern before and after the Preferential Issue as on September 11, 2015:

Sr. No.	Category of Shareholders	Pre Issue		Post Issue (After preferential issue)	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
A	Promoters' Shareholding				
1	Indian:				
	Individual (a)	--	--		
	Bodies Corporate (b)	1,25,49,36,010	72.92%	1,25,49,36,010	69.08%
	Sub Total [(a)+(b)]	1,25,49,36,010	72.92%	1,25,49,36,010	69.08%
2	Foreign Promoters:	--	--		
	Sub Total (A)	1,25,49,36,010	72.92%	1,25,49,36,010	69.08%
B	Non-Promoters' holding				
1	Institutional Investors@	8,93,40,103	5.19%	18,49,98,064	10.18%
2	Non-Institution:				
	Private Corporate Bodies	6,55,35,345	3.81%	6,55,35,345	3.61%
	Directors and Relatives	26,22,474	0.15%	26,22,474	0.14%
	Indian Public	24,36,57,797	14.16%	24,36,57,797	13.41%
	Others	6,49,72,865	3.77%	6,49,72,865	3.58%
	Sub Total (B)	46,61,28,584	27.08%	56,17,86,545	30.92%
	Grand Total	1,72,10,64,594	100.00%	1,81,67,22,555	100.00%

@ Includes domestic as well as foreign investors

(i)	The names of the proposed allottees and the identity of the natural persons who are the ultimate beneficial owners of the Equity Shares / Warrants proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post Preferential Issue capital that may be held by them.	As mentioned below.
(j)	Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price.	None.
(k)	Change in control, if any, in the Company that would occur consequent to the Preferential offer	The preferential issue will not result in any change in the control or management of the Company.
(l)	Proposed time within which the Preferential Issue shall be completed:	As required under the SEBI ICDR Regulations, the Company shall complete the allotment of Equity Shares and Warrants as aforesaid on or before the expiry of 15 days from the date of passing of the special resolution by the shareholders granting consent for preferential issue or within 15 (fifteen) days from the date of receipt of approval of Foreign Investment Promotion Board, whichever is later.
(m)	Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not applicable.

(i) The names of the proposed allottees and the identity of the natural persons who are the ultimate beneficial owners of the Equity Shares / Warrants proposed to be allotted and/or who ultimately control the proposed allottees, the percentage of post Preferential Issue capital that may be held by them.

The proposed allottees and their percentage holdings, pre and post preferential issue capital, are as given in the following table.

Sr. No.	Identity of the Proposed Allottee	Percentage holding Pre-preferential	Percentage holding Post-preferential
1.	BC Investments VI Limited	Nil	1.75%
2	BC Asia Growth Investments*	Nil	3.51%
	Total	Nil	5.26%

*On an assumption that all the Warrants will get exercised for allotment of equivalent number of Equity Shares.

(i) BC Investments VI Limited:

- BC Investments VI Limited is a company incorporated in Mauritius. BC Investments VI Limited is wholly owned by BC Investments VII Limited (Mauritius). The indirect majority shareholder of BC Investments VII Limited is Bain Capital Asia Fund II, L.P.
- There is no natural person who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than 25% of shares or capital or profits of BC Investments VI Limited, or who exercises control through other means except as given below.
- The governance, investment strategy and decision-making process with respect to investments held by Bain Capital Asia Fund II, L.P. is directed by Bain Capital Investors, LLC's Global Private Equity Board of ("GPEB"), which is comprised of the following individuals: Steven Barnes, Joshua Bekenstein, John Connaughton, Stephen Pagliuca, Michel Plantevin, Dwight Poler and Jonathan Zhu. Each of the members of GPEB disclaims beneficial ownership of such investment to the extent attributed to such member solely by virtue of serving on GPEB

(ii) BC Asia Growth Investments:

- BC Asia Growth Investments is a company incorporated in Mauritius. BC Asia Growth Investments Limited is wholly owned by BC Investments V Limited (Mauritius). The indirect majority shareholder of BC Investments V Limited is Bain Capital Asia Fund II, L.P.
- There is no natural person who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than 25% of shares or capital or profits of BC Asia Growth Investments, or who exercises control through other means except as given below.
- The governance, investment strategy and decision-making process with respect to investments held by Bain Capital Asia Fund II, L.P. is directed by Bain Capital Investors, LLC's Global Private Equity Board of ("GPEB"),

which is comprised of the following individuals: Steven Barnes, Joshua Bekenstein, John Connaughton, Stephen Pagliuca, Michel Plantevin, Dwight Poler and Jonathan Zhu. Each of the members of GPEB disclaims beneficial ownership of such investment to the extent attributed to such member solely by virtue of serving on GPEB.

Since the equity shares of the Company have been listed on the BSE Limited and National Stock Exchange of India Limited for a period of more than twenty six weeks prior to the relevant date, the Company is not required to re-compute the price of the Equity Shares and hence not required to submit the undertakings specified under Regulation 73(1)(f) and (g) of SEBI ICDR Regulations.

The Company has obtained a certificate of the Statutory Auditors of the Company to the effect that the present preferential offer is being made in accordance with the requirements contained in Chapter VII of the SEBI (ICDR) Regulations. A copy of the certificate would be made available on the Company's website i.e. www.ltfinanceholdings.com.

As it is proposed to issue and allot the Equity Shares and the Warrants on preferential allotment basis, Special Resolution is required to be approved by Members pursuant to the provisions of Section 62 of the Companies Act, 2013 and Regulation 72(1) (a) of the SEBI ICDR Regulations. The Board therefore recommends the Special Resolution set forth in Item No. 1 and 2 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company including their relatives is, in any way interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

Item No. 3

The Company, BC Investments VI Limited (Investor 1) and BC Asia Growth Investments (Investor 2) have entered into the Investment Agreement pursuant to which Investor 1 proposes to subscribe 3,18,36,971 Equity Shares of the Company and Investor 2 proposed to subscribe to 6,38,20,990 Warrants each convertible into or exchangeable for one Equity Share of the Company. Accordingly, it is proposed to modify the existing Articles of Association of the Company to reflect the terms of the Investment Agreement.

The Board recommends the Special Resolution set forth in Item No. 3 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company including their relatives is, in any way interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

By order of the Board of Directors
For **L&T Finance Holdings Limited**

N. Suryanarayanan
Company Secretary
ACS No. - 12343

Date : September 21, 2015
Place : Mumbai

Registered Office: L&T House, N. M. Marg, Ballard Estate,
Mumbai – 400001.

L&T FINANCE HOLDINGS LIMITED
CIN: L67120MH2008PLC181833 **Registered Office:** L & T House, N. M. Marg, Ballard Estate, Mumbai - 400 001

Email: igrc@ltfinanceholdings.com **Website:** www.ltfinanceholdings.com **Phone:** +91 22 6621 7300 **Fax:** +91 22 6621 7509

POSTAL BALLOT FORM

Serial No. :

 Name(s) of Member(s) :
 (including joint holders, if any)

 Registered address of the :
 sole/first named Member

 Registered Folio No./ :
 DP ID / Client ID*
 (* Applicable to investors holding
 shares in dematerialized form)

Number of shares held :

I/We hereby exercise my/our vote in respect of the following Resolutions to be passed through Postal Ballot for the business stated in the Notice dated September 21, 2015 of the Company, by conveying my/our Assent or Dissent to the said Resolutions by placing tick (✓) marks at the appropriate boxes below :

Brief Description	Type of Resolution	No. of Shares	I/We Assent to the Resolution (FOR)	I/We Dissent to the Resolution (AGAINST)
1. Issue of Equity Shares on Preferential Basis	Special			
2. Issue of Warrants on Preferential Basis	Special			
3. Alteration of Articles of Association of the Company	Special			

Place :

Date :

 (Signature of the Member)

ELECTRONIC VOTING PARTICULARS

 The remote e-voting facility is available at the link <http://www.evotingindia.com/>. The electronic voting particulars are set out as follows:

EVSN (Electronic Voting Sequence Number)	USER ID	PASSWORD

Note: Please read carefully the instructions printed overleaf before exercising the vote through this form and for remote e-voting, please refer the "Instructions for Voting" in the Notice attached herewith.

The remote e-voting facility will be available during the following voting period :

Commencement of e-voting	End of e-voting
September 22, 2015 from 9.30 A.M.	October 21, 2015 at 5.00 P.M.



INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not have access to remote e-voting facility, to enable them to send their assent or dissent by post, for the Postal Ballot Resolutions.
2. A Member can opt for only one mode of voting i.e. either through remote e-voting or by Ballot. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.
3. A Member desiring to exercise vote by Postal Ballot should complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed business reply envelope properly sealed. The Members need not affix postal stamps since the postage will be paid by the Company. However, envelopes containing Postal Ballots, if sent by courier or by registered post at the expense of the Members will also be accepted.
4. The self-addressed envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
5. This form should be completed and signed by the Member (as per the specimen signature registered with the Company/Depository Participant). In case of joint holding, this form should be completed and signed by the first named Member and in his/her absence, by the next named Member.
6. Incomplete or unsigned Postal Ballot Form will be rejected.
7. Duly completed Postal Ballot Form should reach the Scrutinizer not later than **Wednesday, October 21, 2015**. Postal Ballot Forms received after this date will be strictly treated as if the reply from the Member has not been received.
8. The Consent must be accorded by recording the assent in the Column "FOR" and dissent in the Column "AGAINST" by placing a tick mark (✓) in the appropriate column.
9. Voting rights shall be reckoned on the paid up value of shares registered in the name/s of the Members on Friday, September 11, 2015.
10. In case the shares are held by bodies corporate or by persons authorised under power of attorney, the Postal Ballot Form signed in representative capacity must be accompanied by a certified true copy of the resolution of the Board of Directors of the concerned body corporate or by an attested true copy of the power of attorney authorizing such person, as the case may be, along with a specimen signature of the said authorised representative or power of attorney holder. If the same is/are already registered with the Company/Depository Participant, please quote the Registration No. beneath the signature. Where the Postal Ballot Form has been signed by a representative of the President of India or by the Governor of a State, a certified true copy of the nomination should accompany the Postal Ballot Form.
11. The Members are requested not to send any other document along with the Postal Ballot Form in the enclosed self addressed envelope as all such envelopes will be delivered to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
12. A Member need not use all votes nor needs to cast all the votes in the same way.
13. A Member may request duplicate Postal Ballot Form, if so required. However, the duly filled duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified at item No. 7 above.
14. The Scrutinizer's decision on the validity of Postal Ballot will be final.