

January 21, 2022

National Stock Exchange of India Limited

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

BSE Limited

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

Symbol: L&TFH

Security Code No.: 533519

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

Sub: Unaudited Financial Results (Consolidated and Standalone) for the quarter and nine months ended December 31, 2021

Dear Sir / Madam,

Pursuant to Regulation 30 read with Para A of Part A of Schedule III, Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other regulations, if applicable, we hereby inform the Exchanges that the Board of Directors ("Board") of the Company at its meeting held on January 21, 2022 has, inter alia, approved the Unaudited Financial Results (Consolidated and Standalone) of the Company for the quarter and nine months ended December 31, 2021.

Further, in accordance with Regulation 33(3)(b) of the Listing Regulations, the Company is submitting, in addition to Standalone Financial Results, Consolidated Financial Results of the Company to the Exchanges. Accordingly, please find enclosed Unaudited Financial Results (Consolidated and Standalone) for the quarter and nine months ended December 31, 2021 along with Limited Review Report of Statutory Auditors and Press Release in this connection. Also, in accordance with Regulation 47(1)(b) of the Listing Regulations, the Company would be publishing the Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2021 in the newspapers.

The Board Meeting commenced at 5:20 p.m. and concluded at 5:37 p.m.

We request you to take the aforesaid on records.

Thanking you,

Yours faithfully,

For **L&T Finance Holdings Limited**



Apurva Rathod
Company Secretary and Compliance Officer

Encl: As above

Limited review report on unaudited consolidated quarterly financial results and consolidated year-to-date results of L&T Finance Holdings Limited under Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

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

INTRODUCTION:

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of L&T Finance Holdings Limited ("the Parent" or "the Holding Company") and its subsidiaries (the parent and its subsidiaries collectively referred to as "the Group") for the quarter ended 31 December 2021 and for the period from 01 April 2021 to 31 December 2021 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard ("Ind AS") 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

SCOPE OF REVIEW

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

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

4. The Statement includes the unaudited financial results/information of the following entities:

Name of Entity	Relationship
L&T Finance Holdings Limited	Holding Company
L&T Finance Limited (merged with L&T Infrastructure Finance Company Limited and L&T Housing Finance Limited)	Subsidiary
L&T Infra Credit Limited (Erstwhile L&T Infra Debt Fund Limited)	Subsidiary
L&T Investment Management Limited	Subsidiary
L&T Mutual Fund Trustee Limited	Subsidiary



Name of Entity	Relationship
L&T Financial Consultants Limited	Subsidiary
L&T Infra Investment Partners Fund	Subsidiary
L&T Infra Investment Partners Trustee Private Limited	Subsidiary
L&T Infra Investment Partners Advisory Private Limited	Subsidiary
Mudit Cement Pvt Limited	Subsidiary

CONCLUSION

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors and management certified statements as referred in paragraphs 7 and 8 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Ind AS and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

EMPHASIS OF MATTER

6. Attention is drawn to Note 7 of the Statement which describes the impacts of COVID-19 Pandemic on the Statement as also on business operations of the Group, assessment thereof made by the Holding Company's management based on its internal, external and macro factors, involving certain estimation uncertainties of future periods. Our conclusion on the Statement is not modified in respect of this matter.

OTHER MATTERS

7. We did not review the financial results of 7 (seven) subsidiaries included in the Statement, whose financial results reflect total revenues of Rs. 3,212.04 crores and Rs. 9,564.93 crores, total net profit after tax of Rs. 321.81 crores and Rs. 713.80 crores and total comprehensive income of Rs. 374.38 crores and Rs. 788.52 crores for the quarter ended 31 December 2021 and for the period from 01 April 2021 to 31 December 2021 respectively. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Management of the Holding Company and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.
8. The Statement includes the financial information of 2 (two) subsidiaries which have neither been audited nor reviewed by their respective auditors, whose financial information reflect total revenue of Rs. 0.02 crores and Rs. 0.08 crores, total net loss after tax of Rs. 40.16 crores and Rs. 44.29 crores and total comprehensive loss of Rs. 40.16 crores and Rs. 44.29 crores for the quarter ended 31 December 2021 and for the period from 01 April 2021 to 31 December 2021 respectively. According to the information and explanations given to us by the Holding Company's Management, these financial results are not material to the Group.



9. The numbers and details pertaining to period(s) i.e. quarter ended 31 December 2020 and nine months ended 31 December 2020 in the Statement have been traced based on the review reports of Deloitte Haskins & Sells LLP, Chartered Accountants and B. K. Khare & Co., Chartered Accountants ('the erstwhile joint auditors'). Similarly, the numbers and details pertaining to Year ended/ as at 31 March 2021 and notes related thereto in the Statement have been traced from the Consolidated Financial Statements of the Company audited by the erstwhile joint auditors vide their unmodified audit report dated 29 April 2021.

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

For Khimji Kunverji & Co LLP
Chartered Accountants
Firm Registration Number: 105146W/W100621



Hasmukh B. Dedhia
Partner
ICAI Membership No.: 033494
UDIN: 22033494AAAABK8434



Place: Mumbai
Date: 21 January 2022

Limited review report on unaudited standalone quarterly financial results and standalone year-to-date results of L&T Finance Holdings Limited under Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To:
To the Board of Directors of
L&T Finance Holdings Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of L&T Finance Holdings Limited (the "Company") for the quarter ended 31 December 2021 and for the period from 1 April 2021 to 31 December 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors of the Company, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ("Ind AS") 34 'Interim Financial Reporting' ('Ind AS 34'), specified in Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel responsible for financial and accounting matters and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Ind AS and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.
5. Attention is drawn to Note no. 5 of the Statement which describes the impacts of COVID-19 Pandemic on the Statement as also on business operations of the Company, assessment thereof by the management of the Company based on its internal, external, and macro factors, involving certain estimation uncertainties. Our conclusion on the statement is not modified in respect of this matter.



Khimji Kunverji & Co LLP

Chartered Accountants

6. The numbers and details pertaining to period(s) i.e. Quarter ended 31 December 2020 and nine months ended 31 December 2020 have been traced based on the review reports of DELOITTE HASKINS & SELLS LLP, Chartered Accountants and B. K. KHARE & CO. ('the erstwhile joint auditors'). Similarly, the numbers and details pertaining to Year ended/ as at 31 March 2021 and notes related thereto in the Statement have been traced from the Financial Statements of the Company audited by the erstwhile joint auditors vide their unmodified report dated 29 April 2021. Our review conclusion on the Statement is not modified in respect of this matter.

For Khimji Kunverji & Co LLP

Chartered Accountants

Firm Registration Number: 105146W/W100621



Hasmukh B. Dedhia

Partner

ICAI Membership No.: 033494

UDIN: 22033494AAAABJ3069



Place: Mumbai

Date: 21 January 2022

L&T FINANCE HOLDINGS LIMITED
CIN: L67120MH2000PLC181833

Regd. Office: Brigade, Plot No. 177, C.S.T. Road, Kadanu, Santacruz (East), Mumbai - 400 098, Maharashtra, India
Website: www.ltf.com Email: info@ltf.com Phone: +91 22 4212 5000 Fax: +91 22 4212 5558

(₹ in Crores)

Sr. No.	Particulars	STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021					
		Quarter ended			Nine months ended		
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
	Continuing operations						
	Revenue from operations						
(i)	Interest income	2,874.27	2,922.79	2,394.44	8,785.42	9,880.24	13,104.85
(ii)	Dividend income	0.15	0.41	0.01	0.17	0.03	0.04
(iii)	Rental income	1.87	2.04	2.40	6.14	7.87	10.10
(iv)	Fees and commission income	89.56	91.02	78.24	182.44	133.03	210.79
(v)	Net gain on fair value changes	4.78	1.94	1.13	7.79	4.02	4.96
(vi)	Net gain on discontinuation of financial instruments under amortised cost category	-	-	0.90	-	2.11	2.11
(vii)	Total revenue from operations	2,970.78	2,988.49	2,481.17	8,962.92	10,006.38	13,852.88
(viii)	Other income	128.27	83.60	119.31	273.47	251.64	400.68
(ix)	Total Income (I+II)	3,099.12	3,074.56	2,604.47	9,236.39	10,260.94	15,755.33
	Expenses						
(i)	Finance costs	1,486.59	1,445.41	1,723.78	4,361.53	5,011.74	7,212.62
(ii)	Fees and commission charges	0.26	0.27	0.73	0.80	3.45	3.26
(iii)	Net loss on fair value changes	166.93	663.67	51.34	853.07	354.54	420.42
(iv)	Net loss on discontinuation of financial instruments under amortised cost category	114.85	73.82	49.25	222.96	158.11	237.23
(v)	Impairment on financial instruments	519.98	42.44	922.07	1,254.90	2,474.01	2,576.83
(vi)	Employee benefits expense	202.24	261.71	240.44	702.49	606.18	590.07
(vii)	Depreciation, amortisation and impairment	24.28	27.99	20.70	74.86	63.49	85.66
(viii)	Other expenses	203.89	207.38	202.07	702.04	540.58	842.19
(ix)	Total expenses	2,748.82	2,768.71	3,210.96	8,452.66	9,878.28	12,175.88
(x)	Profit before exceptional items and tax (III-IV)	309.10	295.85	293.57	803.74	835.66	1,085.75
(xi)	Exceptional items	-	-	-	-	225.61	225.61
(xii)	Profit before tax (V+VI)	309.10	295.85	293.57	803.74	609.27	1,261.34
(xiii)	Tax expense:						
(i)	Current tax	63.95	(248.81)	(4.98)	103.33	479.94	689.72
(ii)	Deferred tax	48.65	330.04	90.64	129.56	(99.22)	(106.61)
(xiii)	Profit after tax from continuing operations (VII-VIII)	296.50	172.62	237.91	599.68	528.55	748.23
(xiv)	Share in profits of associate company	-	-	-	-	-	-
(xv)	Profit after tax from continuing operations and share in profit of associate company	296.50	172.62	237.91	599.68	528.55	748.23
	Discontinued operations (refer note 8)						
(xvi)	Profit before tax from discontinued operations	54.86	83.47	55.10	187.42	167.09	233.86
(xvii)	Tax expense from discontinued operations	13.48	13.10	4.24	26.94	13.23	22.21
(xviii)	Profit after tax from discontinued operations (XII-XIII)	51.38	50.37	50.74	160.44	154.36	210.65
(xix)	Net profit after tax from total operations for the period/year (XI+XIV)	347.88	222.99	287.35	760.89	682.95	948.88
(xx)	Profit for the period/year attributable to:						
	Owners of the company	325.91	224.03	280.56	727.83	704.09	970.94
	Non-controlling interest	(18.11)	(1.04)	(2.91)	(19.99)	(21.18)	(22.80)
(xxi)	Other comprehensive income	62.85	(5.93)	88.57	84.25	66.12	45.90
	A (B) Items that will not be reclassified to profit or loss (net of tax)						
(i)	Remeasurements of the defined benefit plan	1.30	(1.14)	(1.50)	(9.73)	2.22	2.36
(ii)	Equity instruments through other comprehensive income	-	-	-	-	5.35	55.05
	B (B) Items that may be reclassified to profit or loss (net of tax)						
(a)	Derivatives through other comprehensive income	(6.06)	28.69	3.51	22.02	(1.77)	(12.42)
(b)	The effective portion of gains and loss on hedging instruments in a cash flow hedge	67.43	(34.48)	46.64	62.66	10.88	(2.20)
(c)	Exchange differences in translating the financial statements of foreign operations (net)	-	-	(94.82)	-	(8.24)	(8.24)
	Other comprehensive income for the period/year attributable to:						
	Owners of the company	62.85	(5.93)	88.57	84.25	66.12	45.90
	Non-controlling interest	-	-	-	-	-	-
(xxii)	Total comprehensive income (XV+XVII)	369.93	217.66	386.37	792.14	749.08	991.81
	Total comprehensive income for the period/year attributable to:						
	Owners of the company	388.04	218.10	339.23	812.12	770.21	1,013.87
	Non-controlling interest	(18.11)	(1.94)	(2.91)	(19.98)	(21.18)	(22.04)
(xxiii)	Paid-up equity share capital (face value of ₹ 10 each) (refer note 4)	2,473.90	2,473.88	2,086.98	2,473.90	2,906.98	2,469.45
(xxiv)	Other equity	-	-	-	-	-	16,303.75
(xxv)	Earnings per share (*not annualised):						
	Continuing operations :						
(i)	Basic (₹)	9.11	9.71	9.13	9.24	9.28	3.32
(ii)	Diluted (₹)	9.11	9.70	9.13	9.23	9.28	3.30
	Discontinued operations :						
(i)	Basic (₹)	9.21	9.28	9.24	9.60	9.72	0.97
(ii)	Diluted (₹)	9.21	9.28	9.24	9.60	9.72	0.97
	Total operations :						
(i)	Basic (₹)	9.12	9.91	9.17	9.24	9.30	4.40
(ii)	Diluted (₹)	9.12	9.90	9.17	9.23	9.30	4.47

Notes:

- These consolidated financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 the "Ind AS" read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- These consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 31, 2022. The Statutory Auditor of the Company has carried out a limited review of the aforesaid results.
- The Company reports quarterly financial results of the group on a consolidated basis, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with circular dated July 3, 2016. The standalone financial results are available on the website of the Company at www.ltf.com, the website of BSE Limited ("BSE") at www.bseindia.com and on the website of National Stock Exchange of India Limited ("NSE") at www.nseindia.com. The specified items of the standalone financial results of the Company for the quarter and nine months ended December 31, 2021 are given below.

Particulars	₹ in Crores					
	Quarter ended			Nine months ended		
	December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	Year ended March 31, 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Total Income	21.61	26.72	31.91	99.39	86.24	101.43
Profit/(loss) before tax	(1.80)	(5.66)	(30.88)	(9.88)	(19.71)	(18.78)
Profit/(loss) after tax	(0.52)	(19.02)	(27.62)	(9.91)	37.18	116.09
Total comprehensive income	(0.05)	(18.97)	(27.62)	(21.28)	37.18	116.16



- 4 The Company, during the quarter and nine months ended December 31, 2021 has allotted 10,21,276 and 44,62,975 equity shares respectively of ₹10 each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).
- 5 During the nine months ended December 31, 2021, the Company has redeemed Cumulative Compulsorily Redeemable Preference Shares (CRPS) amounting to ₹ 1,024.10 crore. The Company has paid dividend of ₹ 43.20 crore on Redeemed Preference Shares.
- 6 Disclosure on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses in terms of RBI circular RBI/2021-20/31 DOR.STB.RDC.11/21.04/048/2021-22 dated May 05, 2021 ("RBI Circular"). During the nine months ended December 31, 2021, L&T Financial Services Group has implemented resolution plans to relieve COVID-19 pandemic related stress of eligible borrowers with a total outstanding of ₹ 1,863.92 crore as of December 31, 2021. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the concerned subsidiary companies in accordance with the above RBI circular. The affidavit amount includes aggregate outstanding of ₹ 0.42 crore, where the relief was extended to 4 accounts as a part of Resolution Framework – 1.0.
- 7 Estimation of uncertainty relating to COVID-19 global health pandemic:
In assessing the recoverability of loans, receivables, intangible assets and investments, the L&T Financial Services (LTFIS) Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the LTFIS group expects to recover the carrying amount of these assets. However, the going concern assumptions will not get impacted by the ongoing COVID-19 pandemic.
- 8 The Company has entered into a definitive agreement with HSBC Asset Management (India) Private Limited ("HSBC AMC") on December 23, 2021 to sell 100% equity shares of L&T Investment Management Limited ("LTIM"), a wholly owned subsidiary of the Company, which is the investment manager of L&T Mutual Fund, for an aggregate purchase consideration of USD 425 million (subject to adjustments as set out in the definitive agreement). In addition, the Company will also be entitled to surplus cash balance left in LTIM in excess of regulatory and investment capital requirements until the completion of the acquisition. Cash, Cash equivalents and liquid investments in the books of LTIM as of December 31, 2021 is ₹ 731 Cr. The said transaction is subject to the requisite regulatory approvals. Accordingly as required by Ind-AS 105, LTIM has been presented in the affidavit financial results as "Non-Current Assets held for sale and discontinued operations".
- 9 RBI wide Circular dated November 12, 2021 – "Prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances – Clarifications" has clarified / harmonized certain aspects of extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across all lending institutions. The Group has taken steps to comply with the norms / changes for regulatory reporting, as applicable. Such clarifications / harmonization has no impact on the financial results for the quarter and nine months ended December 31, 2021, as the Group continues to prepare the financial results in accordance with the applicable Ind-AS guidelines and the RBI Circular dated March 13, 2020 – "Implementation of Indian Accounting Standards".
- 10 Amalgamation of L&T Infrastructure Finance Company Limited ("LTIIFC"), L&T Housing Finance Limited ("LTHFC") and L&T Finance Limited ("LTF") Pursuant to order of National Company Law Tribunal Bench, Mumbai and Kolkata dated March 15, 2021 and March 19, 2021 respectively, the scheme of amalgamation for merger of LTIIFC and LTHFC with LTF (all wholly owned subsidiaries of the Company) became effective from April 12, 2021 with appointed date being April 01, 2020. Prior to the merger, LTIIFC was the sponsor of L&T Infra Credit Limited (entirely L&T Infra Debt Fund Limited) (LTIICL). Consequent to the merger of the sponsor (i.e., LTIIFC with LTF), LTIICL is no longer eligible to be regarded as IDP-NBFC. LTIICL is taking steps to convert itself to an NBFC – Investment and Credit Company (NBFC-ICC).
- 11 Consolidated segment wise revenue, result, total assets and total liabilities in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Sr. No.	Particulars	Quarter ended					Nine months ended					Year ended March 31, 2021
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2020	December 31, 2020	December 31, 2020	December 31, 2020	December 31, 2020	December 31, 2020		
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)		
	Gross segment revenue											
(a)	Rural finance	1,436.15	1,370.30	1,418.66	4,233.83	4,077.02	5,478.87					
(b)	Housing finance	662.40	676.52	818.52	2,029.31	2,543.25	3,291.43					
(c)	Infrastructure finance	756.89	817.16	999.63	2,409.55	3,006.65	4,075.06					
(d)	Defeasured business	52.46	51.51	91.37	163.83	319.62	395.38					
(e)	Others	175.91	175.42	173.46	514.95	459.69	699.07					
	Total	3,063.81	3,090.91	3,501.64	9,261.47	10,397.23	13,999.81					
	Less: Revenue of discontinued operations (refer note 8)	(100.30)	(98.72)	(83.98)	(287.65)	(248.12)	(343.99)					
	Less: Inter segment revenue	(12.76)	(33.79)	(32.49)	(80.90)	(118.81)	(242.97)					
	Segment revenue from continuing operations	2,978.75	2,958.40	3,385.17	8,982.92	10,036.30	13,352.85					
	Segment result											
(a)	Rural finance	301.84	198.96	141.15	630.98	315.67	681.51					
(b)	Housing finance	90.08	(29.31)	139.87	57.32	285.62	607.64					
(c)	Infrastructure finance	114.25	72.27	150.92	271.44	267.55	425.16					
(d)	Defeasured business	(130.77)	(13.92)	(177.29)	(243.49)	(461.85)	(569.33)					
(e)	Others	88.56	91.32	93.92	274.91	369.97	350.22					
	Total	433.96	319.32	348.67	991.16	776.96	1,495.20					
	Less: Results of discontinued operations (refer note 8)	(64.86)	(63.47)	(55.10)	(187.42)	(167.69)	(233.80)					
	Profit before tax from continuing operations (including exceptional items)	369.10	255.85	293.57	803.74	609.27	1,261.40					
	Segment assets											
(a)	Rural finance	34,027.80	31,881.11	28,946.46	34,027.80	28,946.46	31,192.76					
(b)	Housing finance	27,416.12	28,158.87	30,035.57	27,416.12	30,035.57	28,712.81					
(c)	Infrastructure finance	35,719.73	37,031.02	43,290.44	35,719.73	43,290.44	40,499.93					
(d)	Defeasured business	2,708.09	2,930.24	3,354.03	2,708.09	3,354.03	3,056.77					
(e)	Others*	12,919.86	13,894.92	12,476.66	12,919.86	12,476.66	14,445.58					
	Sub total	1,12,791.60	1,13,896.16	1,18,453.16	1,12,791.60	1,18,453.16	1,17,997.82					
	Less: Inter segment assets	(10,948.43)	(10,912.90)	(10,638.77)	(10,948.43)	(10,638.77)	(11,235.32)					
	Segment assets	1,01,843.17	1,02,973.26	1,07,814.39	1,01,843.17	1,07,814.39	1,06,762.50					
(f)	Unallocated	2,252.06	2,361.90	2,695.62	2,252.06	2,695.62	2,399.15					
	Total assets	1,04,095.23	1,05,335.16	1,10,510.01	1,04,095.23	1,10,510.01	1,09,161.65					
	Segment liabilities**											
(a)	Rural finance	28,666.82	26,984.79	24,919.89	28,666.82	24,919.89	26,940.03					
(b)	Housing finance	23,098.18	23,836.15	26,098.11	23,098.18	26,098.11	24,651.71					
(c)	Infrastructure finance	30,628.60	31,908.66	37,736.62	30,628.60	37,736.62	34,647.56					
(d)	Defeasured business	2,280.82	2,479.41	3,283.75	2,280.82	3,283.75	2,653.16					
(e)	Others*	520.99	1,560.70	3,265.64	520.99	3,265.64	2,188.90					
	Sub total	85,195.41	86,769.71	95,304.81	85,195.41	95,304.81	91,681.36					
	Less: Inter segment liabilities	(1,095.79)	(1,006.40)	(622.89)	(1,095.79)	(622.87)	(1,220.16)					
	Segment liabilities	84,099.62	85,763.31	94,681.92	84,099.62	94,681.94	89,861.20					
(f)	Unallocated	376.56	357.65	319.52	376.56	319.52	337.25					
	Total liabilities	84,476.18	86,120.96	95,001.86	84,476.18	95,001.86	90,198.45					

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

** Including non controlling interest

- (g) The Group has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI circular dated July 5, 2016. The identification of operating segments is consistent with performance assessment and resource allocation by the management.

- (h) Segment composition :
Rural finance comprises of Farm Equipment Finance, Two Wheeler Finance, Micro Loans and Consumer Finance.
Housing finance comprises of Home Loans, Loan against Property and Real Estate Finance.
Infrastructure Finance comprises of Infrastructure business.

Defeasured Business comprises of Structured Corporate Loans, Debt Capital Market, Commercial Vehicle Finance, Construction Equipment Finance, SME term loans and Leases.
Others comprises of Asset Management, etc.
Unallocated represents tax assets and tax liabilities



12. The statement includes the results for the quarters ended December 31, 2021 and December 31, 2020 being the balancing figures of the published year to date figures upto the nine months and six months of the respective financial years, which were subject to limited review by the respective statutory auditors of the company.
13. Previous periods/our figures have been regrouped/reclassified to make them compatible with those of current period.



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



 Dinanath Debnath/
Managing Director & Joint Executive Officer
DIN 10540900

Place: Mumbai
Date: January 21, 2022

L&T FINANCE HOLDINGS LIMITED

CIN: L67120MH2008PLC181833

Regd. Office : Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India
Website: www.ltf.com Email: info@ltf.com Phone: +91 22 6212 5000 Fax: +91 22 6212 5553

(₹ in Crore)

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021							
Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2021	September 30, 2021	December 31, 2020	December 31, 2021	December 31, 2020	March 31, 2021
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from operations						
(i)	Interest income	16.26	24.11	17.10	68.22	53.13	73.30
(ii)	Dividend income	-	-	-	-	-	97.96
(I)	Total revenue from operations	16.26	24.11	17.10	68.22	53.13	171.26
(II)	Other income	5.35	2.61	3.91	11.57	13.17	20.16
(III)	Total income (I+II)	21.61	26.72	21.01	79.79	66.30	191.42
	Expenses						
(i)	Finance costs	15.79	27.71	46.95	71.85	155.00	192.96
(ii)	Impairment on financial instruments	0.06	(0.04)	0.14	(0.03)	7.47	7.59
(iii)	Employee benefits expenses	5.20	2.63	4.13	11.48	9.10	13.70
(iv)	Depreciation, amortization and impairment	0.09	0.10	0.19	0.28	0.43	0.58
(v)	Other expenses	3.32	1.98	(0.40)	6.07	9.27	12.48
(IV)	Total expenses	23.46	32.38	51.01	89.65	181.27	227.31
(V)	Loss before exceptional items and tax (III-IV)	(1.85)	(5.66)	(30.08)	(9.86)	(114.97)	(35.89)
(VI)	Exceptional items	-	-	-	-	234.68	224.68
(VII)	Profit / (Loss) before tax (V+VI)	(1.85)	(5.66)	(30.08)	(9.86)	109.71	188.79
(VIII)	Tax expense:						
(1)	Current tax	7.68	13.37	(2.37)	21.05	52.57	72.70
(2)	Deferred tax	-	-	-	-	(0.04)	(0.05)
(IX)	Profit / (Loss) for the period / year (VII-VIII)	(9.53)	(19.03)	(27.63)	(30.91)	57.18	116.05
(X)	Other comprehensive income						
(A)	(i) Items that will not be reclassified to profit or loss						
	Remeasurements of the defined benefit plans (net of tax)	0.04	0.06	-	0.09	0.13	0.11
(B)	(ii) Items that will be reclassified to profit or loss						
	The effective portion of gains and loss on hedging instruments in a cash flow hedge	12.61	-	-	12.61	-	-
	Income tax relating to items that will be reclassified to profit or loss	(3.17)	-	-	(3.17)	-	-
(XII)	Total comprehensive income (IX+X)	(0.85)	(18.97)	(27.63)	(21.38)	57.31	116.16
(XIII)	Paid-up equity share capital (Face value of ₹ 10/- each) (refer note 3)	2,473.90	2,472.88	2,006.98	2,473.90	2,006.98	2,469.45
(XIV)	Earnings per equity share (*not annualised):						8,540.84
(a)	Basic (₹)	*(0.04)	*(0.08)	*(0.13)	*(0.13)	* 0.27	0.54
(b)	Diluted (₹)	*(0.04)	*(0.08)	*(0.13)	*(0.12)	* 0.27	0.53

Notes:

- These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 21, 2022. The Statutory Auditor of the Company has carried out a limited review of the aforesaid results.
- The Company, during the quarter and nine months ended December 31, 2021 has allotted 10,21,276 and 44,62,975 equity shares respectively of ₹10 each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).
- The Company has entered into a definitive agreement with HSBC Asset Management (India) Private Limited ("HSBC AMC") on December 23, 2021 to sell 100% equity shares of L&T Investment Management Limited ("LTIM"), a wholly owned subsidiary of the Company, which is the investment manager of L&T Mutual Fund, for an aggregate purchase consideration of USD 425 million (subject to adjustments as set out in the definitive agreement). In addition, the Company will also be entitled to surplus cash balance left in LTIM in excess of regulatory and investment capital requirements until the completion of the acquisition. Cash, Cash equivalents and liquid investments in the books of LTIM as on December 31, 2021 is ₹ 731 Crs. The said transaction is subject to the requisite regulatory approvals. Accordingly as required by Ind-AS 105, LTIM has been presented in the aforesaid financial results as "Non-Current Assets held for sale and discontinued operations".
- Estimation of uncertainty relating to COVID-19 global health pandemic:
In assessing the recoverability of loans, receivables, intangible assets and investments, the Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. However, the going concern assumptions will not get impacted by the ongoing COVID-19 pandemic.
- During the quarter and nine months ended December 31, 2021, following Cumulative Compulsorily Redeemable Preference Shares (CRPS) have been redeemed

(₹ in Crore)						
S. No	Particulars	Date	Amount	Rate	Dividend Paid	
1	Redeemed	12 October 2021	250.00	8.95%	11.89	
2	Redeemed	19 October 2021	145.40	8.00%	6.41	
3	Redeemed	19 October 2021	63.70	7.95%	2.70	
4	Redeemed	19 October 2021	150.00	7.95%	6.37	
5	Redeemed	19 October 2021	150.00	7.95%	6.37	
6	Redeemed	19 October 2021	60.00	7.60%	2.51	
7	Redeemed	19 October 2021	205.00	7.50%	8.47	



L&T FINANCE HOLDINGS LIMITED

CIN: L67120MH2008PLC181833

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Website: www.ltfh.com Email: igre@lth.com Phone: +91 22 6212 5000 Fax: +91 22 6212 5553

- 7 The main business of the Company is investment activity. As such, there are no separate reportable segments as per the Ind AS 108 on Operating Segment
- 8 The statement includes the results for the quarters ended December 31, 2021 and December 31, 2020 being the balancing figure of the published year to date figures upto the nine months and six months of the respective financial years, which were subject to limited review by the respective statutory auditors of the company.
- 9 Information as required by Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, is attached as annexure I
- 10 Asset Cover available as on December 31, 2021 in case of non-convertible debenture issued by the company is not applicable.
- 11 Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period



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


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

Place: Mumbai
Date: January 21, 2022

L&T FINANCE HOLDINGS LIMITED

CIN. L67120MH2008PLC181833

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

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Annexure I:

Disclosure in compliance with Regulations 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the nine months ended December 31, 2021

Sr. No.	Particular	Ratio
1	Debt - Equity Ratio ¹ :	0.01
2	Debt service coverage ratio :	Not Applicable
3	Interest service coverage ratio :	Not Applicable
4	Outstanding redeemable preference share (quantity)	1,00,00,000
5	Outstanding redeemable preference share (₹ in cr)	100.00
6	Capital redemption reserve (₹ in crore)	Nil
7	Debenture redemption reserve (₹ in crore)	Nil
8	Net worth (₹ in crore) ² :	10,838.61
9	Net profit after tax (₹ in crore)	(30.91)
10	Earnings per equity share (* not annualised):	
(a)	Basic (₹)	*(0.13)
(b)	Diluted (₹)	*(0.12)
11	Current ratio ³ :	Not Applicable
12	Long term debt to working capital ³ :	Not Applicable
13	Bad debts to Account receivable ratio ³ :	Not Applicable
14	Current liability ratio ³ :	Not Applicable
15	Total debts to total assets ⁴ :	0.01
16	Debtors turnover ³ :	Not Applicable
17	Inventory turnover ³ :	Not Applicable
18	Operating margin ⁵ :	Not Applicable
19	Net profit margin ⁵ :	(38.74%)
20	Sector specific equivalent ratios	
(i)	Capital Ratio (%) ⁶ :	98.24%
(ii)	Leverage Ratio ⁷ :	0.03

Note:

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



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

1) Details of outstanding Redeemable Preference Shares:

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

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

Sr. No.	Particulars	Remarks
a.	Free Reserves as on the end of nine months as on December 31,2021	Rs.102.25 crore
b.	Securities Premium account balance (if redemption of redeemable preference shares is to be done at premium, such premium may be appropriated from securities premium account) Provided that disclosure on securities premium account balance may be provided only in a year in which non - convertible redeemable preference shares are due for redemption	Not applicable.
c.	Track record of dividend payment on non - convertible redeemable preference shares Provided that in case the dividend has been deferred at any time, then the actual date of payment shall be disclosed	Dividend on the Non-Convertible Redeemable Preference Shares is paid within the prescribed timeline.
d.	Breach of any covenants under the terms of the non - convertible redeemable preference shares Provided that in case of listed entity is planning a fresh issuance of shares whose end use is servicing of the non - convertible redeemable preference	There has been no breach of covenants under the terms of the Non-Convertible Redeemable Preference Shares.

Sr. No.	Particulars	Remarks
	shares (whether dividend or principle redemption), then the same shall be disclosed whenever the listed entity decided on such issuances	

For L&T Finance Holdings Limited


Apurva Rathod
Company Secretary and Compliance Officer

 

L&T Finance Holdings Limited

Registered Office

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Press Release

Friday, January 21, 2022, Mumbai

L&T Finance Holdings announces financial results for the quarter ended December 31, 2021

- **PBT at Rs. 452 Cr, up 29% YoY & 41% QoQ. PAT at Rs. 326 Cr, up 12% YoY & 46% QoQ**
- Maintained strong business momentum backed by inherent business strengths; **accelerated retailisation momentum**
 - **All-time high retail quarterly disbursements of ~Rs. 7,600 Cr, up 29% YoY**
 - **Retail portfolio mix at 50%** (up from 40% in Q3FY21); increase in retail book QoQ by 4%
 - **Rural business now the largest lending segment** (38% of lending book); showcasing **12% YoY growth**
 - Normalized collections rhythm with robust performance across businesses
 - **New products launched to support future growth:** Continued scale-up of Consumer Loan business: Rs. 650 Cr disbursed in Q3FY22, **Small and Medium Business Loans launched** in Q3FY22 with end-to-end digital journey
- **Continued performance on business levers:**
 - Achieved **NIM+Fees of 8.10% in Q3FY22** vs 7.58% in Q2FY22
 - **Lowest ever WAC at 7.47%**; Reduction in quarterly WAC by 35 bps YoY and well protected from liquidity tightening and increase in interest rates
 - GS3 at 5.91% in Q3FY22; PCR at 50%; NS3 at 3.03%. **Adequate additional provisions of Rs. 1,699 Cr (2.19% of standard assets)** over and above these
- **Poised for medium to long-term growth with:**
 - Strengthened balance sheet - **Capital adequacy** improved to **24.1%** (Tier 1: 20.3%)
 - **D/E ratio at 4.2** in Q3FY22
- **Rated AAA by CRISIL, ICRA, CARE and India Ratings**

The Board of **L&T Finance Holdings (LTFH) Ltd.**, a leading Non-Banking Financial Company (NBFC), today announced the financial results for the third quarter, ended December 31, 2021. LTFH being a Core Investment Company (CIC), carries out its businesses through its wholly owned subsidiaries.

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

Commenting on the financial results Mr. Dinanath Dubhashi, Managing Director & CEO, L&T Finance Holdings, said, “The financial results of this quarter, apart from highlighting our business strengths, also underline a milestone achievement for our retailisation journey. The period saw businesses returning to pre-Covid levels despite industry degrowth during the festive season. In our retail businesses of Farm and Two-Wheeler finance, we maintained business momentum as a leading

retail financier with a stable market share owing to our digital & data analytics capabilities. Our Micro Loans business volumes have normalized over Rs. 1000 Cr/ month and we continue to gain traction in Consumer Loans and Home Loans.”

Key Highlights:

The Company witnessed strong improvement in disbursements and collections in Q3FY22. LTFH continued to focus on stated business levers of maintaining prudent liquidity, strengthening the balance sheet, following a data analytics-based collections approach, and rigorous adherence to collection led disbursement strategy. This is reflected in the strengthened balance sheet, with adequate additional provisioning for OTR-related impact in future (if any), on account of Covid 2.0. The Company’s retail portfolio mix now stands at 50% (up from 40% in Q3FY21), in line with the Company’s stated strategic objective.

A. Disbursement: The inherent business strengths of LTFH helped the Company remain one of the leading retail financiers during the industry contraction phase of Farm Equipment and Two-Wheeler Financing. The retail book grew 4% QoQ, on the back of highest ever Q3 disbursements, supported by strong growth in Two-Wheeler Finance, Micro Loans and Consumer Loan businesses. Total disbursements in the quarter for focused retail businesses stood at Rs. 7,606 Cr, up 29% YoY.

To further accelerate retailisation and support future growth, the Company has also undertaken a pilot launch of Small & Medium business loans during the quarter, with end-to-end digital journey and use of analytics to deliver value added proposition for customers & channels.

Rural Finance: The portfolio became the largest lending segment in LTFH, comprising 38% of lending book, surpassing Wholesale for the first time this quarter. The business achieved highest ever Q3 disbursements at Rs. 6,935 Cr

- a. Farm Equipment Finance:** The Company showcased relatively strong performance, despite industry slowdown, by working on preferred dealer / OEM strategy and maintained its market share. Increased focus on lending to existing customers, which constituted 20% of quarterly disbursements, also contributed to the performance.
- b. Two-Wheeler Finance:** Business strategy built around dominating counter shares of preferred partners and increasing application of data analytics helped deliver strong performance despite muted festive season. LTFH is working towards increasing finance penetration by working on additional products for financially prudent customers, which will act as a growth driver in this segment.
- c. Micro Loans:** Healthy volumes in disbursements during the quarter was driven by normalization of collections and better than industry asset quality. Disbursements in the quarter stood at **Rs. 3,157 Cr**, which are in line with pre-Covid levels. The Company continues to deepen the channel presence and further geo-diversification will lead to future growth.
- d. Consumer Loans:** LTFH’s first ‘digital native’ business continued to witness strong traction with continued focus on existing customers with disbursements of **Rs. 650 Cr** in Q3FY22. The business now plans to tap non-captive customers, targeted towards responsible end-use ecosystem, to fuel future growth.

Housing Finance:

- a. **Home Loan (HL) / LAP:** HL business witnessed steady volumes in the salaried segment and disbursements to SENP segment, with revamped offerings, were reinitiated in the quarter. The salaried home loan book was up 12% YoY and 6% QoQ.
- b. **Real Estate Finance (RE):** The disbursement volumes were in line with business focus, clearly aimed at completion of existing projects.

Infrastructure Finance: Q3FY22 disbursements were at Rs. 1,758 Cr, up 31% QoQ. The business continues to focus on refinancing opportunities for operational projects in core sectors –roads and renewable energy, where it is one of the leading players.

- B. Collections:** Collection Efficiencies (CE), having returned to pre-Covid level in the previous quarter, stabilized or further improved in Q3FY22. This was led by our strengths in on-ground collections and use of propensity-based data analytics to channelize resources. Total Q3FY22 collections from focused book stood at Rs. 13,037 Cr

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

- a. **Farm Equipment Finance:** Concerted on-ground collection resulted in regular CE at 91.3%, well above industry performance.
- b. **Two-Wheeler Finance:** Maintained better than industry regular CE at 98.3%, restricting flow forward in delinquent bucket. Reduction in bounce rates was owing to concentrated call centre / analytics driven pre-delinquency management efforts.
- c. **Micro Loans:** Regular CE maintained at 99.3% through consistent on-ground efforts & management of early bucket delinquencies.
- d. **Consumer Loans:** Maintaining superior portfolio performance at 99.6% regular CE.

Housing Finance:

- a. **Home Loan / LAP:** Regular CE stabilized at 99.3% through centralized strategy & call center retention to control roll forwards. Focused on increased resolution percentage in higher buckets.
- b. **Real Estate Finance:** Principal repayment/ pre-payment in Q3FY22 saw 153% growth vis a vis quarterly average of FY21 on back of continued focus on project completion and rigorous monitoring. Principal repayment/ pre-payment of Rs. 3,148 Cr in past 12 months has led to reduction in overall RE portfolio.

Infrastructure Finance: Continued to see strong collections in the portfolio through contracted repayments as well pre-payments, attesting to strong portfolio quality.

C. Liability Management: During the quarter, the Company continued to lock-in adequate long-term borrowings at lower interest rate with the intent of remaining well-protected from expected liquidity tightening and increase in interest rates in the coming quarters.

- Quarterly WAC at 7.47%, at lowest ever. Reduction by 35 bps YoY and 6 bps QoQ
- Focused on raising low-cost, long-term borrowing through NCD (private placement) and PSL
- Raised 86% of incremental borrowing through this route since Q1FY21
- Raised Rs. 2,090 Cr of long-term borrowing in Q3FY22 at a WAC of sub 6%
- NIMs & Fees up at 8.10% (up 71 bps YoY), through increased retail momentum
- As of December 2021, maintained Rs. 13,481 Cr of liquid funds in the form of cash, FDs and other liquid investment

During FY22, the long-term ratings of LTFH and all its lending subsidiaries have been reaffirmed at 'AAA' (Stable Outlook) by all four credit rating agencies: CRISIL (May-21), CARE (Sep-21), India Ratings (Apr-21) & ICRA (Sep-21).

D. Balance Sheet Strength: At the end of the quarter, GS3 in absolute terms stood at Rs. 4,866 Cr remaining almost stable on QoQ basis. In percentage terms, the GS3 and NS3 assets of the Company stood at 5.91% and 3.03% respectively with PCR on Stage 3 assets at 50%.

<i>Rs. Cr</i>	Q3FY21	Q2FY22	Q3FY22
Gross Stage 3	4,935	4,796	4,866
Net Stage 3	1,791	2,281	2,419
Gross Stage 3 %	5.12	5.74	5.91
Net Stage 3 %	1.92	2.81	3.03

In addition to PCR on GS3 assets, the Company continues to carry additional provisions of Rs. 1,699 Cr (corresponding to 2.19% of standard assets). Minimal utilization of additional provisions for retail business was undertaken in this quarter. With the robust collection momentum in existing OTR pool, the Company remains confident that existing provisions will be sufficient to counter any moratorium related stress on account of OTR-related impact in future (if any), on account of Covid 2.0. Overall capital adequacy improved to 24.1% (Tier 1: 20.3%) and D/E stood at 4.2 in Q3FY22.

The Company has entered into a definitive agreement with HSBC Asset Management (India) Private Limited ("HSBC AMC") on December 23, 2021 to sell 100% equity shares of L&T Investment Management Limited ("LTIM"), a wholly owned subsidiary of the Company, which is the investment manager of L&T Mutual Fund, for an aggregate purchase consideration of USD 425 million (subject to adjustments as set out in the definitive agreement). In addition, the Company will also be entitled to surplus cash balance left in LTIM in excess of regulatory and investment capital requirements until the completion of the acquisition.

Cash, cash equivalents and liquid investments in the books of LTIM as on December 31, 2021, is Rs. 731 Cr. The said transaction is subject to the requisite regulatory approvals. Accordingly, as required by Ind AS 105, LTIM has been presented in the aforesaid financial results as “Non-Current Assets held for sale and discontinued operations”.

- E. Asset Mix:** Retail assets (Rural + Retail Housing) contributed to 50% of portfolio mix in Q3FY22 as against 40% in Q3FY21. The Rural book saw a growth of 5% QoQ and the **Focused Book stood at Rs. 83,390 Cr** in Q3FY22.

Rs. Cr	Q3FY21	Q3FY22	Book Growth YoY %	Book Growth QoQ %
Rural Finance	28,828	32,166	12	5
Retail Housing	11,334	10,420	-8	0
Total Retail Finance	40,162	42,602	6	4
Real Estate Finance	14,841	11,603	-22	-5
Infrastructure Finance	41,456	29,185	-30	-7
Total Focused Book	96,459	83,390	-14	-1
Defocused	3,640	2,162	-41	-12
Total Lending Book	1,00,099	85,552	-15	-2

In the Investment Management business, the overall average AUM stood at Rs. 77,095 Cr as of Q3FY22. Pure Equity & Hybrid mix for LTFH stands at 61% of the AUM as against 48% for the industry.

- F. Financial Performance:** Strong financial performance in Q3FY22 was a result of analytics led prioritization and resource allocation:
- **Increase in fee and other income** to Rs. 389 Cr, up 12% YoY and 28% QoQ
 - **Reduction in quarterly WAC** to 7.47%, down 35 bps YoY and 6 bps QoQ
 - **Increase in NIM+Fees** to 8.10%, up 71 bps YoY and 52 bps QoQ
 - **Reduction in credit costs** to Rs. 702 Cr, down 31% YoY and 10% QoQ
 - **Increase in PBT** to Rs. 452 Cr, up 29% YoY and 41% QoQ
 - **Increase in PAT** to Rs. 326 Cr, up 12% YoY and 46% QoQ

Mr. Dubhashi further added, “We will continue to augment our retail growth engine by leveraging an end-to-end digital platform and direct to consumer journeys, while adding new businesses as well as cross sell and upsell to “good credit’ customers. We believe that our drivers of growth - retailisation, strong digital & analytical abilities, a customer focused approach and a sustainable growth through ESG will position us in good stead for enabling customer aspirations & fulfilling their financing needs.”

About L&T Finance Holdings (LTFH):

LTFH (www.lfs.com) is one of India's leading Non-Banking Financial Company (NBFC) that offers a range of financial products and services through its wholly owned subsidiaries. L&T Financial Services (LTFS) is the brand name of L&T Finance Holdings Limited and its subsidiaries. Headquartered in Mumbai, LTFH has been rated AAA — the highest credit rating for NBFCs — by four leading rating agencies. L&T Financial Services has been certified as a constituent company in the FTSE4Good Index Series, for its ESG standards. LTFS was awarded FICCI's Corporate Social Responsibility Award for "Women Empowerment" for Digital Sakhi, its flagship CSR program. The Company has announced its commitment to achieve Water Neutrality by FY22 and Carbon Neutrality by FY35.

**For further information, please contact:**

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