Board's Report

Dear Members,

The Directors of your Company have the pleasure in presenting the Twenty Sixth Annual Report together with the audited financial statements for the financial year ("FY") ended March 31, 2019.

FINANCIAL HIGHLIGHTS

The summary of the Company's financial performance for FY 2018-19 as compared to the previous FY 2017-18 is given below:

(₹ in Crore)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Total Income	7,382.59	5,071.43
Less: Total Expenses	6,079.51	4,917.75
Profit before Tax/ (Loss)	**1,303.08**	**153.68**
Less: Provision for Tax	457.12	36.34
Profit after Tax/(Loss)	**845.96**	**117.34**
Profit for the period carried to the balance sheet	**845.96**	**117.34**
Add: Balance brought forward from previous years (deficit)/surplus	**(386.64)**	**(407.95)**
Add: Other Comprehensive Income net of Income Tax	(1.00)	(0.20)
Appropriations		
Less: Transferred to Special Reserve u/s 45-IC of RBI Act, 1934	169.19	57.98
Less: Dividend paid (including Dividend Distribution Tax)	231.34	-
Less: Transfer to Debenture Redemption Reserve	16.58	23.09
Less: Transfer to reserve u/s 36(1)(viii) of Income Tax Act, 1961	21.36	14.76
Less: Unamortised write down on Investment	-	-
Surplus/ (Deficit) in the Statement of Profit and Loss	**19.85**	**(386.64)**

APPROPRIATIONS

During the year under review, the Company has transferred ₹ 0.01 Crore to General Reserve from Debenture Redemption Reserve. Your Company proposes to transfer ₹ 169.19 Crore (previous year ₹ 57.98 Crore) to Special Reserve created under Section 45-IC of the Reserve Bank of India Act, 1934; ₹ 21.36 Crore (previous year ₹ 14.75 Crore) to Special Reserve created under Section 36(1)(viii) of Income Tax Act, 1961; ₹ 16.58 Crore (previous year ₹ 23.09 Crore) to Debenture Redemption Reserve. During the year under review, the Company had declared an interim dividend of ₹ 1.20 per equity share aggregating to ₹ 191.90 Crore (excluding Dividend Distribution Tax).

INFORMATION ON THE STATE OF AFFAIRS OF THE COMPANY

PERFORMANCE OF BUSINESS

Two Wheeler Finance

The two wheeler finance portfolio includes loans made in respect of two wheelers. It is one of the core businesses of the Company. The Company has improved the market share in this product to 10.4% for FY19 through improved focus. This increase in market share has been brought by a growth of 67% in disbursements over FY18.

The Company has disbursed loans worth ₹ 4,968 Crore, which has helped to grow the book to ₹ 5,739 Crore from ₹ 3,414 Crore in FY18. The Company crossed the figure of 1 Lakh two wheeler loans disbursement in a month for the first time in October'18 and have been able to improve on that figure in November'18. This has been achieved through the strategic calls that were taken in the second half of FY17 i.e. by 100% scorecard driven straight through processing and building strengths in the areas in which the Company is present. This has been augmented further through improved Original Equipment Manufacturer ("OEM") relationships which has helped gain market leading positions with all leading OEM's. This in conjunction with the strong service proposition of lowest turn around time and superior service to the preferred dealers have helped the Company in building a winning proposition in the market.

Farm Equipment Finance

The farm equipment industry recorded growth in excess of 20% in H1 FY19, however with unpredictability of monsoons and upcoming elections there was a slowdown in H2 FY19 with de-growth seen in the last quarter as compared to FY18. As a leading player in the industry we have been able to maintain our market share at the level of 14% as compared to 12.5% in FY18.

The Company has disbursed ₹ 3,864 Crore in FY19, which is a growth of 19% which has helped the book to grow to ₹ 7,362 Crore from ₹ 5,811 Crore in FY18. In this market, the Company clearly captured the second position behind the leading OEM captive financier, through its service proposition coupled with its track record and analytics based decision making on where to do business and what business mix to maintain. Along with this, the Company has also strengthened its collections infrastructure with dedicated teams for early, middle and late buckets. This has helped reduce the GS3's to industry's lowest levels which has improved the profitability. Improved collections infrastructure coupled with a strong service proposition has helped the Company set itself apart and cement its market leading position with a high market share and low credit cost and opex.

Micro Loans

Micro loans business has been a core business which includes small ticket group loans given to rural women between the age of 18 to 60. The Company has improved its position in the market and is now the third largest micro lender in the country. This has been brought about through opening up in new states and increasing the presence and acquiring new borrower base. Over the previous financial year, the Company has disbursed loans worth ₹ 10,903 Crore which has helped increase the book from ₹ 7,819 Crore to ₹ 12,476 Crore.

During the year, the Company started operations in new states viz. Jharkhand and Tripura while expanding its footprint in its existing states of operation with majority of the increase coming from geographies like Bihar and Assam which the Company had entered in FY18. The Company's borrower base has increased from 39 Lakh in FY18 to 59 Lakh in FY19, hence the growth has been driven by new customer acquisition and not over-lending to the existing borrowers. This industry has been impacted by a few external events over the last year viz. Kerala deluge, Gaja cyclone in the coastal districts of Tamil Nadu and Western Odisha ringleader issue. This has led to temporary blips, however, the Company has been able to bring the situation back to normal and continue to run the business profitably. Given the effect, such macro events continue to have on this business and considering the rural nature, the Company has built a macro prudential cover of ₹ 260 Crore from its operations over the previous financial year which it has been able to build over and above the regular expected credit loss model, as per regulatory requirement.

FINANCIAL PERFORMANCE OF THE COMPANY

Your Company has adopted Indian Accounting Standards ("Ind AS") pursuant to notification dated March 30, 2016 issued by the Ministry of Corporate Affairs ("MCA") and under Section 133 of the Companies Act 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2018 and the effective date of such transition is April 1, 2017. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ("RBI") (collectively referred to as the "Previous GAAP"). The figures have been presented in accordance with the format prescribed for financial statements for Non-Banking Financial Company ("NBFC") whose financial statements are drawn up in compliance with the Companies (Indian Accounting Standards) Rules, 2015, in Division III of Notification No. GSR1022 (E) dated October 11, 2018, issued by MCA.

The Company has achieved enhanced business performance during the year under review, in comparison with the year ended March 31, 2018, inspite of the challenging economic environment and slowdown in several sectors. The performance of the Company is summarised as follows:

- Momentum in overall disbursement growth with focus on high yield products led to revenue growth with income from operations growing from ₹ 5,071.08 Crore in the year ended March 31, 2018 to ₹ 7,182.81 Crore during the year under review. Total income has also grown from ₹ 5,071.43 Crore to ₹ 7,382.58 Crore in the same period.
- Net loan book size recorded growth from ₹ 38,198.40 Crore as at March 31, 2018 to ₹ 47,113.67 Crore as at March 31, 2019.
- Profit before Tax grew from ₹ 153.68 Crore in FY 2017-18 to ₹ 1,303.08 Crore in FY 2018-19.
- Profit after Tax grew from ₹ 117.43 Crore in FY 2017-18 to ₹ 845.96 Crore in FY 2018-19.
- Net worth of the Company as on March 31, 2019 was ₹ 8,890.84 Crore vis-à-vis ₹ 8,280.75 Crore as on March 31, 2018.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which these financial statements relate and the date of this Report.

DIVIDEND

During the year under review, the Company had declared an interim dividend @ ₹ 1.20 per equity share on 1,59,91,38,199 equity shares aggregating to a total of ₹ 191.90 Crore (excluding Dividend Distribution Tax).

No final dividend has been recommended for the year ended March 31, 2019, as the Directors have considered it financially prudent in the long-term interests of the Company to reinvest the profits into the business of the Company to build a strong reserve base and grow the business of the Company.

CREDIT RATING

During the year under review, CARE Ratings Limited ("CARE"), ICRA Limited ("ICRA") and India Ratings and Research Private Limited ("India Ratings") reviewed the ratings on various debt instruments of the Company.

CARE has reaffirmed its long-term rating of "CARE AAA/Stable" (Triple A; Outlook: Stable by CARE) on the outstanding rated issues of Secured Redeemable Non-Convertible Debentures ("NCDs"), Secured NCDs (Public Issue), Unsecured Redeemable NCDs (Subordinated Debt) and long-term bank borrowings. CARE assigned a rating of "CARE AAA/Stable" (Triple A; Outlook: Stable by CARE) to the Secured NCDs (Public Issue) and / or Unsecured Subordinated NCDs (Public Issue). The rating on the Unsecured NCDs issued by the Company, in the nature of perpetual debt, was reaffirmed at "CARE AA+/Stable" (Double A plus; Outlook: Stable by CARE). CARE has also reaffirmed the rating on the Principal Protected Market-linked Debenture at "CARE PP-MLD AAA/Stable" (Principal Protected Market-linked Debenture Triple A; Outlook: Stable by CARE) issued by the Company. CARE has also reaffirmed the rating assigned to the commercial papers issued by the Company at "CARE A1+" (A One Plus by CARE).

ICRA has upgraded its long-term ratings on the outstanding rated issues of Secured Redeemable NCDs, Secured NCDs (Public Issue) and Unsecured Redeemable NCDs (Subordinated Debt) to "ICRA AAA" (Triple A; Outlook: Stable by ICRA) from "ICRA AA+/Stable" (Double A Plus; Outlook: Stable by ICRA). The ratings on the unsecured NCDs, in the nature of perpetual debt, has also been upgraded to "ICRA AA+/Stable" (Double A Plus; Outlook: Stable by ICRA) from "ICRA AA/Stable" (Double A; Outlook: Stable by ICRA). During the year, ICRA assigned a rating of "ICRA AAA/Stable" (Triple A; Outlook: Stable by ICRA) to the Secured NCDs (Public Issue) and / or Unsecured Subordinated NCDs (Public Issue) and long-term bank borrowings. ICRA also assigned a rating of "PP-MLD [ICRA] AAA/Stable" (Principal Protected Market-linked Debenture Triple A; Outlook: Stable by ICRA) to the Principal Protected Market-linked Debenture. ICRA has also reaffirmed the rating assigned to the commercial papers issued by the Company at "ICRA A1+" (ICRA A One Plus).

India Ratings has reaffirmed its rating of "IND AAA/Stable" (Triple A; Outlook: Stable by India Ratings) to the NCDs issues of the Company. Furthermore, in December 2018, India ratings assigned a rating of "IND AAA/Stable" (Triple A; Outlook: Stable by India Ratings)" to Secured NCDs (Public Issue) and / or Unsecured Subordinated NCDs (Public Issue).

The instruments / bank facilities with long term ratings of AAA are considered to have highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

The instruments with short term ratings of A1+ are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.

RESOURCES

During the year under review, the Company met its funding requirements through issue of NCDs (Private placement and Public Issue), Commercial Papers ("CPs"), Inter Corporate Deposits ("ICDs"), Corporate Bond Repo, Treps (CBLO) and borrowings from bank.

During the year under review, the Company has raised funds through Public Issue of NCDs as per the details below:

Date of opening of Issue	Amount raised (₹ in Crore)	Allotment date
March 6, 2019	1,500	March 13, 2019
April 8, 2019	1,000	April 15, 2019

During the year under review, the net borrowings have increased from ₹ 7,090.27 Crore as at March 31, 2018 to ₹ 10,877.46 Crore as at March 31, 2019.

The aggregate debt outstanding as on March 31, 2019 was ₹ 46,335.88 Crore.

SHARE CAPITAL

During the year under review, the Company did not issue any further capital.

As on March 31, 2019, the authorised share capital of the Company was ₹ 26,64,30,96,100 (Rupees Two Thousand Six Hundred and Sixty Four Crore Thirty Lakh Ninety Six Thousand One Hundred Only) divided into 2,65,43,09,610 (Two Hundred and Sixty Five Crore Forty Three Lakh Nine Thousand Six Hundred and Ten) Equity Shares of ₹ 10 (Rupees Ten Only) each and 10,00,000 (Ten Lakh) Redeemable Cumulative Preference Shares of ₹ 100 (Rupees One Hundred Only) each.

As on March 31, 2019, the paid up equity share capital of the Company was ₹ 15,99,13,81,990 (Rupees One Thousand Five Hundred and Ninety Nine Crore Thirteen Lakh Eighty One Thousand Nine Hundred and Ninety Only) divided into 1,59,91,38,199 (One Hundred and Fifty Nine Crore Ninety One Lakh Thirty Eight Thousand One Hundred and Ninety Nine) Equity Shares of ₹ 10 each.

FIXED DEPOSITS

The Company being a non-deposit taking NBFC, has not accepted any deposits from the public during the year under review.

DIRECTORS

The composition of the Board is in accordance with the provisions of Section 149 of the Act, with an appropriate combination of Non-Executive Directors and Independent Directors.

During the year under review, Mr. Prabhakar B., Non-Executive Director, Mr. Desh Raj Dogra, Independent Director and Mr. Mannil Venugopalan, Independent Director resigned from the Board of Directors with effect from May 30, 2018, June 4, 2018 and June 11, 2018 respectively, due to personal reasons / to devote time to other commitments.

Further, Mr. Ashish Kotecha, Non-Executive Director, resigned from the Board with effect from April 28, 2019, to devote time to other commitments.

The Board places on record its appreciation of the valuable services rendered by the aforesaid Directors during their tenure as the Directors of the Company.

The Company appointed Mr. Rishi Mandawat as an Additional Director, pursuant to the provisions of Sections 152 and 161 of the Act with effect from April 28, 2019. Mr. Mandawat holds office up to the date of the ensuing Annual General Meeting ("AGM"). Mr. Mandawat's candidature for appointment as Director would be placed before the ensuing AGM and he will not be liable for retirement by rotation.

As on the date of this Report, the Board comprises the following Directors:

Name of Director	Designation
Mr. Dinanath Dubhashi	Non-Executive Director & Chairperson
Mr. P. V. Bhide	Independent Director
Dr. (Mrs.) Rajani R. Gupte	Independent Director
Mr. Rishi Mandawat(1)	Non-Executive Director

Note:

(1) *Appointed as Director w.e.f April 28, 2019*

Section 152 of the Act provides that unless the Articles of Association provide for the retirement of all directors at every AGM, not less than two-third of the total number of directors of a public company (excluding the Independent Directors) shall be persons whose period of office is liable to determination by retirement of directors by rotation, of which one-third are liable to retire by rotation. Accordingly, Mr. Dinanath Dubhashi, Non-Executive Director will retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

The terms and conditions of appointment of Independent Directors are available on the website of the Company viz. https://www.ltfs.com.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have submitted the declaration of independence, as required pursuant to the provisions of Section 149(7) of the Act, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and are not disqualified from continuing as Independent Directors.

FIT AND PROPER CRITERIA & CODE OF CONDUCT

All the Directors meet the fit and proper criteria stipulated by the Reserve Bank of India (“RBI”).

All the Directors of the Company have affirmed compliance with the Code of Conduct of the Company.

KEY MANAGERIAL PERSONNEL (“KMPs”)

During the year under review, Mr. Amol Joshi stepped down as the Head – Accounts and consequently, Mr. Manish Jethwa was appointed as the Head – Accounts to discharge the functions of Chief Financial Officer and was designated as KMP under the Companies Act with effect from October 24, 2018.

Further, Mr. Amit Bhandari resigned from the position of the Company Secretary of the Company with effect from September 28, 2018 and consequently, Mr. Gufran Ahmed Siddiqui was appointed as the Company Secretary of the Company and was designated as KMP under the Act with effect from January 21, 2019.

As on March 31, 2019, the Company had the following KMPs:

- Mr. Sunil Prabhune – Manager
- Mr. Manish Jethwa – Head-Accounts (discharging functions of the Chief Financial Officer)
- Mr. Gufran Ahmed Siddiqui – Company Secretary

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

A) Background

Section 178 of the Act requires the Nomination and Remuneration Committee ("NRC") of the Company to formulate a Policy relating to the remuneration of the Directors, Senior Management / KMPs and other employees of the Company and recommend the same for approval of the Board.

Further, Section 134 of the Act stipulates that the Board's Report is required to include a statement on the Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and remuneration for KMPs and other employees.

The Board of Directors has, based on the recommendation of the NRC of the Company, approved the policy on Directors' appointment and remuneration for Directors, Senior Management, KMPs and other employees which is available on the website of the Company viz. https://www.ltfs.com.

B) Brief framework of the Policy

The objective of this Policy is:

a) to determine inter-alia, qualifications, positive attributes and independence of a Director;

b) to guide on matters relating to appointment and removal of Directors and Senior Management;

c) to lay down criteria / evaluate performance of the Directors; and

d) to guide on determination of remuneration of the Directors, Senior Management / KMPs and other employees.

C) Appointment of Director(s) - Criteria Identification

The NRC identifies and ascertains the integrity, professional qualification, expertise and experience of the person, who is proposed to be appointed as a Director and appropriate recommendation is made to the Board with respect to his / her appointment.

Appointment of Independent Directors is subject to the provisions of Section 149 of the Act read with Schedule IV and rules thereunder. The NRC satisfies itself that the proposed person satisfies the criteria of independence as stipulated under Section 149(6) of the Act, before their appointment as an Independent Director.

No person is eligible to be appointed as a Director, if he / she is subject to any disqualifications as stipulated under the Act or any other law(s) for the time being in force.

The appointment of Managing Director and Whole-time Director is subject to the provisions of Sections 196, 197, 198 and 203 of the Act read with Schedule V and rules made thereunder. The NRC ensures that a person does not occupy the position as Managing Director / Whole-time Director beyond the age of seventy years, unless the appointment is approved by a special resolution passed by the Company in general meeting. No re-appointment is made earlier than one year before the expiry of term.

D) Evaluation Criteria of Directors and Senior Management / KMPs / Employees

- **Independent Directors / Non-Executive Directors**

  The NRC carries out evaluation of performance of Independent Directors / Non-Executive Directors every year ending March 31st on the basis of the following criteria:

  a) Membership & Attendance – Committee and Board Meetings;

  b) Contribution during such meeting;

  c) Active participation in strategic decision making;

d) Inputs to executive management on matters of strategic importance;

e) Such other matters as the NRC / Board may determine from time to time.

- **Executive Directors**

  The NRC carries out evaluation of performance of Executive Directors ("EDs"), if any, every year ending March 31. The evaluation is on the basis of Key Performance Indicators ("KPIs"), which are identified well in advance for EDs and weights assigned for each measure of performance keeping in view the distinct roles of each ED. The identified KPIs for EDs are approved by the Board, pursuant to recommendation of the NRC, if required.

- **Senior Management/ KMPs/ Employees**

  The HR Department carries out the evaluation of the aforementioned persons every year ending March 31, with the Department Head(s) concerned. KPIs are identified well in advance at the commencement of the financial year. Performance benchmarks are set and evaluation of employees is done by the respective reporting Manager(s) / Management / Department Head(s) to determine whether the performance benchmarks are achieved. The payment of remuneration/annual increment to the aforementioned persons is determined after the satisfactory completion of evaluation process.

  The HR Department of the Company is authorized to design the framework for evaluating the Senior Management Personnel / KMPs and employees. The objective of carrying out the evaluation by the Company is to identify and reward those with exceptional performances during any financial year. Training and Development Orientation programs on a need basis are provided to employees, whose performance during any financial year does not meet the benchmark criteria.

E) Criteria for Remuneration

The NRC, while determining the criteria for remuneration for Directors, Senior Management / KMPs and other employees ensures that:

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration to Directors, Senior Management and KMPs involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

During the year under review, the changes as mandated under regulatory provisions have been duly carried out in the Policy.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its own performance, performance of the Directors individually and the Committees of the Board.

Manner of Evaluation

The NRC and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, its Committees and individual Directors has to be made.

It includes circulation of evaluation forms separately for evaluation of the Board and its Committees, Independent Directors / Non-Executive Directors and the Chairperson.

The process of the annual performance evaluation broadly comprises the following:

a. Board and Committee Evaluation:

Evaluation of Board as a whole and the Committees is done by the individual directors / members, followed by submission of collation to NRC and feedback to the Board.

b. Independent / Non-Executive Directors' Evaluation:

Evaluation done by Board Members excluding the Director being evaluated is submitted to the Chairperson of L&T Finance Holdings Limited, the holding Company and individual feedback provided to each Director.

c. **Chairperson Evaluation:**

Evaluation as done by the individual directors is submitted to the Chairperson of NRC of L&T Finance Holdings Limited, the holding Company and individual feedback is provided to the Chairperson.

CORPORATE GOVERNANCE

It has always been the Company's endeavour to excel through better Corporate Governance and fair and transparent practices. The report on Corporate Governance for FY19 is appended as **Annexure A** to this Report.

In accordance with the master circular issued by RBI on Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, the Company has adopted the internal guidelines on Corporate Governance.

STATUTORY AUDITORS

Pursuant to the provisions of Section 139(2) of the Act and the rules made thereunder, the Members at their Twenty Third AGM held on June 15, 2016, had appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm's Registration Number 117366W/W-100018) as the Statutory Auditors of the Company for a term of five years i.e from the conclusion of Twenty Third AGM till the conclusion of the Twenty Eighth AGM. They have confirmed that they are not disqualified from continuing as the Auditors of the Company.

AUDITORS' REPORT

The Auditors' Report to the Members during the year under review is unmodified and does not contain any qualification. The Notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Act.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Ms. Naina R. Desai, Practicing Company Secretary to undertake the secretarial audit of the Company for FY19.

The Secretarial Audit Report is appended as **Annexure B** to this Report.

There are no adverse remarks / observations / qualifications / reservations / disclaimers in the Secretarial Audit Report.

REPORTING OF FRAUDS BY AUDITORS

There were no frauds reported by the Auditors of the Company under Section 143(12) of the Act to the Audit Committee.

PARTICULARS OF EMPLOYEES

The information required pursuant to the provisions of Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, has been appended as **Annexure C** to this report.

In terms of second proviso to Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars as required pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said annexure is available for inspection by the Members at the registered office of the Company during business hours on working days of the Company till the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary at the registered office address.

The Board of Directors affirms that the remuneration paid to the employees of the Company is as per the Policy on Directors' appointment and remuneration for Directors, KMPs and other employees and none of the employees listed in the said Annexure are related to any Directors of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company being an NBFC, the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to provisions of Rule 8(3) of the Companies (Accounts) Rules, 2014 have not been considered significant enough to warrant disclosure.

During the year under review, there were no foreign exchange earnings (previous year also Nil). The expenditure in foreign currency was ₹ 5.43 Crore (previous year ₹ 1.89 Crore) for professional fees and license fees.

DISCLOSURE RELATING TO HOLDING, SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company is a wholly-owned subsidiary of L&T Finance Holdings Limited. It has no subsidiary or joint venture company. The Company holds 26% of equity shares of Grameen Capital India Private Limited and 28.29% of equity shares of L&T Infra Debt Fund Limited, which are the associate companies.

As required under Rule 5 and Rule 8(1) of the Companies (Accounts) Rules, 2014, a report on the performance, financial position and contribution of associates of the Company has been appended as **Annexure D** to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, based on the representations received from the operational management, confirm in pursuance to provisions of Section 134(5) of the Act, that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that period;
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Directors have prepared the annual accounts on a going concern basis;
5. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
6. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws including Secretarial Standards and that such systems were adequate and operating effectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. Testing of such systems forms a part of review by the Internal Audit ("IA") function. The scope and authority of the IA function is defined in the IA Charter.

The IA function of L&T Financial Services Group monitors and evaluates the efficacy and adequacy of the internal control systems in the Company and its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of IA function, process owners undertake corrective action, if any, in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee from time to time.

BOARD MEETINGS

The details of the Board Meetings held by the Company during FY19 are disclosed in the Corporate Governance Report appended to this Report.

The Agenda for the Meetings were circulated to the Directors well in advance. The Minutes of the Meetings of the Board of Directors were circulated amongst the Members of the Board for their perusal.

COMPOSITION OF THE AUDIT COMMITTEE

The Company has constituted an Audit Committee in terms of the requirements of the Act and RBI directions. The details of the same are disclosed in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with the requirements of the provisions of Section 135 of the Act, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report.

The Company has also formulated a CSR Policy ("Policy") in accordance with the requirements of the Act and containing details specified therein which is available on the website of the Company at https://www.ltfs.com. During the year under review, the Policy has been updated to include some components within the already approved thrust areas like providing aid to women entrepreneurs, digital financial inclusion and adding of sustainable development goals as per United Nations. An annual report on activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as **Annexure E** to this Report.

VIGIL MECHANISM

Pursuant to Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Section 177(9) of the Act, the Company has adopted a Vigil Mechanism Framework ("Framework"), under which the Whistle Blower Investigation Committee ("the Committee") has been set up. The objective of the Framework is to establish a redressal forum, which addresses all concerns raised on questionable practices and through which the Directors and employees can raise actual or suspected violations.

The Chief Internal Auditor of L&T Financial Services Group acts as an Ombudsman. The role of Ombudsman is to review the grievance at the initial stage and in case the grievance is material, the same is forwarded to the Committee, for investigation. After investigation, the complaint with Investigation Report is forwarded to the Audit Committee / Managing Director / Whole-time Director as the case may be. At the Audit Committee, brief update is presented to the Members for their review. The Committee takes necessary actions of maintaining confidentiality within the organization on matters brought to its attention.

The mechanism framed by the Company is in compliance with requirements of the Act and available on the website viz. https://www.ltfs.com.

PARTICULARS OF LOAN GIVEN, INVESTMENT MADE OR GUARANTEE OR SECURITY PROVIDED BY THE COMPANY

Details of loans, guarantees and investments are given in the notes to the Financial Statements, as applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Board of Directors has approved a policy on transactions with related parties ("RPT Policy") pursuant to the recommendation of the Audit Committee ("AC"). The RPT Policy is also available on the website of the Company viz. https://www.ltfs.com. The RPT Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and the related parties.

Key features of the RPT Policy are as under:

- All transactions with related parties ("RPTs") are referred to the AC of the Company for approval, irrespective of its materiality. The AC, also approves any subsequent modification in the RPTs. The process of approval of RPTs by the Board and Shareholders is as under:

  a) **Board:**

  Generally all RPTs are in the ordinary course of business and at arm's length price.

  RPTs which are not at arm's length and which are not in the ordinary course of business are approved by the Board.

  b) **Shareholders**

  All Material RPTs requires prior approval of the shareholders, based on recommendation of the Board, through an ordinary resolution passed at the general meeting. Where any contract or arrangement is entered into by a Director or any other employee without obtaining the consent of the Board or approval by an ordinary resolution in the general meeting, it is to be ratified by the Board or by the Shareholders at a meeting, as the case may be, within three months from the date on which such contract or arrangement was entered into.

- All RPTs that were entered into during FY 2018-19 were on an arm's length basis and were in the ordinary course of business and disclosed in the Financial Statements. There were no materially significant RPTs made by the Company with Promoters, Directors, KMPs or body corporate(s), which had a potential conflict with the interest of the Company at large. Accordingly, the disclosure of RPTs as required under the provisions of Section 134(3)(h) of the Act in Form AOC-2 is not applicable. The Directors draw attention to notes to the Financial Statements which sets out related party disclosures.

RISK MANAGEMENT FRAMEWORK

The Company has formulated a Risk Management Framework to inform the Board about risk assessment, minimization procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework. The Audit Committee is kept apprised of the proceedings of the Risk Management Committee.

POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place a policy for prevention, prohibition and redressal of sexual harassment at work place. Appropriate reporting mechanisms are in place for ensuring protection against sexual harassment and right to work with dignity.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, the Company had received 2 (two) complaints and the same have been resolved.

ANNUAL RETURN AS PRESCRIBED UNDER THE ACT AND RULES MADE THEREUNDER

The extract of the Annual Return in Form MGT-9 as required under Section 92(3) of the Act and prescribed in Rule 12 of the Companies (Management and Administration) Rules, 2014, is appended as **Annexure F** to this Report.

The Annual Return in Form MGT-7 as required under Section 92(3) of the Act shall be hosted on the website of the Company viz https://www.ltfs.com.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Further, no penalties have been levied by the RBI / any other Regulators during the year under review.

RBI REGULATION

The Company has complied with all the requirements prescribed by RBI, from time to time, as applicable to it.

OTHER DISCLOSURES

During the year under review, the Company has not obtained any registration / license / authorisation, by whatever name called from any other financial sector regulators.

ACKNOWLEDGEMENT

The Directors express their sincere gratitude to RBI, Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, Ministry of Finance, Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, lenders, financial institutions and the Company's bankers for the ongoing support extended by them. The Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders and trust reposed by them in the Company. The Directors sincerely appreciate the commitment displayed by the employees of the Company across all levels, resulting in successful performance during the year.

For and on behalf of the Board of Directors

Dinanath Dubhashi
Chairperson
DIN: 03545900

Place: Mumbai
Date : April 28, 2019

BOARD OF DIRECTORS

The Board of Directors ("the Board") along with its Committees provides leadership and guidance to the Company's management and directs, supervises and controls the activities of the Company.

As on the date of this report, the Board comprises 4 (four) Directors viz. Mr. Dinanath Dubhashi, Mr. P. V. Bhide, Dr. (Mrs.) Rajani R. Gupte and Mr. Rishi Mandawat. Mr. Dinanath Dubhashi is the Non-Executive Chairperson, Mr. P. V. Bhide and Dr. (Mrs.) Rajani R. Gupte are Independent Directors and Mr. Rishi Mandawat is the Non-Executive Director on the Board.

During the year under review, Mr. Prabhakar B., Mr. Desh Raj Dogra and Mr. Mannil Venugopalan stepped down as Directors with effect from May 30, 2018, June 4, 2018 and June 11, 2018 respectively due to personal reasons / to devote time to other commitments.

Further, Mr. Ashish Kotecha, Non-Executive Director, resigned from the Board with effect from April 28, 2019, to devote time to other commitments.

The Company has appointed Mr. Rishi Mandawat as an Additional Director, pursuant to the provisions of Sections 152 and 161 of the Companies Act, 2013 ("the Act") with effect from April 28, 2019. Mr. Mandawat holds office up to the date of the ensuing Annual General Meeting ("AGM"). His candidature for appointment as Director would be placed before the ensuing AGM and he will not be liable for retirement by rotation.

During the year under review, 5 (five) meetings of the Board of Directors were held on May 2, 2018, July 19, 2018, October 24, 2018, January 21, 2019 and March 19, 2019.

The attendance of the Members of the Board at the Meetings held during the year under review is as follows:

Name of the Director	DIN	Nature of Directorship	No. of Board Meetings held/ conducted during the tenure of Directors/ year	No. of Board Meetings attended
Mr. Dinanath Dubhashi	03545900	C-NED	5	5
Mr. P. V. Bhide	03304262	ID	5	5
Mr. Mannil Venugopalan(1)	00255575	ID	1	1
Dr. (Mrs.) Rajani Rajiv Gupte	03172965	ID	5	5
Mr. Desh Raj Dogra(2)	00226775	ID	1	1
Mr. Prabhakar B.(3)	02101808	NED	1	1
Mr. Ashish Kotecha(4)	02384614	NED	5	5(5)

Notes:

(1) *Ceased to be a Director with effect from June 11, 2018*

(2) *Ceased to be a Director with effect from June 4 , 2018*

(3) *Ceased to be a Director with effect from May 30, 2018*

(4) *Ceased to be a Director with effect from April 28, 2019*

(5) *Attended 1 meeting through audio call*

C- Chairperson, ID - Independent Director, NED - Non-Executive Director

Mr. Sunil Prabhune is the Manager of the Company and functions under the supervision and control of the Board of Directors.

The Board functions either as a full Board or through various Committees constituted to oversee specific areas. The Committees have oversight of operational issues assigned to them by the Board. The 4 (four) core committees constituted by the Board under the Act are:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relationship Committee

The Board has additionally constituted a Committee of Directors to handle the operational issues.

The details of various Committees of the Company and their composition, as on the date of the report, are as under:

1) Audit Committee ("AC")

Terms of reference:

The role of the AC includes the following:

i. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

ii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

iii. Examining the financial statement and the auditors' report thereon;

iv. Approval or any subsequent modification of transactions of the Company with related parties;

v. Scrutiny of inter-corporate loans and investments;

vi. Valuation of undertakings or assets of the Company, wherever it is necessary;

vii. Evaluation of internal financial controls and risk management systems;

viii. Monitoring the end use of funds raised through public offers and other related matters;

ix. Functioning of the Vigil Mechanism Framework of the Company;

x. Full access to information contained in the records of the Company and external professional advice;

xi. Investigation of any activity within its terms of reference, seek information from an employee, obtain outside legal/professional advice;

xii. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

xiii. Recommendation of appointment and removal of external auditor, fixation of audit fees and also approve payment for other services;

xiv. Discussion with the auditors periodically on internal control systems, scope of audit including observations of the auditors, and reviewing the half yearly and annual financial statements before submission to the Board and ensuring compliance of internal control system;

xv. Ensuring Information system audit of the internal systems and processes to assess operational risks faced by the Company in accordance with the requirements stipulated by RBI;

xvi. Recommendation on financial management including audit report which shall be binding on the Board;

xvii. Investigation into any matter in relation to the items given above or referred to it by the Board and power to obtain professional advice from external sources and have full access to information contained in the records of the Company;

xviii. Right to call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and discuss any related issues with the internal and statutory auditors and the management of the Company.

The Board had duly accepted the recommendations made by the AC from time to time.

Composition:

The AC has been set up pursuant to the provisions of Section 177 of the Act, as well as the RBI directions for Non-Banking Financial Companies ("NBFCs"). The AC on March 31, 2019 comprises the following:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. P. V. Bhide	Chairperson	ID
Dr. (Mrs.) Rajani R. Gupte	Member	ID
Mr. Dinanath Dubhashi	Member	NED

Meetings and Attendance :

The AC met 4 (four) times during the year on May 2, 2018, July 19, 2018, October 23, 2018 and January 21, 2019. The attendance of the Members at the meetings was as follows:

Name of the Director	No. of Meetings held/conducted during the tenure of Directors/ year	No. of Meeting attended
Mr. P. V. Bhide	4	4
Dr. (Mrs.) Rajani R. Gupte	4	3
Mr. Dinanath Dubhashi	4	4

2) Nomination and Remuneration Committee ("NRC")

Terms of reference :

The role of the NRC includes the following:

i. Identify persons who are qualified to become director and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every director's performance.

ii. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

iii. Ensure that:

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of quality required to run the Company successfully;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

iv. Ensure fit and proper status of existing / proposed reference directors by obtaining necessary information and declaration from them and undertake a process of due diligence to determine suitability of the person for appointment / continuing to hold appointment as Director on the Board based upon qualification, expertise, track record, integrity and other relevant factors.

v. Undertake process of due diligence at the time of initial appointment and also prior to reappointment.

vi. Decide based on the information provided in the declaration, the acceptance (and / or otherwise) and make references where considered necessary to the appropriate person / authority to ensure their compliance with the requirements indicated.

vii. Obtain annual declaration confirming that the information already provided had not undergone change and if there is any change requisite details would be furnished by the directors forthwith.

viii. Focus on evaluating senior level employees their remuneration, promotion etc.

Composition:

The Company has constituted the NRC in accordance with the requirements of the Act read with the rules made there under. The Committee has formulated a policy on fit & proper criteria for Directors appointment and policy on Directors' appointment and remuneration including recommendation of remuneration of the key managerial personnel and other employees and the criteria for determining qualifications, positive attributes and independence of a Director. The NRC as on March 31, 2019 comprises the following:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. P. V. Bhide	Chairperson	ID
Dr. (Mrs.) Rajani R. Gupte	Member	ID
Mr. Dinanath Dubhashi	Member	NED

Meetings and Attendance:

The NRC met 3 (three) times during the year on May 2, 2018, October 23, 2018 and March 19, 2019. The attendance of the Members at the meetings was as follows:

Name of the Director	No. of Meetings held / conducted during the tenure of Directors / year	No. of Meetings attended
Mr. P. V. Bhide(1)	2	2
Mr. Mannil Venugopalan(2)	1	1
Dr. (Mrs.) Rajani R. Gupte	3	2
Mr. Dinanath Dubhashi	3	3

Notes:

(1) *Appointed as a Member of the Committee with effect from June 25, 2018*

(2) *Ceased to be a Member of the Committee with effect from June 11, 2018*

3) Corporate Social Responsibility ("CSR") Committee

Terms of reference:

The role of the CSR Committee includes the following:

i. Formulation of CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act and recommendation of the same to the Board;

ii. Determining the amount to be spent on CSR from time to time and recommend the same to the Board;

iii. Monitoring the CSR Policy of the Company from time to time.

Composition:

The CSR Committee as on March 31, 2019 comprises the following:

Name of the Director	Designation in the committee	Nature of Directorship
Dr. (Mrs.) Rajani R. Gupte	Chairperson	ID
Mr. Dinanath Dubhashi	Member	NED
Mr P.V. Bhide[1]	Member	ID

Note:

[1] *Appointed as a Member of the Committee with effect from June 25, 2018*

Meetings and Attendance :

The CSR Committee met 2 (two) times during the year on May 2, 2018 and July 19, 2018.

The attendance of the Members at the meetings was as follows:

Name of the Director	No. of Meetings held / conducted during the tenure of Directors / year	No. of Meetings attended
Dr. (Mrs.) Rajani R. Gupte	2	2
Mr. Dinanath Dubhashi	2	2
Mr. Mannil Venugopalan[1]	1	1
Mr P.V. Bhide[2]	1	1

Notes:

[1] *Ceased to be a Member of the Committee with effect from June 11, 2018*

[2] *Appointed as a Member of the Committee with effect from June 25, 2018*

4) Stakeholders Relationship Committee ("SRC")

Terms of reference:

The role of the SRC inter-alia is to consider and resolve the grievances of the debenture holders and any other security holders from time to time.

Composition:

The SRC as on March 31, 2019 comprises the following:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Dinanath Dubhashi	Chairperson	NED
Mr. Sunil Prabhune	Member	–
Mr. Sachinn Joshi	Member	–

5) Committee of Directors ("COD")

Terms of Reference:

The COD is entrusted with the powers of general management of the affairs of the Company.

Composition:

The COD as on March 31, 2019 comprises the following:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Dinanath Dubhashi	Chairperson	NED
Dr. (Mrs). Rajani R Gupte[1]	Member	NED
Mr. Ashish Kotecha	Member	NED

Note:

[1] *Appointed as a Member of the Committee with effect from June 25, 2018*

Meetings and Attendance:

The Committee met 2 (two) times during the year on January 21, 2019 and March 19, 2019.

The attendance of the Members at the meetings was as follows:

Name of the Director	No. of Meetings held / conducted during the tenure of Directors / year	Number of Meetings attended
Mr. Dinanath Dubhashi	2	2
Dr. (Mrs). Rajani R Gupte[1]	2	2
Mr. Ashish Kotecha[2]	2	2

Notes:

[1] *Appointed as a Member of the Committee with effect from June 25, 2018*

[2] *Ceased to be a Member of the Committee with effect from April 28, 2019*

MEETING OF INDEPENDENT DIRECTORS

Section 149(8) of the Act read with Schedule IV of the Act requires the Independent Directors of the Company to hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management. The Independent Directors of the Company met once on May 2, 2018 pursuant to the provisions of the Act.

REMUNERATION OF DIRECTORS

The Non-Executive Directors (except those Directors who were in the services of L&T Financial Services Group) are paid sitting fees for attending the meetings of the Board and / or any Committee thereof and commission on net profits.

REMUNERATION TABLE

The details of remuneration paid to the Directors for the year ended March 31, 2019 are as follows:

(Amount in ₹)

Name of the Director	Sitting Fees for Board Meetings / Independent Director Meetings	Sitting fees for Committee Meetings	Commission	Total
Mr. P. V. Bhide	2,40,000	2,60,000	13,50,000	18,50,000
Mr. Mannil Venugopalan[(1)]	80,000	60,000	3,75,000	5,15,000
Dr. (Mrs.) Rajani R. Gupte	2,40,000	2,60,000	14,65,000	19,65,000
Mr. Desh Raj Dogra[(2)]	80,000	-	1,45,000	2,25,000
Mr. Prabhakar B.[(3)]	40,000	-	1,45,000	1,85,000
Mr. Ashish Kotecha[(4)]	2,00,000	20,000	8,35,000	10,55,000

Notes:

(1) *Ceased to be a Director with effect from June 11, 2018*
(2) *Ceased to be a Director with effect from June 4 , 2018*
(3) *Ceased to be a Director with effect from May 30, 2018*
(4) *Ceased to be a Director with effect from April 28, 2019*

NUMBER OF COMPANIES IN WHICH AN INDIVIDUAL MAY BECOME A DIRECTOR

The Company has apprised its Board Members about the restriction on number of other directorships and expects them to comply with the same.

RESPONSIBILITIES OF THE BOARD

Presentations to the Board in areas such as financial results, budgets, business prospects etc. give the Directors an opportunity to interact with the senior management and other functional heads. Directors are also updated about their role, responsibilities and liabilities.

The Company ensures necessary training to the Directors relating to its business through formal / informal interactions. Systems, procedures and resources are available to ensure that every Director is supplied, in a timely manner, with precise and concise information in a form and of a quality appropriate to effectively enable / discharge their duties. The Directors are given time to study the data and contribute effectively to the Board discussions.

The Non-Executive Directors through their interactions and deliberations give suggestions for improving overall effectiveness of the Board and its Committees. Their inputs are also utilized to determine the critical skills required for prospective candidates for election to the Board.

DISCLOSURES

During the financial year ended March 31, 2019 :

- There was no materially significant related party transaction with the Directors that have a potential conflict with the interests of the Company.
- The related party transactions have been disclosed in the Notes to Accounts forming part of the Annual Financial Statements.
- Since introduction of the Companies Act, 2013, the Company has implemented all Sections as applicable to it and accordingly, it is in compliance with all relevant and applicable provisions of Companies Act, 2013.

DEBENTURE TRUSTEE

The debenture trustees of the Company are:

IDBI Trusteeship Services Limited
Asian Building, Ground Floor, 17,
R. Kamani Marg, Ballard Estate,
Mumbai – 400 001.
Tel: +91 020 2528 0081
Fax: +91 020 2528 0275
E-mail: itsl@idbitrustee.com
Website: http://www.idbitrustee.com

Catalyst Trusteeship Limited
GDA House, Plot No 85, Bhusari Colony (Right),
Paud Road, Pune - 411 038.
Tel: +91 020 2528 0081
Fax: +91 020 2528 0275
E-mail: dt@ctltrustee.com
Website: www.catalysttrustee.com

MEANS OF COMMUNICATION

- Half Yearly Results are published in one daily English newspaper of national prominence.
- The Company submits half yearly communication to Stock Exchanges as per the requirements of the Uniform Listing Agreement and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Annual Report is displayed on the website of the Company viz. https://www.ltfs.com.

For and on behalf of the Board of Directors

Dinanath Dubhashi
Chairperson
DIN: 03545900

Place: Mumbai
Date: April 28, 2019

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
L&T FINANCE LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **L&T FINANCE LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), **as applicable:-**

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **presently, (Prohibition of Insider Trading) Regulations, 2015;**

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, **2018;**

   d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **presently (Share Based Employee Benefits) Regulations, 2014;**

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, **2018**.

(vi) Other specific business/industry related laws that are applicable to the company, viz.

- **NBFC – The Reserve Bank of India Act, 1934 and all applicable Laws, Rules, Regulations, Guidelines, Circulars, Notifications, etc.**

I have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. **The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and** the Listing Agreements entered into by the Company with Stock Exchange(s), if applicable. – **Uniform Listing Agreement with the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE);**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, in case of dissent.

I further report that, based on review of the compliance mechanism established by the Company and the Compliance Certificates taken on record by the Board of Directors at their meetings, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the **following events** / actions have taken place which having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.,:

(i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc. –

a) Issue of Non-Convertible Debentures, Series A to Series O, aggregating ₹ 5,708.55 Crore on private placement basis.

b) Issue / Allotment of Secured Redeemable Non-Convertible Debenture ("NCDs") by way of a Public Issue:

- **Shelf Prospectus with shelf limit for issuance of NCDs of up to ₹ 5,000 Crore in tranches was approved by Committee of Directors of the Company on February 22, 2019. Tranche 1 Prospectus for issue of NCDs for an amount of ₹ 500 Crore, with an option to retain oversubscription up to ₹ 1,000 Crore, aggregating to up to 1,50,000 NCDs, was approved by the Registrar of Companies, West Bengal on February 26, 2019 and taken on record by National Stock Exchange Limited and BSE Limited and other regulatory authorities as required under applicable laws. In terms of the Tranche 1 Prospectus, Company had allotted NCDs aggregating to ₹ 1,500 Crore on March 13, 2019.**

  Further, the Tranche 2 Prospectus for issue of NCDs for an amount of ₹500 Crore, with an option to retain oversubscription up to ₹500 Crore aggregating to ₹1,000 Crore was filed with the Registrar of Companies, West Bengal on March 28, 2019.

(ii) Redemption/buy-back of securities -

- **Non-Convertible Debentures redeemed during FY 2018-19 is ₹ 1,646.75 Crore and buy back of Non-Convertible Debentures is ₹ 3,00,000.**

(iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013 -

- **Revision in Borrowing limits of the Company, from ₹ 50,000 Crore to ₹ 56,000 Crore, at the Extraordinary General Meeting held on April 2, 2018, pursuant to Section 180(1) (c) and creation of charge thereon, pursuant to Section 180(1)(a), respectively, of Companies Act, 2013.**

(iv) Merger / amalgamation / reconstruction, etc. – **NIL**.

(v) Foreign technical collaborations – **NIL**.

NAINA R DESAI
Practising Company Secretary
Membership No. 1351
Certificate of Practice No.13365

Place : Mumbai
Date : April 22, 2019

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

'Annexure A'

To,
The Members
L&T FINANCE LIMITED

Our report of even date is to be read along with this letter.

1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3) We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

NAINA R DESAI
Practising Company Secretary
Membership No. 1351
Certificate of Practice No.13365

Place : Mumbai
Date : April 22, 2019

PARTICULARS OF EMPLOYEES

Information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th colspan="2">Disclosure</th></tr>
<tr><td>1</td><td>The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.[1]</td><td colspan="2">Not applicable</td></tr>
<tr><td>2</td><td>The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.[1]</td><td colspan="2">Manager – 12%
Chief Financial Officer (Head- Accounts)- 8%[2]
Company Secretary - 5%[3]</td></tr>
<tr><td>3</td><td>The percentage increase in the median remuneration of employees in the financial year.</td><td colspan="2">The median remuneration of employees in the financial year was increased by 6%</td></tr>
<tr><td>4</td><td>The number of permanent employees on the rolls of Company.</td><td colspan="2">19,611</td></tr>
<tr><td rowspan="2">5</td><td rowspan="2">Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.</td><td>Employees other than managerial personnel</td><td>Managerial personnel</td></tr>
<tr><td>11.1%</td><td>12%</td></tr>
<tr><td>6</td><td>Affirmation that the remuneration is as per remuneration policy of the Company</td><td colspan="2">We affirm that the remuneration paid is as per the Nomination and Remuneration Policy of the Company.</td></tr>
</table>

[1] *For the purpose of determining the ratio of remuneration and percentage increase in remuneration of Directors as stipulated in Sr. No. 1 & 2 above, only remuneration of Executive Directors is considered.*

[2] *Mr. Amol Joshi stepped down as the Head– Accounts and consequently, Mr. Manish Jethwa was appointed as the Head – Accounts to discharge the functions of Chief Financial Officer and was designated as KMP under the Companies Act with effect from October 24, 2018.*

[3] *Mr. Amit Bhandari resigned from the position of the Company Secretary of the Company with effect from September 28, 2018 and consequently, Mr. Gufran Ahmed Siddiqui was appointed as the Company Secretary of the Company and was designated as KMP under the Companies Act w.e.f January 21, 2019.*

For and on behalf of the Board of Directors

Dinanath Dubhashi
Chairperson
DIN: 03545900

Place: Mumbai
Date : April 28, 2019

FORM AOC-1

(Statement pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries,associate companies and joint ventures

Part: A: Subsidiaries: Not Applicable

Part: B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act , 2013 related to Associate Companies and Joint Ventures

Sr. No.		1	2
Name of Associates		**Grameen Capital India Private Limited**	**L&T Infra Debt Fund Limited**
1.	Latest audited Balance Sheet Date	31st March 2018	31st March 2019
2.	Date on which the Associate or Joint Venture was associated or acquired	-	-
3.	Shares of associates held by the Company as at March 31, 2019	-	-
	Number of Shares	21,26,000	138,652,953
	Amount of investment in Associates (₹ Crore)	2.13	176.50
	Extend of Holding %	26%	28.29%
4.	Description of significant influence	26% of Shareholding	28.29% of Shareholding
5.	Reason of non consolidation of the associate	Not Applicable	
6.	Net worth attributable to Shareholding as per latest Audited Balance Sheet (₹ Crore)	Not Applicable	299.78
7.	Profit/ Loss for the year 2018-19		
	i. Considered in Consolidation (₹ Crore)	-	37.24
	ii. Not Considered in Consolidation (₹ Crore)	-	-

Names of associates or joint ventures which are yet to commence operations: NIL

Names of associates or joint ventures which have been liquidated or sold during the year: NIL

For and on behalf of board of directors of L&T Finance Limited

Dinanath Dubhashi
Chairperson
(DIN: 03545900)

Manish Jethwa
Head - Accounts

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : April 28, 2019

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR")

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

As required under Section 135(4) of the Companies Act, 2013 and Rule 9 of Companies (Accounts) Rules, 2014, the details with respect to CSR are as follows:

1) A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

L&T Financial Services aspires to bring in inclusive social transformation of the rural communities by nurturing and creating opportunities for sustainable livelihoods. The policy clearly states the organization's core CSR thrust areas as Integrated Water Resource Management and Financial Inclusion. The policy defines the Company's CSR vision with a clear implementation methodology. The CSR Policy has been formulated in accordance with the provisions of Section 135 of the Companies Act, 2013 and is available on the website of the Company at https://www.ltfs.com/csr.html.

2) Composition of the CSR Committee:

The composition of CSR Committee is disclosed in the Corporate Governance Report.

3) Average Net Profit of the Company for the last three financial years is ₹ 200.63 Crore.

4) Prescribed CSR expenditure and details of CSR spend during the financial year:

Particulars	Amount (₹ in Crore)
Prescribed CSR Expenditure	4.01
Amount spent on CSR	4.01
Amount unspent	Nil

5) Manner in which amount spent during the financial year:

(₹ in Crore)

Sr. No.	CSR project or activity identified	Sector in which project is covered	Projects or programme coverage	Amount outlay (budget) project or programme wise	Amount spent on the projects or programmes. Sub heads - (a) Direct expenditure & (b) overheads	Cumulative expenditure up to the reporting period	Amount spent - Direct or through implementing agencies
1	**Digital Sakhi - Tamil Nadu**						
	• Interventions of Digital Financial Literacy & Entrepreneurship Development by 100 Digital Sakhis in Tamil Nadu • Inclusion of 1,000 women (micro-entrepreneurs) in digital payments space • Community reach to 20,000 rural population in Tamil Nadu	iii) Promoting gender equality, empowering women for reducing inequalities faced by socially and economically backward groups x) Rural Development project	**State:** Tamil Nadu **District:** Villupuram	0.47	(a) 0.44 (b) 0.03	0.47	Indirect**
2	**Digital Sakhi – Madhya Pradesh**						
	• Interventions of Digital Financial Literacy & Entrepreneurship Development by 100 Digital Sakhis in Madhya Pradesh • Inclusion of 1,000 women (micro-entrepreneurs) in digital payments space • Community reach to 50,000 rural population in Madhya Pradesh	iii) Promoting gender equality, empowering women for reducing inequalities faced by socially and economically backward groups x) Rural Development project	**State:** Madhya Pradesh **District:** Dhar and Barwani	1.06	(a) 0.98 (b) 0.08	1.06	Indirect**

Sr. No.	CSR project or activity identified	Sector in which project is covered	Projects or programme coverage	Amount outlay (budget) project or programme wise	Amount spent on the projects or programmes. Sub heads - (a) Direct expenditure & (b) overheads	Cumulative expenditure up to the reporting period	Amount spent - Direct or through implementing agencies
3	**Road safety – Mumbai Traffic Police**						
	Promotion of Road Safety among municipal school children & larger eco system; training and deployment of community youth as traffic wardens	ii) Promotion of Education	**State:** Maharashtra **District:** Mumbai	0.51	(a) 0.47 (b) 0.04	0.51	Indirect**
4	**Kerala Relief project**	(viii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments	**State:** Kerala	1.55	(a) 1.43 (b) 0.12	1.55	Indirect**
5	**Healthcare**						
	Access to health services and breast cancer screening	i) reducing child mortality and improving maternal health; combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases	**State:** Maharashtra **District:** Nagpur	0.22	(a) 0.22 (b) 0.00#	0.22	Indirect**
6	**CSR Administration, NGO capacity building**	Capacity building		0.20	(a) 0.20 (b) 0.00#	0.20	Direct*
	Total CSR Spend in FY 2018-19			4.01	4.01	4.01	

Indicates figures less than ₹ 50,000

Note:

Direct = CSR projects / initiatives directly implemented by the Company.*

*Indirect** = CSR activities / projects have been carried out by partnering with several Non-Governmental Organizations / Charitable Institutions like Sri Aurobindo Society, SEWA Bharat, Janaagraha, CHIP Mumbai, Habitat for Humanity and Pandit Deendayal Upadhyay Institute of Medical Science Research & Human Resources.*

6) Responsibility Statement:

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

Dr. (Mrs.) Rajani R. Gupte
Chairperson
CSR Committee
DIN: 03172965

Dinanath Dubhashi
Director
DIN: 03545900

Place : Mumbai
Date : April 28, 2019

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on March 31, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	**CIN**	U65910WB1993FLC060810
ii)	**Registration Date**	November 24, 1993
iii)	**Name of the Company**	L&T Finance Limited
iv)	**Category / Sub-category of the Company**	Company Limited by Shares / Indian Non-Government Company
v)	**Address of the Registered office & contact details**	Technopolis, 7th Floor, A Wing, Plot No.4, Block-BP, Sec-V, Salt Lake, Kolkata – 700091. Tel: +91 22 6212 5000 Fax: +91 22 6212 5553 E-mail: contact@ltfs.com Website: www.ltfs.com
vi)	**Whether listed company**	Yes (Debt Listed)
vii)	**Name, address & contact details of the Registrar & Transfer Agent, if any.**	**Link Intime India Private Limited,** C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India. Phone: +91 22 4918 6262 Fax: +91 22 4918 6060 E-mail: rnt.helpdesk@linkintime.co.in Toll Free: 1800 102 7796

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

Sr. No.	Name & Description of main product/service	NIC Code of the product /service	% to total turnover of the Company
1	Non-Banking Finance Company (NBFC)	64990	100

III. PARTICUALRS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Companies	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable section
1	**L&T Finance Holdings Limited** Brindavan, Plot No. 177, C.S.T Road, Kalina, Santacruz (East), Mumbai- 400 098	L67120MH2008PLC181833	Holding Company	100	2(46)
2	**L&T Infra Debt Fund Limited** Plot No. 177, CTS No. 6970, 6971, Vidyanagari Marg, C.S.T Road, Kalina, Santacruz (East), Mumbai – 400 098	L67100MH2013PLC241104	Associate Company	28.29	2(6)
3	**Grameen Capital India Private Limited** 306, A Wing, 3rd Floor, 36 Turner Road, Opp. Tavaa Restaurant, Bandra West, Mumbai – 400 050, Maharashtra, India.	U65923MH2007PTC168721	Associate Company	26	2(6)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

(i) Category – wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2018)				No. of Shares held at the end of the year (As on March 31, 2019)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	7*	7*	0	-	7*	7*	0	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	1,59,91,38,192		1,59,91,38,192	100	1,59,91,38,192	-	1,59,91,38,192	100	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL (A)(1)	**1,59,91,38,192**	**7***	**1,59,91,38,199**	**100**	**1,59,91,38,192**	**7***	**1,59,91,38,199**	**100**	**-**
(2) Foreign									
a) NRIs - Individuals	–	–	–	–	–	–	–	–	–
b) Other Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corporate	–	–	–	–	–	–	–	–	–
d) Banks/FI	–	–	–	–	–	–	–	–	–
e) Any other	–	–	–	–	–	–	–	–	–
SUB TOTAL (A)(2)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**1,59,91,38,192**	**7***	**1,59,91,38,199**	**100**	**1,59,91,38,192**	**7***	**1,59,91,38,199**	**100**	**-**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	–	–	–	–	–	–	–	–	–
b) Banks/FI	–	–	–	–	–	–	–	–	–
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt.	–	–	–	–	–	–	–	–	–
e) Venture Capital Fund	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Fund	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
SUB TOTAL (B)(1):	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
(2) Non Institutions									
a) Bodies corporate									
i) Indian	–	–	–	–	–	–	–	–	–
ii) Overseas	–	–	–	–	–	–	–	–	–

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2018)				No. of Shares held at the end of the year (As on March 31, 2019)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	–	–	–	–	–	–	–	–	–
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	–	–	–	–	–	–	–	–	–
c) Others (specify)	–	–	–	–	–	–	–	–	–
SUB TOTAL (B)(2):	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
C. Shares held by Custodian for GDRs & ADRs	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Grand Total (A+B+C)	**1,59,91,38,192**	**7***	**1,59,91,38,199**	**100**	**1,59,91,38,192**	**7***	**1,59,91,38,199**	**100**	**–**

**The Company is a wholly-owned subsidiary of L&T Finance Holdings Limited. For the purpose of complying with the provisions regarding minimum number of Members, 7 shares are held by 7 Members jointly with L&T Finance Holdings Limited.*

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 1, 2018)			Shareholding at the end of the year (As on March 31, 2019)			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	
1	L&T Finance Holdings Limited	1,59,91,38,199	100	_	1,59,91,38,199	100	_	_
Total		**1,59,91,38,199***	**100**	_	**1,59,91,38,199***	**100**	_	_

**The Company is a wholly-owned subsidiary of L&T Finance Holdings Limited. For the purpose of complying with the provisions regarding minimum number of Members, 7 shares are held by 7 Members jointly with L&T Finance Holdings Limited.*

(iii) Change in Promoters' Shareholding

Sr. No.	Name of the Promoter	Date	Shareholding at the beginning of the year (As on April 1, 2018)		Cumulative Shareholding during the year (April 1, 2018 to March 31, 2019)	
			No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	**L&T Finance Holdings Limited**					
	At the beginning of the year	April 1, 2018	1,59,91,38,199*	100	-	-
	At the end of the year	March 31, 2019	-	-	1,59,91,38,199*	100

**The Company is a wholly-owned subsidiary of L&T Finance Holdings Limited. For the purpose of complying with the provisions regarding minimum number of Members, 7 shares are held by 7 Members jointly with L&T Finance Holdings Limited.*

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year (As on April 1, 2018)		Cumulative Shareholding during the year (April 1, 2018 to March 31, 2019)	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

(v) Shareholding of Directors & Key Managerial Personnel (KMP)

Sr. No.	Name of Director/KMP	Date	Shareholding at the beginning of the year (As on April 1, 2018)		Cumulative Shareholding during the year (April 1, 2018 to March 31, 2019)	
			No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	**Mr. Dinanath Dubhashi**					
	At the beginning of the year	April 1, 2018	1*	-	-	-
	At the end of the year	March 31, 2019	-	-	1*	-
2	**Mr. Sunil Prabhune**					
	At the beginning of the year	April 1, 2018	1*	-	-	-
	At the end of the year	March 31, 2019	-	-	1*	-

**The Company is a wholly-owned subsidiary of L&T Finance Holdings Limited. For the purpose of complying with the provisions regarding minimum number of Members, 7 shares are held by 7 Members jointly with L&T Finance Holdings Limited.*

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	20,803.27	13,958.53	-	34,761.80
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	666.19	35.77	-	701.96
Total (i+ii+iii)	**21,469.46**	**13,994.30**	**-**	**35,463.76**
Change in Indebtedness during the financial year				
• Additions	2,42,208.53	93,742.84	-	3,35,951.37
• Reduction	2,30,910.92	94,137.98	-	3,25,048.90
Net Change	**11,297.61**	**-395.14**	**-**	**46,366.23**
Indebtedness at the end of the financial year				
i) Principal Amount	32,100.88	13,563.40	-	45,664.28
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	680.67	34.75	-	715.42
Total (i+ii+iii)	**32,781.55**	**13,598.15**	**-**	**46,379.70**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director (MD), Whole time Director (WTD) and / or Manager

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager
		Mr. Sunil Prabhune (Manager)
1	**Gross salary:**	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax, 1961	2,36,11,357
	(b) Value of perquisites under section 17(2) of the Income Tax Act, 1961	28,800
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-
2	Stock option	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others (specify)	-
5	Others, please specify	-
Total (A)		**2,36,40,157**
Ceiling as per the Act		**₹ 64.55 Crore (being 5% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)**

B. Remuneration to other Directors

(Amount in ₹)

Particulars of Remuneration	Name of the Directors						Total Amount
	Independent Directors				Non Executive Directors		
	Mr. P. V. Bhide	Mr. D.R. Dogra	Mr. Mannil Venugopalan	Dr. (Mrs.) Rajani R. Gupte	Mr. Prabhakar B.	Mr. Ashish Kotecha	
(a) Fee for attending Board and Committee meetings / Independent Director meetings	5,00,000	80,000	1,40,000	5,00,000	40,000	2,20,000	14,80,000
(b) Commission	13,50,000	1,45,000	3,75,000	14,65,000	1,45,000	8,35,000	43,15,000
(c) Others, please specify							
Total (B)	**18,50,000**	**2,25,000**	**5,15,000**	**19,65,000**	**1,85,000**	**10,55,000**	**57,95,000**
Total Managerial Remuneration (A+B)							**2,94,35,157**
Overall Ceiling as per the Act	**₹ 142.01 Crore (being 11% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)**						

C. Remuneration to Key Managerial Personnel other than MD / MANAGER / WTD

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of the Key Managerial Personnel				Total Amount
		Mr. Amol Joshi[1] (CFO)	Mr. Manish Jethwa[2] (CFO)	Mr. Amit Bhandari[3] (CS)	Mr. Gufran Ahmed Siddiqui[4] (CS)	
1	**Gross Salary:**					
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	65,50,102	26,91,000	10,34,921	3,17,424	1,05,93,447
	b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	8,36,952	0	0	0	8,36,952
	c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-			-
2	Stock Option	-	-			-
3	Sweat Equity	-	-			-
4	Commission	-	-			-
	- as % of profit	-	-			-
	- others, specify	-	-			-
5	Others, please specify	-	-			-
Total		**73,87,054**	**26,91,000**	**10,34,921**	**3,17,424**	**1,14,30,399**

[1] Ceased to be Head-Accounts with effect from October 24, 2018

[2] Appointed as Head-Accounts to discharge the functions of CFO

[3] Ceased to be Company Secretary with effect from September 28, 2018

[4] Appointed as Company Secretary with effect from January 21, 2019

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NONE

For and on behalf of the Board of Directors

Dinanath Dubhashi
Chairperson
DIN: 03545900

Place: Mumbai
Date: April 28, 2019

Management Discussion And Analysis Report

MACRO-ECONOMIC REVIEW

India's GDP is estimated to have grown by 6.8% in FY19 compared to 7.2% in FY18. This was due to lower growth in agriculture and mining sectors, lower government spending on public administration and weaknesses in domestic and external demand conditions. However, on the structural reforms front, the Goods and Services Tax (GST) and the Insolvency and Bankruptcy Code (IBC) continued evolving during the year. Also, in the World Bank's Ease of Doing Business rankings, India continued its ascent for the second consecutive year and reached the 77th rank.

Uneven distribution of rainfall coupled with deflation in food prices caused broad based disruption of farm sector activity during FY19. Responding to the situation, several farm supportive measures have been announced by the Central as well as State Governments in recent months to protect farmer’s income, at least partially. While both manufacturing and services sectors remained supportive of overall growth, it was not evenly spread across various sub-segments. On the positive side, the Gross Fixed Capital Formation rate improved from 31.4% in FY18 to 32.3% in FY19, reflecting a good pick-up in investment spending.

The Indian economy faced a slew of challenges around mid - FY19 from the external front. This was triggered by a sharp increase in the global Brent price, leading to a sharp depreciation in the Rupee along with other emerging market currencies. Around the same time, the debt defaults by IL&FS group triggered a crisis of confidence in the NBFC sector – a critical source of finance for the real sector. The liquidity tightness faced by NBFCs post the IL&FS debt defaults impacted leveraged consumer demand for auto varieties, consumer durables, housing etc, and credit flows to small and micro borrowers during Q3FY19. While pragmatic and timely regulatory interventions helped easing the situation in Q4FY19, the gap between top-rung NBFCs and others widened significantly in the aftermath of this crisis. The AAA rated NBFCs, with a strong promoter and shareholder backing and proactive economic intelligence and risk management practices, withstood volatile market conditions without hurting core operations.

Outlook for FY 20

Several global forecasters, including the International Monetary Fund, have lowered their projections for the global economic growth in 2019 from a year earlier because of ongoing trade frictions, tightening of financial conditions and Brexit-related uncertainties.

Global slowdown and tight financial conditions are likely to impact India's GDP growth during FY20 which may remain flattish over its last year's level. Going by past trends, India's growth mix remains skewed towards consumption and away from investment during the general election year. Due to impact of general elections, financial markets and capital inflows too may witness volatility in Q1FY20. Also, the new political regime will most probably follow fiscal prudence in H2FY20 and this may impact public investments and growth in the latter part of the year.

On the positive side, a strong political mandate ensures political stability and policy continuity. Retail (CPI) inflation is projected by the Reserve Bank of India (RBI) to remain below 4% up to December 2019. This should enable the Monetary Policy Committee of RBI to implement easy monetary policy during a major part of FY20. Additionally, the RBI's continued purchase of government bonds (open-market operations), recent recapitalisation of Public Sector Banks (PSBs), release of five PSBs from the Prompt Corrective Action Framework (PCA) and the ongoing resolution of chronic stressed-asset cases through IBC should remain supportive of lending environment and cap a significant downside to growth.

POSSIBLE THREATS

At this juncture, there are several uncertainties that cloud India's growth outlook and macro economic stability during FY20.

First of all, if global growth falters significantly, it may impact India's export growth and trade balance during FY20. Also, domestic political uncertainties would lead to some delays in decision-making and hurt investment spending during H1FY20, especially in sectors such as infrastructure, construction and real estate. If Brent crude price resurges towards its peak level of October 2018, due to geopolitical tensions, it will impact India's macro stability indicators. Significant fiscal slippages typically associated with elections may increase the quantum of government market borrowings and escalate the cost of borrowing for private companies and financial entities.

There is also a threat of formation of a weak El Nino. This is likely to bring in lower-than-normal monsoon rainfall in FY20 and further aggravate the ongoing distress in the Indian farm sector.

BUSINESS PERFORMANCE

Your Company maintained growth while gaining share in a mature market and achieving a book growth of 50%. The usage of cutting-edge technology and deep analytical skills were key to increased market penetration, improved portfolio quality and timely detection of early warning signals. As a result, we have been able to improve collections and reduce GS3 not only in percentage terms but also in absolute amount (reduction by ₹ 193 Crore).

1. Farm Equipment Finance

In FY19, the tractor industry has grown by 10% to record high sales of 7.8 lakh tractors during the year. Continuing on an upward trajectory, your Company has displayed healthy growth in disbursements by 19% and book by 27% over the previous year leading to increase in market share. This growth has been achieved with extensive use of data analytics to determine where to do business based on a combination of multiple macro-economic factors like monsoon, sowing status, reservoir levels, prevailing MSPs etc.

In FY20, with uncertainty of normal monsoon, the industry is expected to either de-grow or grow marginally. In the coming year, your Company expects to consolidate on the gains further and maintain market share while improving its portfolio quality through better collections. Your Company will also explore adjacencies by offering financing against used tractors, top-up loans for existing good customers and refinance.

Strategy

- Create a portfolio with optimum mix of preferred Original Equipment Manufacturer (OEMs) and geographies.
- Build on allied business – refinance, certified used vehicles and implements – in order to provide a comprehensive product suite to our customers.
- Roll out digital proposition to further improve service levels.

2. Two-Wheeler Finance

In FY19, the industry grew by 10% to 2.2 Crore units of two-wheelers sold. While the first three quarters of the previous year witnessed higher growth, there was a slowdown in the last quarter. There have been multiple changes in the regulatory framework in the industry which started with mandatory insurance cover of 5 years and increase in personal accident cover from ₹ 1 lakh to ₹ 15 lakh. Further, new regulations mandate two-wheelers to have Anti-lock Braking System (ABS) and Combi Brake System (CBS) from April 1, 2020.

These changes have resulted in increasing the cost of vehicle ownership in the range of ₹ 6,000 to ₹ 15,000, leading to an increase in financial penetration from ~35% in FY18 to ~40% in FY19. Your Company expects the trend to continue in FY20.

Through rigorous execution of digital proposition on the ground and domain expertise, your Company has been able to increase its market share. With this clear strategy in place, your Company has grown the disbursement by 67% and book by 68% through increased penetration in identified geographies. Through the year, your Company has been able to improve the 100% automated credit decisioning algorithm, which has led to improvement in collections.

Strategy

- Maintaining leadership position with quality portfolio in existing and new geographies.
- Constant recalibration in sourcing and collection scorecard to stay ahead of competition.
- Early intervention in collections through the use of analytics to enhance portfolio quality.

3. Micro Finance

The industry has grown by ~38% year-on-year on the back of consolidation on the gains made post recovery from the slowdown caused by demonetization. The industry has gone through natural calamities, such as Kerala deluge and Gaja cyclone, which have caused temporary disruptions in collections. But the industry has recovered and resumed its growth trajectory.

Your Company has been able to increase disbursements by 51% and book by 60% during the year. This was on the back of increasing penetration in existing geographies. The increased disbursement was also supported by the opening of new geographies in existing states, and the addition of new states such as Jharkhand and Tripura. New states entered in the past two years have contributed ~28% to the business during

Q4FY19. The increase in business has been achieved with improved collections efforts and reduction in debtors, which has reached the pre-demonetisation levels. Your Company focuses on acquisition of new customers rather than increasing exposure to those with high indebtedness.

Strategy

- Diversify in under-penetrated geographies.
- Introduction of digital initiatives to ensure best turnaround time (TAT) in the industry.
- Retention of customer base with a holistic association approach.
- Building a robust portfolio governance mechanism and constant strengthening of risk framework to set up structures to drive future growth.

KEY DIFFERENTIATORS:

- Dynamic target allocation, preferred OEM tie-ups
- Driving decision and strategy through data-backed algorithms
- Expansion into new untapped geographies, borrower-level Early Warning Signals, analytics-based collection

RISK MANAGEMENT

A comprehensive risk management architecture to ensure proactive management of risk within the defined risk tolerance limits.

The market witnessed substantial turbulence in the previous year stemming from multiple sources impacting the industry. As your Company fundamentally has been built on the principle of sound risk management practices, it has successfully weathered the market turbulence and achieved stability within a very short span of time.

The focused strategy of the management to build an effective risk culture and framework has helped your Company stay ahead as one of the leading NBFCs with highest credit rating of AAA.

Your Company has put an effective, comprehensive and reliable risk management system, integrated in all business activities through appropriate risk limits and hot spots.

With the objective of growing responsibly, your Company has put in place an effective risk management framework comprising mainly of credit risk, market risk, liquidity risk, operational risk, IT security risk and compliance risk.

The framework comprises of:

- Risk Management strategies and policies: A well-defined risk appetite statement covering company-wide overall risk limits dovetailed with detailed individual/sector/group limits covering multiple risk dimensions.
- Effective risk management processes and procedures covering all types of risks your Company is exposed to or can potentially be exposed to.
- Robust internal control systems supported by continual information gathering to ensure overall control systems operate optimally at all times.
- Appropriate, independent risk-management structures with clearly defined risk metrics for continuous monitoring with close oversight of Risk Management Committee.

Further, your Company reviews the risk management framework periodically or when significant events occur to enable them to stay relevant and forward-looking.

1. Credit Risk

This is the risk of adverse impact on the financial result and capital of your Company due to failure of a counterparty to meet the maturing obligation. Your Company has implemented a comprehensive underwriting framework to guide individual businesses to optimum credit decisions, which is supported by an algorithm to price the risk assumed effectively. Further, effective review mechanism with state-of-the-art early warning signals are in place to promptly identify potentially weak credit, and enable your Company to mitigate the risk appropriately.

During the year, there has been a major change in the provision policy of your Company due to the adoption of IND-AS. The concept and provision for impaired loans changed from rule-based incurred-loss approach to expected-loss approach. Your Company successfully rolled out expected-loss models for computing credit impairments.

2. Operational Risk

Your Company has an effective and proactive operational risk framework to identify and mitigate operational risk. Process reviews are conducted periodically to ensure the effectiveness of control mechanism. A dedicated team has been put in place to monitor operational risks and incidents and to ensure that each process and system continues to be robust. Periodic process walk-throughs are conducted to ensure that redundancies in processes are identified and weeded out to enable your Company to stay competitive in a fast-moving digital environment.

3. Market/ Liquidity Risk

The conservative policy of maintaining a liquidity buffer to address stressed liquidity conditions was tested during the year. This policy enabled your Company to tide over the liquidity pressure during the third quarter of the year with minimal impact on growth.

Further, your Company continues to maintain a positive ALM and interest-risk gap over one-year horizon to counter any unforeseen market turbulences.

4. IT Security Risk

Your Company has a dedicated team which has put in place processes to identify, monitor and mitigate IT security risks. Pursuant to the security gap and vulnerability assessments carried out on a continuous basis, your Company has established a secure IT platform to run the business safely. Cyber security is integrated in the IT security policies and procedures to mitigate the risk.

In addition to the IT Infrastructure having multiple layers of security with in depth defense by design, your Company has defined early warning signals to detect and respond to cyber threats. There is a process for regular review of access to protect from insider threats and frauds. Employee education programs are also conducted on dealing with security risks and cyber threats. The Reserve Bank of India has come up with a framework on IT which got rolled out during the year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

For details of Internal control systems and their adequacy, refer Board's Report.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

For discussion on financial performance with respect to operational performance, refer Board's Report.

HUMAN RESOURCES

Your Company is committed to delivering sustainable growth. The Human Resources department plays a crucial role in the journey towards this objective, with a clear plan for capitalising and building upon current capabilities, while simultaneously acquiring and leveraging new capabilities.

This requires your Company to constantly communicate with employees and build their capabilities continuously.

The glue that bind us together are our values and performance-oriented culture with a firm belief in 'Results not Reasons'.

As on March 31, 2019, your Company had a headcount of 19,611 employees.

Performance Management

Your Company's performance management process aligns the goals of each employee with the goals of the organisation. In addition to the goal-setting process your organisation believes that managers and senior leaders play an immensely important role in ensuring sustained high performance of their teams. This conscious way of managing performance is built into the Leading Performance workshop for managers and senior leaders. The program has been tailored to focus on drivers of performance, managing performance of teams across levels and cultural anchors.

Another critical aspect of performance management that your Company focuses upon is linkage between performance and rewards. Human Resources department constantly communicates the philosophy of differential rewards. All employees have clarity that a certain level of performance would result in a certain reward both monetary and non-monetary.

Culture based on values

Our values serve as a guiding light. They direct your Company's thoughts, words and actions. This year your Company has elaborated and reinforced four core values of Pride, Integrity, Discipline and Ambition. These values have guided your Company in overcoming challenges and are prevalent in all our endeavours.

There has been constant communication of these values by senior leaders so that these are internalised and become an integral part of the culture of your Company. In order to inculcate these values, the rewards and recognition programs have been aligned to them.

Capability Building

Your Company believes that capability-building initiatives must lead to tangible increase in on the job performance of employees across all levels and groom high potential employees for the next level roles. There are focused learning interventions to cater to both the requirements.

For supporting on the job performance, the Parichay programme orients new joinees to your Company and gives them the necessary know-how to move up the learning curve quickly. For frontline employees, the program helps in quickly achieving the desired productivity levels. Programmes like Varchasva and Lakshya impact business acumen and help front line supervisors manage their field forces.

For grooming future leaders, your Company has focused on developing employees who have demonstrated the right capability, the right attitude and the desire to take up next level roles. Performance in the current role is a threshold criterion to identify such employees. While domain knowledge and expertise are important, your Company believes in evaluating the individual's potential and actively encouraging cross-functional movements. The high potential individuals are nurtured and supported in their new roles.

Talent Development at your Company is based on the following pillars:

- **Experience:** Opportunities to lead strategically important cross-functional projects or a challenging role in a new function
- **Exposure:** Platforms to develop skills outside of their functional domains
- **Education:** 'Transformational Leadership Development' programme specifically tailored for senior leaders with an intent to move your Company to a culture of high performance with accountability, while sustaining the growth path it is in

Your Company believes in differentially rewarding these employees when they succeed.

Benefits

Your Company is committed to ensuring the well-being of all employees. All full-time employees are eligible for wide range of benefits which include gratuity, insurance (medical, accident and life), maternity leave, leave encashment and provident funds.

The National Pension System (NPS) scheme launched by the Government of India has been extended as a benefit to employees this year. Under the scheme, individuals can regularly contribute money and get a lump sum at retirement and a fixed monthly income for a lifetime. In order to enable long-term wealth creation for employees, your Company has revised the Matching Grant Scheme (MGS). Under this scheme, the organisation matches (subject to limits) the contribution made by employees to schemes of L&T Mutual Fund. The MGS scheme has become more attractive and easier to subscribe for employees.

Independent Auditor's Report

To The Members of L&T Finance Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **L&T Finance Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

	Key Audit Matter	Auditor's Response
1	**Provision for Expected Credit Loss** The Company exercises significant judgement using subjective assumptions over both when and how much to record as loan impairment, and estimation of the amount of the impairment provision for loans and advances. Because loans form a major portion of the Company's assets, and due to the significance of the judgments used in classifying these loans into various stages stipulated in Ind AS 109 and determining related provision requirements, this audit area is considered a key audit risk.	**Audit procedures performed:** • We gained understanding of the Company's key credit processes comprising granting, booking, monitoring and provisioning and tested the operating effectiveness of key controls over these processes; • We read the Company's Ind AS 109 based impairment provisioning policy and compared it with the requirements of Ind AS 109; • We obtained an understanding of the Company's internal rating models for loans and advances and read the rating validation report prepared by the Company to gain comfort that the discrimination and calibration of the rating model is appropriate; • We understood the theoretical soundness and tested the mathematical integrity of the Models. Where relevant, we used Information System specialists to gain comfort on data integrity; • We checked consistency of various inputs and assumptions used by the Company's management to determine impairment provisions;

<table>
<tr><th></th><th>Key Audit Matter</th><th>Auditor’s Response</th></tr>
<tr><td></td><td></td><td>
We checked the appropriateness of the Company's determination of significant increase in credit risk and the resultant basis for classification of exposures into various stages;
We checked and understood the key data sources and assumptions for data used in the Expected Credit Loss (ECL) models (the Models) used by the Company to determine impairment provisions;
For forward looking assumptions used by the Company's management in its ECL calculations, we held discussions with management and corroborated the assumptions using publicly available information;
For a sample of exposures, we checked the appropriateness of the Company's staging, appropriateness of determining Exposure at Default, including the consideration of prepayments and repayments in the cash flows and the resultant arithmetical calculations;
For Probability of Default (PD) used in the ECL calculations we checked the Through the Cycle (TTC) PDs calculation and checked the appropriateness of conversion of the TTC PDs to point in time (PIT) PDs;
We checked the calculation of the Loss Given Default (LGD) used by the Company in the ECL calculations, including the appropriateness of the use of collateral and the resultant arithmetical calculations;
We checked the completeness of the loans, off balance sheet items, investment securities, placements and other financial assets included in the ECL calculations as at the period end;
For provision against exposures classified as Stage 1 and Stage 2, we obtained an understanding of the Company’s provisioning methodology, assessed the reasonableness of the underlying assumptions and the sufficiency of the data used by the management.
For exposures determined to be individually impaired, we tested a sample of loans and advances and examined management's estimate of future cash flows, assessed their reasonableness and checked the resultant provision calculations; and
We checked the appropriateness of the opening balance adjustments.
</td></tr>
<tr><td>2</td><td>Multiple and discrete Information Technology (IT) Systems
The Company is highly dependent on technology due to the significant number of transactions that are processed daily and discrete IT Systems. The interest income is computed through various IT Systems and the interfacing of these system with the accounting system is critical aspect of audit. The audit approach relies on automated controls and controls around interface of different systems, therefore on the effectiveness of controls over IT systems.</td><td>We have performed a range of audit procedures, which included of the following:
a) Access rights were tested over applications, operating systems and databases relied upon for financial reporting. Specifically, the tests were designed to cover the following:
New access requests for new recruits were properly reviewed and authorised;
User access rights were removed on a timely basis when an individual left or moved role;
Access rights to applications, operating systems and databases were periodically monitored for appropriateness; and
Highly privileged access is restricted to appropriate personnel.
b) Other procedures were performed:
Where inappropriate access was identified, we understood the nature of the access, and, where possible, obtained additional evidence on the appropriateness of the activities performed;
</td></tr>
</table>

	Key Audit Matter	Auditor's Response
	IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. Management has implemented preventive and detective controls across critical applications and infrastructure to reduce the risk over IT applications in the financial reporting process. Due to the pervasive nature, we assessed the risk of a material misstatement arising from technology as significant for the audit.	• A list of users' access permissions was obtained and manually compared to other access lists where segregation of duties was deemed to be of higher risk. c) Other areas that were independently assessed included password policies, security configurations, controls over changes to applications and databases and that business users, developers and production support did not have access to change applications, the operating system or databases in the production environment. Testing of automated controls and interface testing was carried out.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report but does not include standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The comparative financial information of the Company for the year ended March 31, 2018 and the related transition date opening balance sheet as at April 1, 2017 included in these standalone financial statements, have been prepared after adjusting previously issued the standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued standalone financial statements were audited by us and the Audit Reports for the year ended 31st March 2018 and 31st March 2017 dated May 2, 2018 and May 2, 2017 respectively expressed an unmodified opinion on those standalone financial statements. Adjustments made to the previously issued standalone financial statements to comply with Ind AS have been audited by us.

Our opinion on the standalone financial statements is not modified in respect of this the above matters on the comparative financial information.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 39826)

MUMBAI, April 28, 2019

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **L&T Finance Limited** (the "Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date which includes internal financial controls over financial reporting.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 39826)

MUMBAI, April 28, 2019

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed and other relevant document provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date except the following:

Particulars of the land and building	**Carrying amount as at 31st March 2019 ₹ Crore**	**Remarks**
Building located at Baroda	0.36	The title deeds are in the name of erstwhile Company L&T Finance Limited, which was merged with the Company in terms of the approval of the Honourable High Courts of judicature.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities. To the best of our knowledge and belief, the Company was not required to deposit or pay any dues in respect of Custom Duty, Excise Duty and corresponding cess during the year.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Goods and Service Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:

Name of statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved ₹ lakh	Amount unpaid ₹ lakh
The Central Sales Tax Act, 1956 and Local Sales Tax Acts	Disallowance of exemption claimed for deemed sale in the course of interstate and import transactions	Joint Commissioner (Appeal)	2004-05	111.19	104.19
			2008-09	53.76	48.39
			2010-11	98.25	68.77
			2011-12	725.83	652.61
			2012-13	827.53	760.96
			2013-14	615.99	615.99
		Deputy Commissioner (Appeal)	1995-96	0.4	0.32
			1996-97	5.29	4
			1998-99	1.07	1.07
			2000-01	0.31	0.19
			2002-03	0.4	-
			2011-12	27.69	22.15
			2012-13	4.16	3.74
		Tribunal	2006-07	17.5	-
			2007-08	30.03	-
		Appellate Board	2007-08	210.19	210.19
		Sr. Joint Commissioner (Appeal)	2011-12	2.99	2.99
			2013-14	1.31	1.11
	Refusal of input tax credit (ITC)	Joint Commissioner (Appeal)	2012-13	5.82	5.52
			2013-14	179.51	167.42
			2014-15	5.95	5.95
	Local hire purchase turnover made taxable	High Court	1999-00	7.05	7.05
Service Tax under Finance Act, 1994	Service tax levied on receipt of interest on delayed payment	Appellate Board	2005-06 to 2011-12	90.14	90.14
	Refusal of input tax credit (ITC)	Appellate Board	2011-12 to 2013-14	1,131.34	1,131.34

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has raised funds by way of initial public offer/ further public offer (including debt instruments).

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 39826)

MUMBAI, April 28, 2019

Balance Sheet as at March 31, 2019

₹ in crore

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
A. ASSETS:				
1. Financial assets				
(a) Cash and cash equivalents	2	1,530.51	348.66	294.82
(b) Bank balance other than (a) above	3	30.57	43.90	22.57
(c) Derivative financial instruments	4	7.20	-	-
(d) Receivables	5			
(i) Trade receivables		11.50	9.12	10.29
(ii) Other receivables		18.95	5.12	1.09
(e) Loans	6	47,113.67	38,198.40	28,611.45
(f) Investments	7	4,684.30	2,455.05	3,134.60
(g) Other financial assets	8	107.54	74.67	59.68
		53,504.24	**41,134.92**	**32,134.50**
2. Non-financial assets				
(a) Current tax assets (net)		77.78	186.09	104.73
(b) Deferred tax assets (net)		727.21	695.33	433.43
(c) Property, plant and equipment	9	49.34	74.53	160.25
(d) Intangible assets under development	10	18.48	9.23	-
(e) Goodwill	10	1,131.41	1,697.11	2,262.81
(f) Other Intangible assets	10	214.71	277.54	358.63
(g) Other non-financial assets	11	113.55	100.00	55.84
		2,332.48	**3,039.83**	**3,375.69**
Total ASSETS		**55,836.72**	**44,174.75**	**35,510.19**
B. LIABILITIES AND EQUITY :				
1. LIABILITIES				
a. Financial liabilities				
(a) Derivative financial instruments	4	-	0.10	6.66
(b) Payables	12			
(i) Trade payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		86.03	109.09	79.76
(ii) Other payables				
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-

Balance Sheet as at March 31, 2019

₹ in crore

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		13.11	14.38	10.57
(c) Debt securities	13	23,071.60	16,980.60	17,117.95
(d) Borrowings (other than debt securities)	14	22,139.86	17,353.47	10,059.78
(e) Subordinated liabilities	15	1,124.42	1,124.35	1,190.42
(f) Other financial liabilities	16	406.66	239.14	218.56
		46,841.68	**35,821.13**	**28,683.70**
b. Non-financial liabilities				
(a) Current tax liabilities (net)		20.51	20.51	-
(b) Provisions	17	21.74	11.83	11.50
(c) Other non-financial liabilities	18	52.36	34.10	39.48
		94.61	**66.44**	**50.98**
2. Equity				
(a) Equity share capital	19	1,599.14	1,599.14	1,440.05
(b) Other equity	20	7,301.29	6,688.04	5,335.46
		8,900.43	**8,287.18**	**6,775.51**
Total Liabilities and Equity		**55,836.72**	**44,174.75**	**35,510.19**
Significant accounting policies	1			
See accompanying notes forming part of the financial statements	2 to 51			

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner

Place : Mumbai
Date : April 28, 2019

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
(DIN - 03545900)

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : April 28, 2019

Statement of Profit and Loss for the year ended March 31, 2019

₹ in crore

	Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
	Revenue from operations			
	(i) Interest income	21	7,011.72	4,968.14
	(ii) Rental income	22	18.84	37.23
	(iii) Fees and commission income	23	152.25	65.71
I	**Total revenue from operations**		**7,182.81**	**5,071.08**
II	**Other income**	25	**199.78**	**0.35**
III	**Total income (I + II)**		**7,382.59**	**5,071.43**
	Expenses			
	(i) Finance costs	26	3,327.92	2,505.55
	(ii) Net loss on fair value changes	24	8.62	0.69
	(iii) Net loss on derecognition of financial instruments under amortised cost category	27	324.97	419.13
	(iv) Impairment on financial instruments	28	637.06	730.69
	(v) Employee benefits expenses	29	548.31	205.87
	(vi) Depreciation, amortization and impairment	9 & 10	690.93	693.24
	(vii) Other expenses	30	541.70	362.58
IV	**Total expenses (IV)**		**6,079.51**	**4,917.75**
V	**Profit before Tax (III - IV)**		**1,303.08**	**153.68**
	Tax expense			
	(1) Current tax		488.47	297.02
	(2) Deferred tax		(31.35)	(260.68)
VI	**Total tax expense**		**457.12**	**36.34**
VII	**Profit for the year (V - VI)**		**845.96**	**117.34**
VIII	**Other comprehensive income**			
	A. (i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans		(1.54)	(0.20)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.54	-
	Subtotal (A)		**(1.00)**	**(0.20)**

Statement of Profit and Loss for the year ended March 31, 2019

₹ in crore

Particulars		Note No.	Year ended March 31, 2019	Year ended March 31, 2018
	B. (i) Items that will be reclassified to profit or loss			
	a) Change in fair value of debt instruments measured at fair value through other comprehensive income		(0.37)	(6.22)
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	2.15
	Subtotal (B)		**(0.37)**	**(4.07)**
	Other comprehensive income (A+B)		**(1.37)**	**(4.27)**
IX	**Total comprehensive income for the year (VII+VIII)**		**844.59**	**113.07**
X	**Earnings per equity share**	36		
	Basic earnings per equity share (₹)		5.29	0.81
	Diluted earnings per equity share (₹)		5.29	0.81
	Significant accounting policies	1		
	See accompanying notes forming part of the financial statements	2 to 51		

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner

Place : Mumbai
Date : April 28, 2019

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
(DIN - 03545900)

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : April 28, 2019

Statement of Cash Flow for the year ended March 31, 2019

₹ in crore

		Year ended March 31, 2019	Year ended March 31, 2018
A.	**Cash flows from operating activities :**		
	Profit before tax for the year	1,303.08	153.68
	Adjustments for:		
	Net loss on sale of property, plant and equipment	7.62	5.47
	Net gain arising on financial assets (investments) measured at fair value through profit or loss	(47.91)	(18.55)
	Net loss on derecognition of financial instruments under amortised cost category	324.97	419.13
	Impairment on financial instruments	637.06	730.69
	Fair value changes on loan assets	63.81	17.51
	Depreciation, amortisation and impairment	690.93	693.24
	(Gain)/loss on derivatives at fair value through profit or loss	(1.13)	(2.84)
	Amortisation of borrowing issue costs included in finance cost	4.51	8.00
	Operating profit before working capital changes	**2,982.94**	**2,006.33**
	Changes in working capital		
	Adjustments for increase/(decrease) in operating liabilities		
	Other financial liabilities	(4.12)	173.39
	Provisions	9.91	0.33
	Trade and other payables	(24.33)	33.14
	Other non-financial liabilities	(21.18)	(11.94)
	Adjustments for (increase)/decrease in operating assets		
	Other non-financial assets	(11.46)	(44.16)
	Other financial assets	(109.46)	(49.79)
	Trade and other receivables	(16.21)	(2.86)
	Cash generated from operations	**2,806.09**	**2,104.44**
	Direct taxes refund/(paid) (net)	(380.16)	(356.95)
	Loans disbursed (net of repayments)	(9,943.66)	(10,775.51)
	Net cash used in operating activities (A)	**(7,517.73)**	**(9,028.02)**
B.	**Cash flows from investing activities :**		
	Change in other bank balance not available for immediate use	13.33	(21.33)
	Purchase of property, plant and equipment	(21.35)	(23.40)
	Proceeds from sale of property, plant and equipment	11.30	65.09
	Purchase of intangible assets	(46.15)	(23.05)
	Purchase of investments	(2,761.95)	(1,568.89)
	Proceeds on sale of investments	659.01	2,325.00
	Net cash (used in)/generated from by investing activities (B)	**(2,145.81)**	**753.42**

Statement of Cash Flow for the year ended March 31, 2019

₹ in crore

	Year ended March 31, 2019	Year ended March 31, 2018
C. Cash flows from financing activities		
Proceeds from issue of equity shares (including securities premium)	-	1,400.00
Payment for share issue costs	-	(1.40)
Payment for issue costs	(42.97)	(2.67)
Proceeds from borrowings	17,822.06	13,992.73
Repayment of borrowings	(6,933.70)	(7,060.22)
Net cash generated from financing activities (C)	**10,845.39**	**8,328.44**
Net increase in cash and cash equivalents (A+B+C)	**1,181.85**	**53.84**
Cash and cash equivalents at beginning of the year	348.66	294.82
Cash and cash equivalents at the end of the year	1,530.51	348.66
Net increase in cash and cash equivalents	**1,181.85**	**53.84**

Notes:

1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.
2. Purchase of fixed assets represents additions to property, plant and equipment and other intangible assets adjusted for movement of (a) capital-work-in-progress for property, plant and equipment and (b) intangible assets under development during the year.
3. Net cash used in investing activity exclude investments aggregating to ₹ 2.25 crore (Previous year ₹ 21.99 crore) acquired against claims.
4. Net cash used in operating activity is determined after adjusting the following:

	Year ended March 31, 2019	Year ended March 31, 2018
Interest received	6,760.36	4,838.64
Interest paid	3,286.92	2,322.82

Significant accounting policies	1	
See accompanying notes forming part of the financial statements	2 to 51	

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner

Place : Mumbai
Date : April 28, 2019

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
(DIN - 03545900)

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : April 28, 2019

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity share capital

₹ in crore

Particulars	Number of Shares	Equity share capital
Issued, subscribed and fully paid up equity shares outstanding at April 1, 2017	1,44,00,47,294	1,440.05
Changes in equity share capital during the year		
Issue of equity shares	15,90,90,905	159.09
Issued, subscribed and fully paid up equity shares outstanding at the end of the year March 31, 2018	**1,59,91,38,199**	**1,599.14**
Changes in equity share capital during the year		
Issue of equity shares	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year March 31, 2019	**1,59,91,38,199**	**1,599.14**

B. Other equity

₹ in crore

Particulars	Reserves and Surplus								Fair value changes of financial instrument measured at fair value through other comprehensive income	Total
	Capital redemption reserve	Debenture redemption reserve	Securities premium account	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Retained earnings		
Balance at April 1, 2017	**3.20**	**75.22**	**5,664.21**	**-**	**526.42**	**8.81**	**(538.52)**	**(407.95)**	**4.07**	**5,335.46**
Profit for the year	-	-	-	-	-	-	-	117.34	-	**117.34**
Actuarial loss on defined benefit plan (gratuity) net of income tax	-	-	-	-	-	-	-	(0.20)	(4.07)	**(4.27)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**117.14**	**(4.07)**	**113.07**
Issue of equity shares	-	-	1,240.91	-	-	-	-	-	-	**1,240.91**
Share issue expenses	-	-	(1.40)	-	-	-	-	-	-	**(1.40)**
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	57.98	-	-	(57.98)	-	-
Transfer to debenture redemption reserve	-	23.09	-	-	-	-	-	(23.09)	-	-
Transfer to general reserve	-	(0.24)	-	0.24	-	-	-	-	-	-
Transfer to amalgamation adjustment account	-	(0.46)	-	-	-	-	0.46	-	-	-
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	14.76	-	(14.76)	-	-
Balance at March 31, 2018	**3.20**	**97.61**	**6,903.72**	**0.24**	**584.40**	**23.57**	**(538.06)**	**(386.64)**	**-**	**6,688.04**
Balance at April 1, 2018	**3.20**	**97.61**	**6,903.72**	**0.24**	**584.40**	**23.57**	**(538.06)**	**(386.64)**	**-**	**6,688.04**
Profit for the year	-	-	-	-	-	-	-	845.96	-	**845.96**
Actuarial loss on defined benefit plan (gratuity) net of income tax	-	-	-	-	-	-	-	(1.00)	(0.37)	**(1.37)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**844.96**	**(0.37)**	**844.59**

Statement of Changes in Equity for the year ended March 31, 2019

₹ in crore

Particulars	Reserves and Surplus: Capital redemption reserve	Debenture redemption reserve	Securities premium account	General reserve	Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Reserve u/s 36(1)(viii) of Income tax Act, 1961	Amalgamation adjustment account	Retained earnings	Fair value changes of financial instrument measured at fair value through other comprehensive income	Total
Payment of interim dividends (₹ 1.2 per share)	-	-	-	-	-	-	-	(191.90)	-	**(191.90)**
Tax on interim dividend	-	-	-	-	-	-	-	(39.44)	-	**(39.44)**
Transfer to reserve u/s 45-IC of Reserve Bank of India Act, 1934	-	-	-	-	169.19	-	-	(169.19)	-	-
Transfer to debenture redemption reserve	-	16.58	-	-	-	-	-	(16.58)	-	-
Transfer to general reserve	-	(0.01)	-	0.01	-	-	-	-	-	-
Transfer to amalgamation adjustment account	-	*(0.00)	-	-	-	-	*0.00	-	-	-
Transfer to reserve u/s 36(1)(viii) of Income tax Act	-	-	-	-	-	21.36	-	(21.36)	-	-
Balance at March 31, 2019	**3.20**	**114.18**	**6,903.72**	**0.25**	**753.59**	**44.93**	**(538.06)**	**19.85**	**(0.37)**	**7,301.29**
***Amount less than ₹ 1 lakh**										
Significant accounting policies	1									
See accompanying notes forming part of the financial statements	2 to 51									

In terms of our report attached.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner

Place : Mumbai
Date : April 28, 2019

For and on behalf of the board of directors of L&T Finance Limited

Dinanath Dubhashi
Chairperson
(DIN - 03545900)

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : April 28, 2019

1. Significant Accounting Policies:

1.1. Statement of compliance:

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

The financial statements for the year ended March 31, 2019 of the Company is the first financial statements prepared in compliance with Ind AS. The date of transition to Ind AS is April 1, 2017. The financial statements upto the year ended March 31, 2018, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") and other relevant provisions of the Act. The figures for the year ended March 31, 2018 have now been restated under Ind AS to provide comparability. Refer Note 43 for the details of first-time adoption exemptions availed by the Company.

1.2. Basis of preparation:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at reporting date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

1.3. Presentation of financial statements:

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees in Crore rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupee to two decimal places.

1.4. Investments in associates:

The Company has elected to measure its investments in associates at the Previous GAAP carrying amount as its deemed cost on the transition date as per Ind AS 101.

1.5. Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

(i) Interest and dividend income

Interest income for all financial instruments except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL) are recognised in 'Interest income' in the profit or loss account using the effective interest method (EIR).

The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

(ii) Fee and commission income:

Fee and commission income and expense include fees other than those that are an integral part of EIR. The fees included in the Company statement of profit and loss include among other things fees charged for servicing a loan, non-utilisation fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement and loan advisory fees.

Fee and commission expenses with regards to services are accounted for as the services are received.

(iii) Net gain or fair value change:

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss.

(iv) Other operational revenue:

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

1.6. Property, plant and equipment (PPE):

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes all direct cost related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of PPE measured as per Previous GAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2017. In respect of revalued assets, the value as determined by valuers as reduced by accumulated depreciation and cumulative impairment is taken as cost on transition date.

Land and buildings held for use are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land)) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets held under finance leases are depreciated over the shorter of lease term and their useful life on the same basis as owned assets. However, when there is no reasonable certainty that the Company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the Company for similar assets.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

1.7. Intangible assets:

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Direct expenses and administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognised in profit or loss when the asset is derecognised.

1.8. Impairment of tangible and intangible assets other than goodwill

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (the smallest identifiable Company of assets that generates independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit), except for allocated goodwill, is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

1.9. Employee benefits:

(i) Short term employee benefits:

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

(ii) Post-employment benefits:

(a) Defined contribution plans: The Company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(b) Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the Company, the post-retirement medical care plan and the Parent Company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

(iii) Long term employee benefits:

The obligation recognised in respect of long term benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii) (b) above.

(iv) Termination benefits:

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

1.10. Leases:

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

(i) Finance leases:

A. Leases where the Company has substantially transferred all the risks and rewards of ownership of the related assets are classified as finance leases. Assets under finance lease are capitalised at the commencement of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount.

Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

B. Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

(ii) Operating leases:

The leases which are not classified as finance lease are operating leases.

A. Lease rentals on assets under operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

B. Assets leased out under operating leases are continued to be shown under the respective class of assets. Rental income is recognised on a straight line basis over the term of the relevant lease.

1.11. Financial instruments:

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

(i) Financial assets

(a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

(c) Debt instruments at amortised cost or at FVTOCI

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

For an asset to be classified and measured at FVTOCI, the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has more than one business model for managing its financial instruments which reflect how the Company manages its financial assets in order to generate cash flows. The Company's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Company considers all relevant information available when making the business model assessment. However this assessment is not performed on the basis of scenarios that the Company does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. The Company takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business models.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

(d) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

(e) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(ii) Financial liabilities

(a) Financial liabilities, including derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher.

All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

(b) A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

1.12. Write off:

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

1.13. Impairment:

The Company recognises loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Debt investment securities;
- Trade and other receivable;
- Lease receivables;
- Irrevocable loan commitments issued; and
- Financial guarantee contracts issued.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost or FVTOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default (see below) includes unlikeliness to pay indicators and a back-stop if amounts are overdue for 90 days or more.

Significant increase in credit risk

The Company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

As a back-stop when loan asset not being a corporate loans becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL in respect of all retail assets. In respect of the corporate loan assets, shifting to Stage 2 has been rebutted using historical evidence from own portfolio to a threshold of 60 days past due, which is reviewed annually.

Purchased or originated credit-impaired (POCI) financial assets

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition.

For these assets, the Company recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in profit or loss. A favourable change for such assets creates an impairment gain.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Company considers the following as constituting an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Company; or
- the borrower is unlikely to pay its credit obligations to the Company in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets.

When assessing if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Company Law Tribunal, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Company uses a variety of sources of information to assess default which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument

With the exception of POCI financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition (and consequently to credit impaired financial assets). For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

- for financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Company expects to receive from the holder, the debtor or any other party.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics.

1.14. Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date.

In addition, the introduction or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Company assesses whether this modification results in derecognition. In accordance with the Company's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI,
- Change in currency or change of counterparty,
- The extent of change in interest rates, maturity, covenants.

If these do not clearly indicate a substantial modification, then;

(a) In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

(b) When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
- the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain/loss allocated to it that had been recognised in OCI is recognised in profit or loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

1.15. Presentation of allowance for ECL in the Balance Sheet

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognised in Balance Sheet as the carrying amount is at fair value.

1.16. Derivative financial instruments :

The Company enters into a derivative financial instruments which are held to manage its exposure to interest rate risk; credit risk; and foreign exchange rate risk. Derivative held include foreign exchange forward contracts, cross currency and interest rate swaps.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Company designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges), or hedges of net investments in foreign operations (net investment hedges).

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

1.17. Cash and bank balances:

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

1.18. Securities premium account:

(i) Securities premium includes:

- The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.
- The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.

(ii) The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

1.19. Borrowing costs:

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.20. Share-based payment arrangements:

The stock options granted to employees by the holding company's (i.e. L&T Finance Holdings Limited) Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. The cost incurred by the holding company, in respect of options granted to employees of the Company, is being recovered by holding company and it is charged to the Statement of Profit and Loss of the Company over the period of vesting.

1.21. Accounting and reporting of information for Operating Segments:

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. Segment accounting policies are in line with the accounting policies of the Company.

1.22. Foreign currencies:

(i) The functional currency and presentation currency of the Company is Indian Rupee. Functional currency of the Company and foreign operations has been determined based on the primary economic environment in which the Company and its foreign operations operate considering the currency in which funds are generated, spent and retained.

(ii) Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the prevailing closing spot rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

(iii) Financial statements of foreign operations whose functional currency is different than Indian Rupees are translated into Indian Rupees as follows:

A. assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;

B. income and expenses for each income statement are translated at average exchange rates; and

C. all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations.

1.23. Taxation:

Current Tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unutilised tax credits which mainly relate to minimum alternate tax are recognised to the extent it is probable of such unutilised tax credits will get realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

1.24. Provisions, contingent liabilities and contingent assets:

Provisions are recognised only when:

(i) an Company entity has a present obligation (legal or constructive) as a result of a past event; and

(ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

(iii) a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

(i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

(ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

1.25. Commitment

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

(a) estimated amount of contracts remaining to be executed on capital account and not provided for;

(b) uncalled liability on shares and other investments partly paid;

(c) funding related commitment to associate companies; and

(d) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.26. Statement of cash flows

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

(i) changes during the period in operating receivables and payables transactions of a non-cash nature;

(ii) non-cash items such as depreciation, provisions, deferred taxes, unrealised gains and losses; and

(iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

1.27. Earnings per share:

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

1.28. Key source of estimation :

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, expected credit loss on loan books, future obligations in respect of retirement benefit plans, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

1.29. Operating cycle for current and non-current classification :

Based on the nature of products / activities of the Company entities and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.30. Changes in Accounting Standard and recent accounting pronouncements (New Accounting Standards issued but not effective) :

On March 30, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 on Leases. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently for operating lease, rentals are charged to the statement of profit and loss. The Company is currently evaluating the implication of Ind AS 116 on the financial statements.

The Companies (Indian Accounting Standards) Amendment Rules, 2019 notified amendments to the following accounting standards. The amendments would be effective from April 1, 2019.

a. Ind AS 12, Income taxes — Appendix C on uncertainty over income tax treatments

b. Ind AS 19— Employee benefits

c. Ind AS 23 – Borrowing costs

d. Ind AS 28— investment in associates and joint ventures

e. Ind AS 103 and Ind AS 111 — Business combinations and joint arrangements

f. Ind AS 109 — Financial instruments

The Company is in the process of evaluating the impact of such amendments.

2 Cash and cash equivalents

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Cash on hand	28.46	58.22	59.91
Balances with banks in current accounts (of the nature of cash and cash equivalents)#	1,499.46	271.28	231.30
Cheques, drafts on hand	2.59	-	-
Bank deposit with original maturity less than three months	-	19.16	3.61
Total cash and cash equivalents	**1,530.51**	**348.66**	**294.82**

includes ₹4. 65 crore towards unutilised funds raised through public issue.

3 Bank balance other than note 2 above

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Earmarked balances with banks	0.89	-	-
Balances with banks to the extent held as margin money or security against borrowing, guarantees, other commitments	29.68	43.85	22.52
Banks deposit with maturity greater than three months and less than twelve months	-	0.05	0.05
Total bank balance other than note 2 above	**30.57**	**43.90**	**22.57**

4 Derivative financial instruments

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Part I			
(i) Currency derivatives:			
Notional Amounts			
-Currency swaps	100.00	100.00	132.36
Fair value assets			
-Currency swaps	7.20	-	-
Fair value liabilities			
-Currency swaps	-	(0.10)	(6.66)
Total derivative financial instruments (i)+(ii)+(iii)+(iv)+(v)	**7.20**	**(0.10)**	**(6.66)**

Note: The company has not designated any derivatives as hedging instruments

5 Receivables

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Trade receivables			
(a) Receivables considered good - secured	0.30	0.15	4.88
(b) Receivables considered good - unsecured	11.20	8.97	5.41
Total trade receivables	**11.50**	**9.12**	**10.29**
Other receivables			
(a) Receivables considered good - unsecured	7.34	0.61	-
(b) Receivables from related parties (refer note : 31)	11.61	4.51	1.09
Total other receivables	**18.95**	**5.12**	**1.09**
Total receivables	**30.45**	**14.24**	**11.38**

6 Loans

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(A)			
(i) At amortised cost			
- Bills purchased and bills discounted	295.60	2,051.75	2,668.25
- Loans repayable on demand	238.08	97.85	115.80
- Term loans	34,572.26	28,831.05	22,926.56
- Leasing	72.61	91.41	74.05
- Debentures (refer note 6(i))	1,392.70	1,588.48	1,484.92
Total gross loans at amortised cost	**36,571.25**	**32,660.54**	**27,269.58**
Less: Impairment loss allowance	(1,742.85)	(1,966.13)	(1,292.75)
Total net loans at amortised cost (i)	**34,828.40**	**30,694.41**	**25,976.83**
(ii) At fair value through profit or Loss			
- Loans repayable on demand	69.32	-	6.68
- Term loans	11,952.17	6,646.30	2,519.05
- Debentures (refer note 6(i))	350.62	880.72	114.42
Total gross loans at fair value through profit or loss	**12,372.11**	**7,527.02**	**2,640.14**
Less: Impact on fair value changes	(86.84)	(23.03)	(5.52)
Total net loans at fair value through profit or loss (ii)	**12,285.27**	**7,503.99**	**2,634.62**
Total net loans (A) = (i)+(ii)	**47,113.67**	**38,198.40**	**28,611.45**

6 Loans

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(B)			
(i) At amortised cost			
-Secured by tangible assets	22,150.16	20,677.84	19,213.29
-Unsecured	14,421.09	11,982.70	8,056.29
Total gross loans at amortised cost	**36,571.25**	**32,660.54**	**27,269.58**
Less: Impairment loss allowance	(1,742.85)	(1,966.13)	(1,292.75)
Total net loans at amortised cost (i)	**34,828.40**	**30,694.41**	**25,976.83**
(ii) At fair value through profit or loss:			
-Secured by tangible assets	12,372.11	7,527.02	2,640.14
-Unsecured	-	-	-
Total gross loans at fair value through profit or loss	**12,372.11**	**7,527.02**	**2,640.14**
Less: Impact on fair value changes	(86.84)	(23.03)	(5.52)
Total net loans at fair value through profit or loss (ii)	**12,285.27**	**7,503.99**	**2,634.62**
Total net loans (B) = (i)+(ii)	**47,113.67**	**38,198.40**	**28,611.45**
(C)			
(I) Loans in India			
(i) At amortised cost			
- Public sector	-	-	-
- Others	36,571.25	32,660.54	27,269.58
Total gross loans at amortised cost	**36,571.25**	**32,660.54**	**27,269.58**
Less: Impairment loss allowance	(1,742.85)	(1,966.13)	(1,292.75)
Total net loans in India at amortised cost (i)	**34,828.40**	**30,694.41**	**25,976.83**
(ii) At fair value through profit or loss:			
- Public sector	-	-	-
- Others	12,372.11	7,527.02	2,640.14
Total gross loans at fair value through profit or loss	**12,372.11**	**7,527.02**	**2,640.14**
Less: Impact on fair value changes	(86.84)	(23.03)	(5.52)
Total net loans at fair value through profit or loss (ii)	**12,285.27**	**7,503.99**	**2,634.62**
Total net loans in India (C)(I) = (i)+(ii)	**47,113.67**	**38,198.40**	**28,611.45**

6 Loans

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(II) Loans outside India			
(i) At amortised cost	**-**	**-**	**-**
Less: Impairment loss allowance	-	-	-
Total net loans outside India at amortised cost (i)	**-**	**-**	**-**
(b) At fair value through profit or loss:	-	-	-
Less: Impact on fair value changes	-	-	-
Total net loans at fair value through profit or loss (b)	**-**	**-**	**-**
Total net loans outside India (C)(I) = (i)+(ii)	**-**	**-**	**-**
Total net loans (C) = (I)+(II)	**47,113.67**	**38,198.40**	**28,611.45**

6 (i) Following are the details of debentures in the nature of Loan:

Name of Company	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Nos.	Face Value	₹ in crore	Nos.	Face Value	₹ in crore	Nos.	Face Value	₹ in crore
Debenture - Secured									
Avantha Holding Limited	2,250	10,00,000	308.55	2,250	10,00,000	264.15	2,250	10,00,000	229.17
Citywood Builders Private Limited	-	-	-	300	8,57,011	45.30	300	9,40,000	40.65
Diamond Power Infrastructure Limited	3,000	83,441	27.89	3,000	83,441	26.94	3,000	83,441	25.62
Giraffe Developer Private Limited	-	-	-	640	8,68,750	88.04	640	9,34,375	77.18
Intrepid Finance And Leasing Private Limited	-	-	-	200	2,91,667	5.87	200	7,91,667	15.97
M Power Microfinance Private Limited	-	-	-	150	2,91,667	4.41	150	7,91,667	11.98
Oriental Nagpur Betul Highway Limited	3,094	1,00,000	30.68	3,217	1,00,000	31.88	11,479	1,00,000	114.42
Pahal Financial Services Private Limited	-	-	-	150	2,91,667	4.41	150	7,91,667	11.98
PCR Investments Limited	-	-	-	1,500	10,00,000	213.25	-	-	-
Pudhuaaru Financial Services Private Limited	-	-	-	200	2,91,667	5.88	200	7,91,667	15.98
Regen Infrastructure And Services Private Limited	2,794	8,83,341	245.15	2,794	9,21,819	257.54	-	-	-

Name of Company	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Nos.	Face Value	₹ in crore	Nos.	Face Value	₹ in crore	Nos.	Face Value	₹ in crore
Renew Akshay Urja Private Limited	180	9,96,341	17.94	180	9,98,780	17.98	-	-	-
Sambandh Finserve Private Limited	-	-	-	100	2,91,667	2.94	100	7,91,667	7.99
Satin Creditcare Network Limited	-	-	-	260	2,91,667	7.64	260	7,91,667	20.75
SINTEX-BAPL Limited	27,000	1,00,000	282.46	27,000	1,00,000	270.11	-	-	-
SP Jammu Udhampur Highway Limited	2,950	10,00,000	312.17	4,678	10,00,000	498.41	-	-	-
U. P. Power Corporation Ltd	-	-	-	3,519	10,00,000	352.39	-	-	-
Mandhana Industries Limited	200	6,00,000	14.17	200	6,00,000	13.31	200	6,00,000	12.45
Bacchus Hospitality Services & Real Estate Private Limited	-	-	-	-	-	-	2,500	10,00,000	323.67
Bollineni Developers Limited	60	1,00,00,000	84.59	60	1,00,00,000	78.01	60	1,00,00,000	72.05
Integrated Spaces Limited	-	-	-	-	-	-	275	10,83,188	29.04
Valdel Projects Corporation Private Limited	-	-	-	-	-	-	2,968	72,540	37.29
Karvy Solar Power Limited	2,000	96,500	19.27	-	-	-	-	-	-
New Era Enviro Ventures (Mahabubnagar) Private Limited	1,600	95,700	15.31	-	-	-	-	-	-
Pennar Renewables Private Limited	3,800	95,700	36.34	-	-	-	-	-	-
Premier Photovoltiac Medak Private Limited	2,600	95,700	24.84	-	-	-	-	-	-
Debenture - Unsecured									
Avantha Holding Limited	2,250	10,00,000	309.22	2,250	10,00,000	266.52	2,250	10,00,000	224.97
Bhoruka Power Holdings Private Limited	1,00,000	1,000	14.74	1,00,000	1,000	14.22	100,000	1,000	12.26
Jindal Power Limited	-	-	-	-		-	105	6,00,000	6.38
Tata Tele Services (Maharashtra) Limited	-	-	-	-		-	1,000	10,00,000	109.72
High Point Properties Private Limited	-	-	-	-		-	200	1,00,00,000	199.82
Total Debenture			**1,743.32**			**2,469.20**			**1,599.34**

7 Investments

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
A. Investments in fully paid equity shares									
(a) Associates (at cost)									
(i) Unquoted									
L&T Infra Debt Fund Limited	10.00	13,86,52,953	176.50	10.00	13,86,52,953	176.50	10.00	13,31,33,329	156.70
(b) Other equity shares									
(i) Quoted									
(a) Investments carried at fair value through profit or loss									
Integrated Digital Info Services Limited	10.00	3,83,334	-	10.00	3,83,334	-	10.00	3,83,334	-
Elque Polyesters Limited	10.00	1,94,300	-	10.00	1,94,300	-	10.00	1,94,300	-
Monnet Industries Limited	10.00	5,640	-	10.00	5,640	-	10.00	5,640	-
Monnet Ispat And Energy Limited	10.00	992	-	10.00	3,008	-	10.00	3,008	-
Monnet Project Developers Limited	10.00	11,280	-	10.00	11,280	-	10.00	11,280	-
Jaypee Infratech Limited	-	-	-	-	-	-	10.00	37,85,221	3.97
Bhushan Steel Limited	2.00	3,67,119	1.08	2.00	2,12,471	0.86	2.00	10,23,392	5.87
Jaihind Projects Limited	10.00	24,797	-	10.00	24,797	0.01	10.00	1,50,000	0.09
Diamond Power Infrastructure Limited	10.00	28,89,921	-	10.00	28,89,921	2.15	10.00	28,89,921	11.45
3I Infotech Limited	10.00	24,26,383	0.93	10.00	24,26,383	0.85	10.00	24,26,383	1.23
Gol Offshore Limited	10.00	15,52,907	-	10.00	15,52,907	1.57	10.00	15,52,907	3.49
SVOGL Oil Gas and Exploration Services Limited	10.00	19,40,514	-	10.00	19,40,514	-	10.00	19,40,514	0.49

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
Glodyne Technoserve Limited	6.00	3,19,262	-	6.00	3,19,262	-	6.00	3,19,262	-
MIC Electronics Limited	2.00	53,84,616	-	2.00	53,84,616	-	-	-	-
Usher Agro Limited	10.00	3,35,344	-	10.00	3,35,344	0.13	-	-	-
Amara Raja Batteries Limited	1.00	2,728	0.20	1.00	3,293	0.26	-	-	-
Hindusthan National Glass & Industries Ltd	2.00	4,12,808	3.40	2.00	1,47,765	1.57	-	-	-
(ii) Unquoted									
(a) Investments carried at fair value through profit or loss									
Invent Assets Securitisation & Reconstruction Private Limited	-	-	-	-	-	-	10.00	71,00,000	10.67
Grameen Capital India Private Limited	10.00	21,26,000	2.13	10.00	21,26,000	2.13	10.00	21,26,000	2.13
Alpha Micro Finance Consultants Private Limited	10.00	2,00,000	-	10.00	2,00,000	-	10.00	2,00,000	0.20
Metropoli Overseas Limited	10.00	99,400	-	10.00	99,400	-	10.00	99,400	-
Anil Chemicals and Industries Limited	10.00	40,000	-	10.00	40,000	-	10.00	40,000	-
VMC Systems Limited	10.00	7,33,611	-	10.00	7,33,611	-	10.00	7,33,611	-
Saumya Mining Limited	10.00	10,77,986	-	10.00	10,77,986	-	10.00	10,77,986	2.95
Total investment in equity shares (A)			**184.24**			**186.03**			**199.24**
B. Investments in debt securities									

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
(a) Investment carried at fair value through profit or loss									
Bhoruka Power Corporation Limited	1,00,000.00	3,800	52.50	1,00,000.00	3,800	52.50	1,00,000.00	3,800	52.04
Soma Enterprises Limited	10.00	1,45,53,210	6.98	10.00	1,45,53,210	5.41	-	-	-
(b) Investment carried at fair value through other comprehensive income									
Punjab National Bank	-	-	-	-	-	-	10,00,000.00	5,000	500.31
Indian Overseas Bank	-	-	-	10,00,000.00	3,399	344.68	10,00,000.00	3,399	344.86
IDFC Bank Limited	-	-	-	-	-	-	10,00,000.00	400	41.36
Bajaj Finance Limited	-	-	-	-	-	-	10,00,000.00	1,000	113.30
Piramal Finance Limited	-	-	-	-	-	-	10,00,000.00	3,900	392.45
TATA AIG General Insurance Company Limited	10,00,000.00	310	31.50	10,00,000.00	379	38.00	10,00,000.00	1,530	153.39
U. P. Power Corporation Limited	10,00,000.00	301	30.61	10,00,000.00	301	30.22	10,00,000.00	2,940	294.34
Axis Bank	10,00,000.00	500	50.83	10,00,000.00	500	50.96	-	-	-
Union Bank of India	10,00,000.00	780	77.92	10,00,000.00	800	79.94	-	-	-
Cholamandlam MS General Insurance Company Limited	10,00,000.00	418	43.91	10,00,000.00	428	44.10	-	-	-
Dewan Housing Finance Corporation Limited	10,00,000.00	2,746	272.26	10,00,000.00	2,500	266.26	-	-	-
Dewan Housing Finance Corporation Limited	1,000.00	27,50,000	286.62	-	-	-	-	-	-
State Bank of India	10,00,000.00	4,100	418.65	10,00,000.00	4,100	426.12	-	-	-
Corporation Bank Limited	-	-	-	10,00,000.00	500	51.13	-	-	-
UCO Bank	-	-	-	10,00,000.00	400	42.67	-	-	-
Allahabad Bank	-	-	-	10,00,000.00	311	32.21	-	-	-
The South Indian Bank Limited	1,00,000.00	38,759	407.19	1,00,000.00	40,000	412.91	-	-	-
Bank of Baroda	-	-	-	10,00,000.00	150	15.09	-	-	-
Kotak Mahindra Bank Limited	5.00	5,00,00,000	27.59	-	-	-	-	-	-

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
Power Finance Corporation Limited	10,00,000.00	1,213	163.19	-	-	-	-	-	-
Power Finance Corporation Limited	1,000.00	1,00,000	12.89	-	-	-	-	-	-
ECL Finance Limited	10,00,000.00	900	96.49	-	-	-	-	-	-
ECL Finance Limited	1,000.00	30,00,000	323.47	-	-	-	-	-	-
Total investment in debt securities (B)			**2,302.60**			**1,892.20**			**1,892.05**
C. Investments in mutual funds									
(a) Investment carried at fair value through profit or loss									
L & T Liquid Fund - Growth	-	-	-	-	-	-	1,000.00	11,23,998	250.00
Kotak Liquid Scheme Plan - Growth	-	-	-	-	-	-	1,000.00	2,73,581	90.03
ICICI Prudential Liquid Plan - Growth	-	-	-	-	-	-	100.00	41,65,195	100.03
L&T banking and PSU debt fund DP - Growth	10.00	2,38,50,695	40.09	-	-	-	-	-	-
Total investment in mutual funds (C)			**40.09**			**-**			**440.06**
D. Investments in fully paid preference shares (Unquoted)									
(a) Investment carried at fair value through profit or loss									
Grameen Capital India Private Limited	10.00	38,74,000	3.87	10.00	38,74,000	3.87	10.00	38,74,000	3.87
3I Infotech Limited	5.00	38,96,954	0.68	5.00	38,96,954	0.68	5.00	38,96,954	1.95
10% SEW Vizag Coal Terminal Private Limited	10.00	40,91,423	-	10.00	40,91,423	1.43	10.00	40,91,423	4.08
Total investment in preference shares (D)			**4.55**			**5.98**			**9.90**
E. Investments in government securities									
(a) Investment carried at amortised cost									

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
12% National Saving Certificate 2002	-	-	*0.00	-	-	*0.00	-	-	*0.00
Government of India	100.00	16,55,00,000	1,643.54	-	-	-	-	-	-
(b) Investment carried at fair value through other comprehensive income									
Madhya Pradesh Uday Bond	-	-	-	-	-	-	100.00	14,13,000	14.16
Tamil Nadu Uday Bond	-	-	-	-	-	-	100.00	1,00,00,000	101.12
Telangana Uday Bond	-	-	-	-	-	-	100.00	1,30,19,000	130.61
Rural Electrification Corporation Limited	10,00,000.00	240	32.29	-	-	-	-	-	-
National Highways Authority Of India	10,00,000.00	50	5.33	-	-	-	-	-	-
Total investment in government securities (E)			**1,681.16**			**-**			**245.89**
F. Investment in other securities									
(a) Investment carried at fair value through profit or loss									
KKR India debt Opportunities Fund II	1,000.00	17,76,074	177.61	1,000.00	11,25,000	112.50	1,000.00	8,75,000	87.50
KKR India debt Opportunities Fund III	1,000.00	61,640	6.16	1,000.00	96,117	9.61	1,000.00	1,78,249	19.29
Total investment in other securities (F)			**183.77**			**122.11**			**106.79**
G. Investment in pass through certificates									
(a) Investment carried at fair value through other comprehensive income									
IFMR Capital Mosec Azeroth	-	-	-	0.12	59,86,64,559	6.95	0.49	59,86,64,559	31.96
Zlatan IFMR Capital 2016	-	-	-	-	-	-	0.68	1,23,39,58,721	83.76
Frey IFMR Capital	-	-	-	-	-	-	1.03	1,66,74,322	1.81
Zion IFMR Capital	-	-	-	-	-	-	3.12	1,92,37,467	6.30

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
Goldstein IFMR Capital	43.00	8,57,170	2.91	43.00	8,57,170	3.69	44.80	8,57,170	4.04
Libertas IFMR Capital	-	-	-	-	-	-	1.02	35,19,752	0.38
Martell IFMR Capital	-	-	-	-	-	-	2.04	3,55,04,403	7.63
Mjolnir IFMR Capital	-	-	-	-	-	-	2.08	73,30,422	1.60
Napoleon IFMR Capital	-	-	-	1.00	5,21,18,415	5.21	1.04	5,21,18,415	5.71
Smith IFMR Capital	4.00	1,20,96,782	3.85	4.00	1,20,96,782	4.84	4.20	1,20,96,782	5.33
Syme IFMR Capital	1.00	1,42,10,515	1.42	1.00	1,42,10,515	1.42	1.04	1,42,10,515	1.56
Fubelt IFMR Capital	-	-	-	-	-	-	1.04	8,08,78,031	8.85
Moses IFMR Capital	1.00	22,50,000	0.23	1.00	22,50,000	0.23	1.06	22,50,000	0.25
Oracle IFMR Capital	-	-	-	-	-	-	202.00	2,61,793	5.55
Sentinel IFMR capital	-	-	-	-	-	-	19.69	8,87,538	1.83
Total investment in pass through certificate (G)			**8.41**			**22.34**			**166.56**
H. Investment in security receipts									
(a) Investment carried at fair value through profit or loss									
Phoenix ARF Scheme 6	1,000.00	9,843	0.25	1,000.00	9,843	0.49	1,000.00	9,843	0.98
Phoenix ARF Scheme 9	1.00	6,612	-	27.09	6,612	0.02	62.01	6,612	0.04
Phoenix ARF Scheme 10	-	-	-	922.00	18,889	1.29	982.00	18,889	1.85
Phoenix ARF Scheme 11	1.00	44,208	-	1.00	44,208	-	1.00	44,208	0.01
Phoenix ARF Scheme 13	5.00	27,404	0.01	1,000.00	27,404	2.06	1,000.00	27,404	2.06
Phoenix ARF Scheme 14	1,000.00	34,882	2.61	1,000.00	34,882	2.97	1,000.00	34,882	3.49
Phoenix Trust FY19-6	903.00	12,49,500	112.83	-	-	-	-	-	-
JM Financial Asset Reconstruction Company Private Limited (Series I - JMFARC-IRIS December 2016 - Trust)	1,000.00	6,885	-	1,000.00	6,885	-	1,000.00	6,885	1.03
EARC Trust SC - 258 - Series I	932.90	6,46,510	27.14	995.66	6,46,510	64.37	1,000.00	6,46,510	64.65
JMFARC LTF June 2017 Trust	748.14	2,97,500	22.21	984.76	2,97,500	29.30	-	-	-
JMFARC LTF June 2017 Trust	748.14	4,80,849	35.89	984.76	4,80,849	47.35	-	-	-
Suraksha ARC - 024 Trust	1,000.00	7,85,400	78.54	1,000.00	7,85,400	78.54	-	-	-
Total investment in security receipts (H)			**279.48**			**226.39**			**74.11**

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value	Face value (₹)	Quantity (No.)	Net carrying value
Total investments (I)			**4,684.30**			**2,455.05**			**3,134.60**
(i) Investments outside India			-			-			-
(ii) Investments in India			4,684.30			2,455.05			3,134.60
Total Investments (II)			**4,684.30**			**2,455.05**			**3,134.60**
Less: Allowance for Impairment loss (III)			-			-			-
Net total investment (IV)= (I)-(III)			**4,684.30**			**2,455.05**			**3,134.60**

***Amount less than ₹ 1 lakh**

8 Other financials assets

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Security deposit	76.97	72.05	58.18
Other advances	3.26	2.06	1.37
Receivable on sale of Investment	14.92	-	-
Margin money deposits	12.15	-	-
Accrued interest on fixed deposit	0.24	0.56	0.13
Total other financials assets	**107.54**	**74.67**	**59.68**

9 Property, plant and equipment

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 01, 2018	Additions	Disposals	As at March 31, 2019	As at April 01, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Buildings : Owned	0.38	-	-	0.38	0.01	0.01	-	0.02	**0.36**	**0.37**
Lease hold renovation : Owned	12.53	1.64	-	14.17	4.33	4.20	-	8.53	**5.64**	**8.20**
Plant and equipments : Lease out	25.81	-	13.97	11.84	5.06	4.93	5.07	4.92	**6.92**	**20.75**
Computers										
Owned	19.76	14.01	0.80	32.97	6.10	7.14	0.62	12.62	20.35	13.66
Leased out	0.74	-	0.74	-	0.55	0.10	0.65	-	-	0.19
Sub total - Computers	**20.50**	**14.01**	**1.54**	**32.97**	**6.65**	**7.24**	**1.27**	**12.62**	**20.35**	**13.85**

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 01, 2018	Additions	Disposals	As at March 31, 2019	As at April 01, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Furniture and fixtures										
Owned	6.40	1.81	0.05	8.16	2.15	2.41	0.02	4.54	3.62	4.25
Leased out	7.95	-	3.21	4.74	2.08	1.51	0.59	3.00	1.74	5.87
Sub total - Furniture and fittings	**14.35**	**1.81**	**3.26**	**12.90**	**4.23**	**3.92**	**0.61**	**7.54**	**5.36**	**10.12**
Office equipment										
Owned	4.26	1.80	0.13	5.93	1.44	1.75	0.08	3.11	2.82	2.82
Leased out	0.45	-	0.44	0.01	0.31	0.05	0.36	-	0.01	0.14
Sub total - Office equipment	**4.71**	**1.80**	**0.57**	**5.94**	**1.75**	**1.80**	**0.44**	**3.11**	**2.83**	**2.96**
Vehicles										
Owned	1.20	-	-	1.20	0.21	0.29	-	0.50	0.70	0.99
Leased out	21.65	-	10.59	11.06	4.36	3.14	3.62	3.88	7.18	17.29
Sub total - Vehicles	**22.85**	**-**	**10.59**	**12.26**	**4.57**	**3.43**	**3.62**	**4.38**	**7.88**	**18.28**
Total	**101.13**	**19.26**	**29.93**	**90.46**	**26.60**	**25.53**	**11.01**	**41.12**	**49.34**	**74.53**

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 01, 2017	Additions	Disposals	As at March 31, 2018	As at April 01, 2017	For the year	Disposals	As at March 31, 2018	As at March 31, 2018	As at April 1, 2017
Buildings : Owned	26.11	-	25.73	0.38	-	0.50	0.49	0.01	**0.37**	**26.11**
Lease hold renovation : Owned	12.01	0.62	0.10	12.53	-	4.37	0.04	4.33	**8.20**	**12.01**
Plant and equipments : Leased out	32.56	-	6.75	25.81	-	5.96	0.90	5.06	**20.75**	**32.56**
Computers										
Owned	11.19	9.87	1.30	19.76	-	6.71	0.61	6.10	13.66	11.19
Leased out	1.49	-	0.75	0.74	-	0.55	-	0.55	0.19	1.49
Sub total - Computers	**12.68**	**9.87**	**2.05**	**20.50**	**-**	**7.26**	**0.61**	**6.65**	**13.85**	**12.68**
Furniture and fixtures										
Owned	5.66	1.06	0.32	6.40	-	2.24	0.09	2.15	4.25	5.66
Leased out	7.95	-	-	7.95	-	2.08	-	2.08	5.87	7.95

₹ in crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at April 01, 2017	Additions	Disposals	As at March 31, 2018	As at April 01, 2017	For the year	Disposals	As at March 31, 2018	As at March 31, 2018	As at April 1, 2017
Sub total - Furniture and fittings	**13.61**	**1.06**	**0.32**	**14.35**	**-**	**4.32**	**0.09**	**4.23**	**10.12**	**13.61**
Office equipment										
Owned	3.92	0.47	0.13	4.26	-	1.50	0.06	1.44	2.82	3.92
Leased out	0.45	-	-	0.45	-	0.31	-	0.31	0.14	0.45
Sub total - Office equipment	**4.37**	**0.47**	**0.13**	**4.71**	**-**	**1.81**	**0.06**	**1.75**	**2.96**	**4.37**
Motor cars										
Owned	-	1.20	-	1.20	-	0.21		0.21	0.99	-
Leased out	58.91	4.25	41.51	21.65	-	8.20	3.84	4.36	17.29	58.91
Sub total - Vehicles	**58.91**	**5.45**	**41.51**	**22.85**	**-**	**8.41**	**3.84**	**4.57**	**18.28**	**58.91**
Total	**160.25**	**17.47**	**76.59**	**101.13**	**-**	**32.63**	**6.03**	**26.60**	**74.53**	**160.25**

10 Other intangible assets, Goodwill and Intangible assets under development

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 01, 2018	Additions	Disposals	As at March 31, 2019	As at April 01, 2018	For the year	Disposals	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Other intangible assets										
Specialised software	40.35	36.90	0.03	77.22	26.09	11.94	0.00	38.03	39.19	14.26
Distribution and customer network rights (refer footnote)	438.80	-	-	438.80	175.52	87.76	-	263.28	175.52	263.28
(a) Total other intangible assets	**479.15**	**36.90**	**0.03**	**516.02**	**201.61**	**99.70**	**-**	**301.31**	**214.71**	**277.54**
(b) Goodwill (refer footnote)	**2,828.51**	**-**	**-**	**2,828.51**	**1,131.40**	**565.70**	**-**	**1,697.10**	**1,131.41**	**1,697.11**
(c) Intangible assets under development									**18.48**	**9.23**

₹ in crore

Particulars	Gross carrying value				Accumulated Amortization				Net carrying value	
	As at April 01, 2017	Additions	Disposals	As at March 31, 2018	As at April 01, 2017	For the year	Disposals	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Other intangible assets										
Specialised software	26.53	13.82	-	40.35	18.94	7.15	-	26.09	14.26	7.59
Distribution and customer network rights (refer footnote)	438.80	-	-	438.80	87.76	87.76	-	175.52	263.28	351.04
(a) Total other intangible assets	**465.33**	**13.82**	**-**	**479.15**	**106.70**	**94.91**	**-**	**201.61**	**277.54**	**358.63**
(b) Goodwill (refer footnote)	**2,828.51**	**-**	**-**	**2,828.51**	**565.70**	**565.70**	**-**	**1,131.40**	**1,697.11**	**2,262.81**
(c) Intangible assets under development									**9.23**	**-**

Footnote:

Pursuant to the Orders of Honorable Calcutta High Court and the National Company Law Tribunal, Mumbai Bench (the "Honorable Courts"), the erstwhile L&T Finance Limited (U65990MH1994PLC083147) and L&T FinCorp Limited (U65910MH1997PLC108179) have been merged with Family Credit Limited (now known as L&T Finance Limited - U65910WB1993FLC060810) (the "Amalgamated Company"), effective from February 13, 2017 with the Appointed Date being April 1, 2016.

Consequent to the scheme becoming effective, net assets of Transferor Company amounting to ₹ 3,157.29 crore as on the Appointed Date have been transferred to the Transferee Company at their respective fair values and the fair value of Distribution and Customer Network Rights ("DCNR") as determined by an Independent Valuer, have been recognised as a part of Other Intangible Asset at a valuation of ₹438.80 crore. The balance amount of ₹ 2,828.51 crore has been recorded as Goodwill on amalgamation. These intangible assets, i.e. the DCNR and Goodwill on amalgamation, are being amortised on a straight line basis over a period of 5 years with effect from April 01, 2016 in terms of the Scheme of Arrangement of the Honorable Courts.

11 Other non-financials assets

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Prepaid expenses	9.59	6.43	6.93
Advances to others	25.75	17.38	35.85
Amount paid under protest	41.96	42.03	4.52
Capital advances	11.78	9.69	3.76
Assets acquired in settlement of claims	24.47	24.47	4.78
Total other non-financials Assets	**113.55**	**100.00**	**55.84**

12 Payables

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Trade payables			
Micro enterprises and small enterprises (refer note: 42)	-	-	-
Due to others	34.69	65.36	65.31
Due to related parties (refer note: 31)	51.34	43.73	14.45
Total trade payables	**86.03**	**109.09**	**79.76**
Other payables			
Micro enterprises and small enterprises (refer note: 42)	-	-	-
Due to others	12.71	13.94	9.87
Due to related parties (refer note: 31)	0.40	0.44	0.70
Total other payables	**13.11**	**14.38**	**10.57**
Total payables	**99.14**	**123.47**	**90.33**

13 Debt securities

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(A)			
(i) At amortised cost			
- Commercial papers (net) (refer note 13 (b))	7,064.36	6,525.82	9,650.42
- Redeemable non convertible debentures (refer note 13 (a))	16,007.24	10,454.78	7,467.53
Total debt securities (A)= i+ii+iii)	**23,071.60**	**16,980.60**	**17,117.95**
(B)			
(I) Debt securities in India			
(i) At amortised cost	23,071.60	16,980.60	17,117.95
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total debt securities in India (I = i+ii+iii)	**23,071.60**	**16,980.60**	**17,117.95**
(II) Debt securities in outside India			
(i) At amortised cost	-	-	-
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total debt securities in outside India (I = i+ii+iii)	**-**	**-**	**-**
Total debt securities (B) = (I)+(II)	**23,071.60**	**16,980.60**	**17,117.95**

13 (a) Secured redeemable non convertible debentures as on March 31, 2019

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series P FY 2014-15 opt 4	₹ 25 lakh each	24-Feb-15	25.22	9.25%	24-Feb-20	Redeemable at par at the end of 1826 days from the date of allotment
Series C FY 2015-16 opt 5	₹ 25 lakh each	20-May-15	27.99	8.87%	20-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series D FY 2015-16 opt 3	₹ 25 lakh each	27-May-15	56.20	8.88%	27-May-19	Redeemable at par at the end of 1461 days from the date of allotment
Series E FY 2015-16 opt 7	₹ 25 lakh each	04-Jun-15	34.63	8.88%	04-Jun-19	Redeemable at par at the end of 1461 days from the date of allotment
Series N FY 2015-16	₹ 25 lakh each	29-Mar-16	185.14	8.90%	29-Apr-19	Redeemable at par at the end of 1126 days from the date of allotment
Series A FY 2016-17 opt 3	₹ 25 lakh each	13-Apr-16	10.84	8.70%	12-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2016-17 opt 4	₹ 25 lakh each	13-Apr-16	27.10	8.69%	31-May-19	Redeemable at par at the end of 1143 days from the date of allotment
Series A FY 2016-17 opt 5	₹ 25 lakh each	13-Apr-16	298.11	8.69%	13-Jun-19	Redeemable at par at the end of 1156 days from the date of allotment
Series A FY 2016-17 opt 6	₹ 25 lakh each	13-Apr-16	81.29	8.68%	12-Sep-19	Redeemable at par at the end of 1247 days from the date of allotment
Series A FY 2016-17 opt 7	₹ 25 lakh each	13-Apr-16	4.34	8.68%	30-Sep-19	Redeemable at par at the end of 1265 days from the date of allotment
Series A FY 2016-17	₹ 25 lakh each	20-Apr-16	10.83	8.80%	19-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment
Series B FY 2016-17	₹ 25 lakh each	20-Apr-16	324.60	8.65%	20-Aug-19	Redeemable at par at the end of 1217 days from the date of allotment
Series B FY 2016-17 opt 2	₹ 25 lakh each	20-May-16	21.52	8.80%	20-May-19	Redeemable at par at the end of 1095 days from the date of allotment
Series C FY 2016-17 opt 1	₹ 25 lakh each	24-May-16	53.70	8.65%	24-May-19	Redeemable at par at the end of 1095 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series C FY 2016-17 opt 2	₹ 25 lakh each	24-May-16	3.80	8.64%	28-Jun-19	Redeemable at par at the end of 1130 days from the date of allotment
Series C FY 2016-17 opt 1	₹ 25 lakh each	13-Jun-16	10.70	8.80%	13-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	13-Jun-16	10.70	8.80%	11-Jun-21	Redeemable at par at the end of 1824 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	14-Jun-16	53.48	8.72%	14-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2016-17 opt 1	₹ 25 lakh each	29-Jun-16	138.57	8.72%	28-Jun-19	Redeemable at par at the end of 1094 days from the date of allotment
Series E FY 2016-17 opt 2	₹ 25 lakh each	29-Jun-16	3.15	8.71%	22-Jul-19	Redeemable at par at the end of 1118 days from the date of allotment
Series G FY 2016-17 opt 2	₹ 25 lakh each	03-Aug-16	79.18	8.45%	02-Aug-19	Redeemable at par at the end of 1094 days from the date of allotment
Series H FY 2016-17 opt 1	₹ 25 lakh each	05-Aug-16	75.96	7.37%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series B FY 2016-17 opt 2	₹ 25 lakh each	05-Aug-16	5.28	8.65%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series I FY 2016-17	₹ 25 lakh each	09-Aug-16	52.70	8.40%	09-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	18-Aug-16	3.10	8.55%	05-Aug-19	Redeemable at par at the end of 1082 days from the date of allotment
Series E FY 2016-17 opt 1	₹ 25 lakh each	23-Aug-16	14.56	8.54%	30-Sep-19	Redeemable at par at the end of 1133 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	08-Sep-16	52.31	8.31%	06-Sep-19	Redeemable at par at the end of 1093 days from the date of allotment
Series G FY 2016-17	₹ 25 lakh each	12-Sep-16	209.15	8.31%	12-Sep-19	Redeemable at par at the end of 1095 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series J FY 2016-17 opt 2	₹ 25 lakh each	19-Jan-17	152.25	7.83%	20-Jan-20	Redeemable at par at the end of 1096 days from the date of allotment
Series D FY 2016-17 opt 2	₹ 25 lakh each	27-Mar-17	25.03	7.90%	27-Mar-20	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2016-17	₹ 25 lakh each	29-Mar-17	100.06	7.90%	29-Jun-20	Redeemable at par at the end of 1188 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	31-Mar-17	324.21	8.07%	29-May-20	Redeemable at par at the end of 1155 days from the date of allotment
Series A FY 2017-18 opt I	₹ 25 lakh each	10-Apr-17	161.28	7.71%	10-Apr-19	Redeemable at par at the end of 730 days from the date of allotment
Series A FY 2017-18 opt II	₹ 25 lakh each	10-Apr-17	107.60	7.80%	08-May-20	Redeemable at par at the end of 1124 days from the date of allotment
Series C FY 2017-18	₹ 25 lakh each	25-May-17	26.67	7.85%	25-May-20	Redeemable at par at the end of 1096 days from the date of allotment
Series D FY 2017-18	₹ 25 lakh each	09-Jun-17	223.34	7.85%	09-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2017-18	₹ 25 lakh each	16-Jun-17	265.34	7.75%	16-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2017-18	₹ 25 lakh each	19-Jun-17	212.28	7.85%	19-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series G FY 2017-18	₹ 25 lakh each	20-Jun-17	397.98	7.85%	20-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series H FY 2017-18 opt 1	₹ 25 lakh each	21-Jun-17	53.02	7.76%	10-Aug-20	Redeemable at par at the end of 1146 days from the date of allotment
Series H FY 2017-18 opt 2	₹ 25 lakh each	21-Jun-17	26.51	7.81%	21-Jul-22	Redeemable at par at the end of 1856 days from the date of allotment
Series I FY 2017-18	₹ 25 lakh each	23-Jun-17	132.48	7.75%	23-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series J FY 2017-18	₹ 25 lakh each	28-Jun-17	132.35	7.75%	26-Jun-20	Redeemable at par at the end of 1094 days from the date of allotment
Series K FY 2017-18	₹ 25 lakh each	19-Jul-17	421.45	7.65%	19-Jul-19	Redeemable at par at the end of 730 days from the date of allotment
Series L FY 2017-18	₹ 25 lakh each	25-Jul-17	328.51	7.65%	20-Aug-20	Redeemable at par at the end of 1122 days from the date of allotment
Series M FY 2017-18	₹ 25 lakh each	08-Aug-17	488.03	7.71%	08-Aug-22	Redeemable at par at the end of 1826 days from the date of allotment
Series N FY 2017-18	₹ 25 lakh each	06-Oct-17	321.57	7.70%	06-Oct-22	Redeemable at par at the end of 1826 days from the date of allotment
Series O FY 2017-18	₹ 25 lakh each	13-Oct-17	517.56	7.65%	13-Nov-20	Redeemable at par at the end of 1127 days from the date of allotment
Series P FY 2017-18	₹ 25 lakh each	17-Oct-17	155.24	7.68%	18-Dec-20	Redeemable at par at the end of 1158 days from the date of allotment
Series Q FY 2017-18	₹ 25 lakh each	24-Nov-17	313.35	7.85%	11-Dec-20	Redeemable at par at the end of 1113 days from the date of allotment
Series R FY 2017-18	₹ 25 lakh each	04-Dec-17	768.89	7.90%	04-Dec-20	Redeemable at par at the end of 1096 days from the date of allotment
Series S FY 2017-18	₹ 25 lakh each	06-Dec-17	218.74	7.84%	06-Jan-21	Redeemable at par at the end of 1127 days from the date of allotment
Series T FY 2017-18	₹ 25 lakh each	12-Dec-17	86.94	7.95%	12-Dec-22	Redeemable at par at the end of 1826 days from the date of allotment
Series U FY 2017-18	₹ 25 lakh each	29-Dec-17	102.04	8.00%	27-Nov-20	Redeemable at par at the end of 1064 days from the date of allotment
Series V FY 2017-18	₹ 25 lakh each	27-Mar-18	89.40	8.25%	08-Apr-21	Redeemable at par at the end of 1108 days from the date of allotment
Series W FY 2017-18	₹ 25 lakh each	28-Mar-18	95.06	8.25%	21-Jun-21	Redeemable at par at the end of 1181 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series A FY 2018-19	₹ 10 lakh each	06-Jun-18	58.88	8.65%	28-Apr-22	Redeemable at par at the end of 1422 days from the date of allotment
Series B FY 2018-19	₹ 10 lakh each	29-Jun-18	1,065.79	8.70%	29-Jun-21	Redeemable at par at the end of 1096 days from the date of allotment
Series C FY 2018-19 opt 1	₹ 10 lakh each	06-Jul-18	37.30	8.95%	10-Jun-22	Redeemable at par at the end of 1435 days from the date of allotment
Series C FY 2018-19 opt 2	₹ 10 lakh each	06-Jul-18	132.46	8.92%	06-Oct-21	Redeemable at par at the end of 1188 days from the date of allotment
Series D FY 2018-19 opt 1	₹ 10 lakh each	20-Jul-18	26.56	8.92%	30-Jul-21	Redeemable at par at the end of 1106 days from the date of allotment
Series D FY 2018-19 opt 2	₹ 10 lakh each	20-Jul-18	382.41	8.95%	16-Aug-21	Redeemable at par at the end of 1123 days from the date of allotment
Reissuance - Series "W"1-FY 2017-18 (Original issuance series W FY 2017-18)"	₹ 10 lakh each	27-Jul-18	79.21	8.25%	21-Jun-21	Redeemable at par at the end of 1060 days from the date of allotment
Series E FY 2018-19	₹ 10 lakh each	02-Aug-18	37.04	8.86%	02-Aug-23	Redeemable at par at the end of 1826 days from the date of allotment
Reissuance - Series "W" 2-FY 2017-18 (Original issuance series W FY 2017-18)"	₹ 10 lakh each	09-Aug-18	54.43	8.25%	21-Jun-21	Redeemable at par at the end of 1047 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 1 (Original issuance series D FY 2018-19 Opt 1)	₹ 10 lakh each	20-Aug-18	11.49	8.92%	30-Jul-21	Redeemable at par at the end of 1075 days from the date of allotment
Reissuance - Series D1 FY 2018-19 Opt 2 (Original issuance series D FY 2018-19 Opt 2)	₹ 10 lakh each	20-Aug-18	54.32	8.95%	16-Aug-21	Redeemable at par at the end of 1092 days from the date of allotment
Series D1 FY 2018-19 Opt 3	₹ 10 lakh each	20-Aug-18	26.32	8.60%	19-Dec-19	Redeemable at par at the end of 486 days from the date of allotment
Series D1 FY 2018-19 Opt 4	₹ 10 lakh each	20-Aug-18	84.28	8.75%	19-Aug-20	Redeemable at par at the end of 730 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Reissuance - Series D2 FY 2018-19 Opt 4 (Original issuance series D FY 2018-19 Opt 4)	₹ 10 lakh each	27-Aug-18	358.11	8.75%	19-Aug-20	Redeemable at par at the end of 723 days from the date of allotment
Reissuance - Series D3 FY 2018-19 Opt 1 (Original issuance series D1 FY 2018-19 Opt 3)	₹ 10 lakh each	31-Aug-18	52.63	8.60%	19-Dec-19	Redeemable at par at the end of 475 days from the date of allotment
Series D3 FY 2018-19 Opt 2	₹ 10 lakh each	31-Aug-18	26.26	8.62%	30-Jan-20	Redeemable at par at the end of 517 days from the date of allotment
Reissuance - Series D3 FY 2018-19 Opt 3 (Original issuance series C FY 2018-19)	₹ 10 lakh each	31-Aug-18	52.27	8.92%	06-Oct-21	Redeemable at par at the end of 1132 days from the date of allotment
Series F FY 2018-19	₹ 10 lakh each	12-Sep-18	61.86	8.82%	03-Sep-21	Redeemable at par at the end of 1087 days from the date of allotment
Reissuance - Series G FY 2018-19 Opt 1 (Original issuance series F FY 2018-19)	₹ 10 lakh each	31-Oct-18	5.16	8.82%	03-Sep-21	Redeemable at par at the end of 1038 days from the date of allotment
Series G FY 2018-19 Opt 2	₹ 10 lakh each	31-Oct-18	78.77	9.48%	14-Mar-22	Redeemable at par at the end of 1230 days from the date of allotment
Reissuance-Series G FY 2018-19 Opt 3 (Original issuance series T FY 2017-18)	₹ 10 lakh each	31-Oct-18	16.13	7.95%	12-Dec-22	Redeemable at par at the end of 1503 days from the date of allotment
Reissuance- Series A1 FY 2018-19 (Original issuance series A FY 2018-19)	₹ 10 lakh each	14-Nov-18	31.36	8.65%	28-Apr-22	Redeemable at par at the end of 1261 days from the date of allotment
Reissuance- Series H FY 2018-19 Opt 1 (Original issuance series D3 FY 2018-19 Opt 2)	₹ 10 lakh each	20-Nov-18	54.21	8.62%	30-Jan-20	Redeemable at par at the end of 436 days from the date of allotment
Reissuance- Series H FY 2018-19 Opt 2 (Original issuance series N FY 2017-18)	₹ 10 lakh each	20-Nov-18	64.05	7.70%	06-Oct-22	Redeemable at par at the end of 1416 days from the date of allotment
Series I FY 2018-19	₹ 10 lakh each	05-Dec-18	1,233.76	9.36%	20-Dec-19	Redeemable at par at the end of 380 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series J FY 2018-19	₹ 10 lakh each	04-Jan-19	817.16	9.00%	04-Jan-24	Redeemable at par at the end of 1826 days from the date of allotment
Series K FY 2018-19 option 1	₹ 10 lakh each	11-Jan-19	305.76	8.81%	11-Mar-20	Redeemable at par at the end of 425 days from the date of allotment
Series K FY 2018-19 option 2	₹ 10 lakh each	11-Jan-19	25.43	9.00%	09-Feb-24	Redeemable at par at the end of 1855 days from the date of allotment
Series M FY 2018-19 option 1- MLD	₹ 10 lakh each	18-Jan-19	44.32	8.45%	17-Jul-20	Redeemable at par at the end of 546 days from the date of allotment
Series M FY 2018-19 option 2- MLD	₹ 10 lakh each	18-Jan-19	53.79	8.65%	10-Aug-20	Redeemable at par at the end of 570 days from the date of allotment
Series M FY 2018-19 option 3- MLD	₹ 10 lakh each	18-Jan-19	29.86	8.61%	18-Jan-21	Redeemable at par at the end of 731 days from the date of allotment
Series L FY 2018-19 option 1	₹ 10 lakh each	24-Jan-19	203.21	8.81%	13-Mar-20	Redeemable at par at the end of 414 days from the date of allotment
Series L FY 2018-19 option 2	₹ 10 lakh each	24-Jan-19	50.80	8.93%	08-Aug-22	Redeemable at par at the end of 1292 days from the date of allotment
Series N FY 2018-19 option 2	₹ 10 lakh each	01-Feb-19	25.36	9.02%	11-Mar-24	Redeemable at par at the end of 1865 days from the date of allotment
Series O FY 2018-19	₹ 10 lakh each	01-Mar-19	276.53	8.75%	22-May-20	Redeemable at par at the end of 448 days from the date of allotment
NCD 2009 series 4 (Public issue)	₹ 1000 each	17-Sep-09	479.60	10.24%	17-Sep-19	Redeemable at par at the end of 3652 days from the date of allotment
Series I option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	175.64	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series I option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	683.40	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series II option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	5.04	9.00%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31,2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series II option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	79.85	9.10%	13-Apr-22	Redeemable at par at the end of 1127 days from the date of allotment
Series III option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	30.09	9.10%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series III option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	233.90	9.25%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	1.75	8.75%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series IV option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	59.62	8.89%	13-Mar-24	Redeemable at par at the end of 1827 days from the date of allotment
Series V option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	7.95	9.20%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series V option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	110.11	9.35%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 1 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	0.70	8.84%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
Series VI option 2 FY 2018-19 (Public issue)	₹ 1000 each	13-Mar-19	100.98	8.98%	13-Mar-29	Redeemable at par at the end of 3653 days from the date of allotment
			16,007.24			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

Secured redeemable non convertible debentures public issue :

The Company has raised ₹ 1,500 crore from the public issue. The Company has utilised ₹ 1,495.35 crore for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/prepayment of principal of borrowings) and general corporate purpose. The unutilised balance amount of ₹ 4.65 crore is in current account.

13 (b) Commercial papers (net) as on March 31,2019

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Bullet	Up to 1 years	7.01% to 8.00%	4,424.26
		8.01% to 9.00%	1,110.06
		9.01% to 10.00%	1,530.04
Total			**7,064.36**

13 (a) Secured redeemable non convertible debentures as on March 31, 2018

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2018 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series A FY 2013-14	₹ 10 lakh each	03-Jan-14	408.53	9.05%	05-Apr-18	Redeemable at par at the end of 1553 days from the date of allotment
Series P FY 2014-15 opt 3	₹ 25 lakh each	24-Feb-15	25.22	9.22%	15-Jun-18	Redeemable at par at the end of 1207 days from the date of allotment
Series P FY 2014-15 opt 4	₹ 25 lakh each	24-Feb-15	197.21	9.25%	24-Feb-20	Redeemable at par at the end of 1826 days from the date of allotment
Series A FY 2015-16 opt 4	₹ 25 lakh each	29-Apr-15	10.91	8.92%	23-Apr-18	Redeemable at par at the end of 1090 days from the date of allotment
Series A FY 2015-16 opt 5	₹ 25 lakh each	17-Apr-15	2.25	8.86%	12-Apr-18	Redeemable at par at the end of 1091 days from the date of allotment
Series A FY 2015-16 opt 6	₹ 25 lakh each	17-Apr-15	77.12	8.86%	16-Apr-18	Redeemable at par at the end of 1095 days from the date of allotment
Series A FY 2015-16 opt 7	₹ 25 lakh each	17-Apr-15	119.31	8.85%	17-Apr-18	Redeemable at par at the end of 1096 days from the date of allotment
Series A FY 2015-16 opt 8	₹ 25 lakh each	17-Apr-15	28.60	8.86%	19-Apr-18	Redeemable at par at the end of 1098 days from the date of allotment
Series A FY 2015-16 opt 9	₹ 25 lakh each	17-Apr-15	23.14	8.86%	24-Apr-18	Redeemable at par at the end of 1103 days from the date of allotment
Series B FY 2015-16 opt 4	₹ 25 lakh each	11-May-15	7.67	8.85%	30-Apr-18	Redeemable at par at the end of 1085 days from the date of allotment
Series B FY 2015-16 opt 5	₹ 25 lakh each	11-May-15	2.56	8.86%	07-May-18	Redeemable at par at the end of 1092 days from the date of allotment
Series C FY 2015-16 opt 1	₹ 25 lakh each	20-May-15	7.98	8.91%	14-May-18	Redeemable at par at the end of 1090 days from the date of allotment
Series C FY 2015-16 opt 2	₹ 25 lakh each	20-May-15	38.33	8.91%	15-May-18	Redeemable at par at the end of 1091 days from the date of allotment
Series C FY 2015-16 opt 3	₹ 25 lakh each	20-May-15	16.15	8.91%	18-May-18	Redeemable at par at the end of 1094 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2018 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series C FY 2015-16 opt 4	₹ 25 lakh each	20-May-15	60.03	8.90%	11-Jun-18	Redeemable at par at the end of 1118 days from the date of allotment
Series C FY 2015-16 opt 5	₹ 25 lakh each	20-May-15	27.98	8.87%	20-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series C FY 2015-16 opt 8	₹ 25 lakh each	20-May-15	40.88	8.91%	22-May-18	Redeemable at par at the end of 1098 days from the date of allotment
Series D FY 2015-16 opt 3	₹ 25 lakh each	27-May-15	51.62	8.88%	27-May-19	Redeemable at par at the end of 1461 days from the date of allotment
Series E FY 2015-16 opt 3	₹ 25 lakh each	04-Jun-15	47.04	8.85%	04-Jun-18	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2015-16 opt 4	₹ 25 lakh each	04-Jun-15	5.36	8.85%	04-Jun-18	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2015-16 opt 5	₹ 25 lakh each	04-Jun-15	21.61	8.85%	22-Nov-18	Redeemable at par at the end of 1267 days from the date of allotment
Series E FY 2015-16 opt 6	₹ 25 lakh each	04-Jun-15	25.43	8.85%	24-Dec-18	Redeemable at par at the end of 1299 days from the date of allotment
Series E FY 2015-16 opt 7	₹ 25 lakh each	04-Jun-15	31.80	8.88%	04-Jun-19	Redeemable at par at the end of 1461 days from the date of allotment
Series E FY 2015-16 opt 3	₹ 25 lakh each	23-Jun-15	6.35	8.95%	07-Jan-19	Redeemable at par at the end of 1294 days from the date of allotment
Series G FY 2015-16 opt 3	₹ 25 lakh each	26-Jun-15	12.67	8.91%	20-Jun-18	Redeemable at par at the end of 1090 days from the date of allotment
Series G FY 2015-16 opt 4	₹ 25 lakh each	26-Jun-15	5.34	8.90%	26-Jun-18	Redeemable at par at the end of 1096 days from the date of allotment
Series H FY 2015-16 opt 1	₹ 25 lakh each	08-Jul-15	44.24	8.93%	02-Jul-18	Redeemable at par at the end of 1090 days from the date of allotment
Series H FY 2015-16 opt 2	₹ 25 lakh each	08-Jul-15	44.24	8.93%	05-Jul-18	Redeemable at par at the end of 1093 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2018 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series H FY 2015-16 opt 3	₹ 25 lakh each	08-Jul-15	63.89	8.92%	06-Jul-18	Redeemable at par at the end of 1094 days from the date of allotment
Series H FY 2015-16 opt 4	₹ 25 lakh each	08-Jul-15	32.86	8.93%	17-Jul-18	Redeemable at par at the end of 1105 days from the date of allotment
Series I FY 2015-16 opt 1	₹ 25 lakh each	19-Aug-15	37.44	8.80%	16-Aug-18	Redeemable at par at the end of 1093 days from the date of allotment
Series I FY 2015-16 opt 2	₹ 25 lakh each	19-Aug-15	26.34	8.80%	17-Aug-18	Redeemable at par at the end of 1094 days from the date of allotment
Series I FY 2015-16 opt 3	₹ 25 lakh each	19-Aug-15	22.46	8.80%	03-Sep-18	Redeemable at par at the end of 1111 days from the date of allotment
Series J FY 2015-16 opt 1	₹ 25 lakh each	27-Aug-15	37.38	8.81%	20-Aug-18	Redeemable at par at the end of 1089 days from the date of allotment
Series N FY 2015-16	₹ 25 lakh each	29-Mar-16	201.60	8.90%	29-Apr-19	Redeemable at par at the end of 1126 days from the date of allotment
Series A FY 2016-17 opt 2	₹ 25 lakh each	13-Apr-16	184.29	8.69%	12-Mar-19	Redeemable at par at the end of 1063 days from the date of allotment
Series A FY 2016-17 opt 3	₹ 25 lakh each	13-Apr-16	10.84	8.70%	12-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2016-17 opt 4	₹ 25 lakh each	13-Apr-16	27.10	8.69%	31-May-19	Redeemable at par at the end of 1143 days from the date of allotment
Series A FY 2016-17 opt 5	₹ 25 lakh each	13-Apr-16	298.11	8.69%	13-Jun-19	Redeemable at par at the end of 1156 days from the date of allotment
Series A FY 2016-17 opt 6	₹ 25 lakh each	13-Apr-16	81.29	8.68%	12-Sep-19	Redeemable at par at the end of 1247 days from the date of allotment
Series A FY 2016-17 opt 7	₹ 25 lakh each	13-Apr-16	4.34	8.68%	30-Sep-19	Redeemable at par at the end of 1265 days from the date of allotment
Series A FY 2016-17	₹ 25 lakh each	20-Apr-16	10.83	8.80%	19-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2018 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series B FY 2016-17	₹ 25 lakh each	20-Apr-16	324.60	8.65%	20-Aug-19	Redeemable at par at the end of 1217 days from the date of allotment
Series B FY 2016-17 opt 2	₹ 25 lakh each	20-May-16	21.51	8.80%	20-May-19	Redeemable at par at the end of 1095 days from the date of allotment
Series C FY 2016-17 opt 1	₹ 25 lakh each	24-May-16	53.70	8.65%	24-May-19	Redeemable at par at the end of 1095 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	24-May-16	3.50	8.64%	28-Jun-19	Redeemable at par at the end of 1130 days from the date of allotment
Series C FY 2016-17 opt 1	₹ 25 lakh each	13-Jun-16	10.70	8.80%	13-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	13-Jun-16	10.70	8.80%	11-Jun-21	Redeemable at par at the end of 1824 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	14-Jun-16	53.48	8.72%	14-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2016-17 opt 1	₹ 25 lakh each	29-Jun-16	138.57	8.72%	28-Jun-19	Redeemable at par at the end of 1094 days from the date of allotment
Series E FY 2016-17 opt 2	₹ 25 lakh each	29-Jun-16	2.90	8.71%	22-Jul-19	Redeemable at par at the end of 1118 days from the date of allotment
Series G FY 2016-17 opt 1	₹ 25 lakh each	03-Aug-16	52.77	8.40%	03-Aug-18	Redeemable at par at the end of 730 days from the date of allotment
Series G FY 2016-17 opt 2	₹ 25 lakh each	03-Aug-16	79.18	8.45%	02-Aug-19	Redeemable at par at the end of 1094 days from the date of allotment
Series H FY 2016-17 opt 1	₹ 25 lakh each	05-Aug-16	75.94	7.37%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series B FY 2016-17 opt 1	₹ 25 lakh each	05-Aug-16	10.56	8.65%	03-Aug-18	Redeemable at par at the end of 728 days from the date of allotment
Series B FY 2016-17 opt 2	₹ 25 lakh each	05-Aug-16	5.28	8.65%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2018 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series I FY 2016-17	₹ 25 lakh each	09-Aug-16	52.70	8.40%	09-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	18-Aug-16	2.86	8.55%	05-Aug-19	Redeemable at par at the end of 1082 days from the date of allotment
Series E FY 2016-17 opt 1	₹ 25 lakh each	23-Aug-16	13.41	8.54%	30-Sep-19	Redeemable at par at the end of 1133 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	08-Sep-16	52.33	8.31%	06-Sep-19	Redeemable at par at the end of 1093 days from the date of allotment
Series G FY 2016-17	₹ 25 lakh each	12-Sep-16	209.15	8.31%	12-Sep-19	Redeemable at par at the end of 1095 days from the date of allotment
Series J FY 2016-17 opt 1	₹ 25 lakh each	19-Jan-17	50.76	7.66%	18-Jan-19	Redeemable at par at the end of 729 days from the date of allotment
Series J FY 2016-17 opt 2	₹ 25 lakh each	19-Jan-17	152.32	7.83%	20-Jan-20	Redeemable at par at the end of 1096 days from the date of allotment
Series C FY 2016-17 opt 1	₹ 25 lakh each	22-Mar-17	50.11	7.71%	22-Jun-18	Redeemable at par at the end of 457 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	27-Mar-17	50.05	7.75%	26-Apr-19	Redeemable at par at the end of 760 days from the date of allotment
Series D FY 2016-17 opt 2	₹ 25 lakh each	27-Mar-17	25.03	7.90%	27-Mar-20	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2016-17	₹ 25 lakh each	29-Mar-17	107.96	7.90%	29-Jun-20	Redeemable at par at the end of 1188 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	31-Mar-17	324.28	8.07%	29-May-20	Redeemable at par at the end of 1155 days from the date of allotment
Series A FY 2017-18 opt 1	₹ 25 lakh each	10-Apr-17	161.26	7.71%	10-Apr-19	Redeemable at par at the end of 730 days from the date of allotment
Series A FY 2017-18 opt 2	₹ 25 lakh each	10-Apr-17	107.59	7.80%	08-May-20	Redeemable at par at the end of 1124 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2018 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series C FY 2017-18	₹ 25 lakh each	25-May-17	26.67	7.85%	25-May-20	Redeemable at par at the end of 1096 days from the date of allotment
Series D FY 2017-18	₹ 25 lakh each	09-Jun-17	223.32	7.85%	09-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2017-18	₹ 25 lakh each	16-Jun-17	265.34	7.75%	16-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series F FY 2017-18	₹ 25 lakh each	19-Jun-17	212.26	7.85%	19-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series G FY 2017-18	₹ 25 lakh each	20-Jun-17	397.98	7.85%	20-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series H FY 2017-18 opt 1	₹ 25 lakh each	21-Jun-17	53.02	7.76%	10-Aug-20	Redeemable at par at the end of 1146 days from the date of allotment
Series H FY 2017-18 opt 2	₹ 25 lakh each	21-Jun-17	26.51	7.81%	21-Jul-22	Redeemable at par at the end of 1856 days from the date of allotment
Series I FY 2017-18	₹ 25 lakh each	23-Jun-17	132.48	7.75%	23-Jun-20	Redeemable at par at the end of 1096 days from the date of allotment
Series J FY 2017-18	₹ 25 lakh each	28-Jun-17	132.35	7.75%	26-Jun-20	Redeemable at par at the end of 1094 days from the date of allotment
Series K FY 2017-18	₹ 25 lakh each	19-Jul-17	421.41	7.65%	19-Jul-19	Redeemable at par at the end of 730 days from the date of allotment
Series L FY 2017-18	₹ 25 lakh each	25-Jul-17	305.13	7.65%	20-Aug-20	Redeemable at par at the end of 1122 days from the date of allotment
Series M FY 2017-18	₹ 25 lakh each	08-Aug-17	487.99	7.71%	08-Aug-22	Redeemable at par at the end of 1826 days from the date of allotment
Series N FY 2017-18	₹ 25 lakh each	06-Oct-17	321.57	7.70%	06-Oct-22	Redeemable at par at the end of 1826 days from the date of allotment
Series O FY 2017-18	₹ 25 lakh each	13-Oct-17	517.40	7.65%	13-Nov-20	Redeemable at par at the end of 1127 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2018 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series P FY 2017-18	₹ 25 lakh each	17-Oct-17	155.24	7.68%	18-Dec-20	Redeemable at par at the end of 1158 days from the date of allotment
Series Q FY 2017-18	₹ 25 lakh each	24-Nov-17	313.32	7.85%	11-Dec-20	Redeemable at par at the end of 1113 days from the date of allotment
Series R FY 2017-18	₹ 25 lakh each	04-Dec-17	768.71	7.90%	04-Dec-20	Redeemable at par at the end of 1096 days from the date of allotment
Series S FY 2017-18	₹ 25 lakh each	06-Dec-17	218.63	7.84%	06-Jan-21	Redeemable at par at the end of 1127 days from the date of allotment
Series T FY 2017-18	₹ 25 lakh each	12-Dec-17	86.91	7.95%	12-Dec-22	Redeemable at par at the end of 1826 days from the date of allotment
Series U FY 2017-18	₹ 25 lakh each	29-Dec-17	102.04	8.00%	27-Nov-20	Redeemable at par at the end of 1064 days from the date of allotment
Series V FY 2017-18	₹ 25 lakh each	27-Mar-18	82.58	8.25%	08-Apr-21	Redeemable at par at the end of 1108 days from the date of allotment
Series W FY 2017-18	₹ 25 lakh each	28-Mar-18	95.05	8.25%	21-Jun-21	Redeemable at par at the end of 1181 days from the date of allotment
NCD 2009 series 4 (Public issue)	₹ 1000 each	17-Sep-09	477.33	10.24%	17-Sep-19	Redeemable at par at the end of 3652 days from the date of allotment
			10,454.78			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

13 (b) Commercial papers (net) as on March 31,2018

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2018 (₹ crore)
Bullet	Up to 1 years	upto 7.00%	29.40
		7.01% to 8.00%	5,079.93
		8.01% to 9.00%	1,416.49
Total			**6,525.82**

13 (a) Secured redeemable non convertible debentures as on April 1, 2017

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series A FY 2013-14	₹ 10 lakh each	03-Jan-14	408.53	9.05%	05-Apr-18	Redeemable at par at the end of 1553 days from the date of allotment
Series C FY 2014-15 opt 3	₹ 25 lakh each	25-Jun-14	31.08	9.76%	19-Jun-17	Redeemable at par at the end of 1090 days from the date of allotment
Series I FY 2014-15 opt 2	₹ 25 lakh each	28-Oct-14	10.41	9.57%	27-Oct-17	Redeemable at par at the end of 1095 days from the date of allotment
Series I FY 2014-15 opt 3	₹ 25 lakh each	07-Nov-14	11.15	9.31%	07-Nov-17	Redeemable at par at the end of 1096 days from the date of allotment
Series L FY 2014-15 opt 3	₹ 25 lakh each	26-Dec-14	10.94	9.06%	06-Dec-17	Redeemable at par at the end of 1076 days from the date of allotment
Series N FY 2014-15 opt 2	₹ 25 lakh each	21-Jan-15	122.06	9.20%	19-Jan-18	Redeemable at par at the end of 1094 days from the date of allotment
Series K FY 2014-15 opt 2	₹ 25 lakh each	30-Jan-15	126.53	8.62%	28-Jul-17	Redeemable at par at the end of 910 days from the date of allotment
Series L FY 2014-15 opt 3	₹ 25 lakh each	13-Feb-15	6.01	9.03%	04-Apr-17	Redeemable at par at the end of 781 days from the date of allotment
Series L FY 2014-15 opt 4	₹ 25 lakh each	13-Feb-15	12.33	9.02%	17-Apr-17	Redeemable at par at the end of 794 days from the date of allotment
Series P FY 2014-15 opt 1	₹ 25 lakh each	24-Feb-15	5.65	9.15%	07-Feb-18	Redeemable at par at the end of 1079 days from the date of allotment
Series P FY 2014-15 opt 2	₹ 25 lakh each	24-Feb-15	4.77	9.24%	23-Feb-18	Redeemable at par at the end of 1095 days from the date of allotment
Series P FY 2014-15 opt 3	₹ 25 lakh each	24-Feb-15	180.56	9.22%	15-Jun-18	Redeemable at par at the end of 1207 days from the date of allotment
Series P FY 2014-15 opt 4	₹ 25 lakh each	24-Feb-15	25.23	9.25%	24-Feb-20	Redeemable at par at the end of 1826 days from the date of allotment
Series P FY 2014-15 opt 5	₹ 25 lakh each	24-Feb-15	26.08	9.24%	06-Mar-18	Redeemable at par at the end of 1106 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series L FY 2014-15	₹ 100 lakh each	13-Mar-15	119.32	9.10%	28-Mar-18	Redeemable at par at the end of 1111 days from the date of allotment
Series Q FY 2014-15	₹ 100 lakh each	13-Mar-15	179.26	9.10%	28-Mar-18	Redeemable at par at the end of 1111 days from the date of allotment
Series A FY 2015-16 opt 1	₹ 25 lakh each	17-Apr-15	5.60	8.81%	04-Apr-17	Redeemable at par at the end of 718 days from the date of allotment
Series A FY 2015-16 opt 2	₹ 25 lakh each	17-Apr-15	42.17	8.81%	06-Apr-17	Redeemable at par at the end of 720 days from the date of allotment
Series A FY 2015-16 opt 3	₹ 25 lakh each	17-Apr-15	59.61	8.80%	17-Apr-17	Redeemable at par at the end of 731 days from the date of allotment
Series A FY 2015-16 opt 4	₹ 25 lakh each	17-Apr-15	25.95	8.81%	27-Apr-17	Redeemable at par at the end of 741 days from the date of allotment
Series A FY 2015-16 opt 5	₹ 25 lakh each	17-Apr-15	2.07	8.86%	12-Apr-18	Redeemable at par at the end of 1091 days from the date of allotment
Series A FY 2015-16 opt 6	₹ 25 lakh each	17-Apr-15	70.83	8.86%	16-Apr-18	Redeemable at par at the end of 1095 days from the date of allotment
Series A FY 2015-16 opt 7	₹ 25 lakh each	17-Apr-15	119.26	8.85%	17-Apr-18	Redeemable at par at the end of 1096 days from the date of allotment
Series A FY 2015-16 opt 8	₹ 25 lakh each	17-Apr-15	26.27	8.86%	19-Apr-18	Redeemable at par at the end of 1098 days from the date of allotment
Series A FY 2015-16 opt 9	₹ 25 lakh each	17-Apr-15	21.25	8.86%	24-Apr-18	Redeemable at par at the end of 1103 days from the date of allotment
Series A FY 2015-16 opt 1	₹ 25 lakh each	29-Apr-15	20.01	8.87%	26-Apr-17	Redeemable at par at the end of 728 days from the date of allotment
Series A FY 2015-16 opt 1	₹ 25 lakh each	29-Apr-15	28.86	8.87%	25-Apr-17	Redeemable at par at the end of 727 days from the date of allotment
Series A FY 2015-16 opt 3	₹ 25 lakh each	29-Apr-15	21.50	8.87%	04-May-17	Redeemable at par at the end of 736 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series A FY 2015-16 opt 4	₹ 25 lakh each	29-Apr-15	10.02	8.92%	23-Apr-18	Redeemable at par at the end of 1090 days from the date of allotment
Series B FY 2015-16 opt 2	₹ 25 lakh each	11-May-15	57.48	8.80%	02-May-17	Redeemable at par at the end of 722 days from the date of allotment
Series B FY 2015-16 opt 3	₹ 25 lakh each	11-May-15	12.33	8.86%	15-May-17	Redeemable at par at the end of 735 days from the date of allotment
Series B FY 2015-16 opt 4	₹ 25 lakh each	11-May-15	7.05	8.85%	30-Apr-18	Redeemable at par at the end of 1085 days from the date of allotment
Series B FY 2015-16 opt 5	₹ 25 lakh each	11-May-15	2.35	8.86%	07-May-18	Redeemable at par at the end of 1092 days from the date of allotment
Series B FY 2015-16 opt 6	₹ 25 lakh each	11-May-15	46.97	8.85%	04-Apr-17	Redeemable at par at the end of 694 days from the date of allotment
Series C FY 2015-16 opt 1	₹ 25 lakh each	20-May-15	7.32	8.91%	14-May-18	Redeemable at par at the end of 1090 days from the date of allotment
Series C FY 2015-16 opt 2	₹ 25 lakh each	20-May-15	35.18	8.91%	15-May-18	Redeemable at par at the end of 1091 days from the date of allotment
Series C FY 2015-16 opt 3	₹ 25 lakh each	20-May-15	16.16	8.91%	18-May-18	Redeemable at par at the end of 1094 days from the date of allotment
Series C FY 2015-16 opt 4	₹ 25 lakh each	20-May-15	55.10	8.90%	11-Jun-18	Redeemable at par at the end of 1118 days from the date of allotment
Series C FY 2015-16 opt 5	₹ 25 lakh each	20-May-15	28.00	8.87%	20-May-20	Redeemable at par at the end of 1827 days from the date of allotment
Series C FY 2015-16 opt 7	₹ 25 lakh each	20-May-15	14.35	8.81%	15-May-17	Redeemable at par at the end of 726 days from the date of allotment
Series C FY 2015-16 opt 8	₹ 25 lakh each	20-May-15	37.53	8.91%	22-May-18	Redeemable at par at the end of 1098 days from the date of allotment
Series C FY 2015-16 opt 1	₹ 25 lakh each	27-May-15	2.93	8.90%	09-May-17	Redeemable at par at the end of 713 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series C FY 2015-16 opt 2	₹ 25 lakh each	27-May-15	5.86	8.91%	24-May-17	Redeemable at par at the end of 728 days from the date of allotment
Series C FY 2015-16 opt 3	₹ 25 lakh each	27-May-15	19.33	8.91%	22-May-17	Redeemable at par at the end of 726 days from the date of allotment
Series C FY 2015-16 opt 4	₹ 25 lakh each	27-May-15	17.57	8.91%	29-May-17	Redeemable at par at the end of 733 days from the date of allotment
Series D FY 2015-16 opt 1	₹ 25 lakh each	27-May-15	17.54	8.80%	27-Apr-17	Redeemable at par at the end of 701 days from the date of allotment
Series D FY 2015-16 opt 2	₹ 25 lakh each	27-May-15	5.37	8.80%	26-May-17	Redeemable at par at the end of 730 days from the date of allotment
Series D FY 2015-16 opt 3	₹ 25 lakh each	27-May-15	47.40	8.88%	27-May-19	Redeemable at par at the end of 1461 days from the date of allotment
Series E FY 2015-16 opt 2	₹ 25 lakh each	04-Jun-15	3.50	8.80%	20-Jun-17	Redeemable at par at the end of 747 days from the date of allotment
Series E FY 2015-16 opt 3	₹ 25 lakh each	04-Jun-15	43.20	8.85%	04-Jun-18	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2015-16 opt 4	₹ 25 lakh each	04-Jun-15	5.36	8.85%	04-Jun-18	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2015-16 opt 5	₹ 25 lakh each	04-Jun-15	19.85	8.85%	22-Nov-18	Redeemable at par at the end of 1267 days from the date of allotment
Series E FY 2015-16 opt 6	₹ 25 lakh each	04-Jun-15	23.35	8.85%	24-Dec-18	Redeemable at par at the end of 1299 days from the date of allotment
Series E FY 2015-16 opt 7	₹ 25 lakh each	04-Jun-15	29.21	8.88%	04-Jun-19	Redeemable at par at the end of 1461 days from the date of allotment
Series D FY 2015-16 opt 2	₹ 25 lakh each	12-Jun-15	4.67	8.91%	05-Jun-17	Redeemable at par at the end of 724 days from the date of allotment
Series D FY 2015-16 opt 3	₹ 25 lakh each	12-Jun-15	29.18	8.91%	07-Jun-17	Redeemable at par at the end of 726 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series D FY 2015-16 opt 4	₹ 25 lakh each	12-Jun-15	7.00	8.91%	12-Jun-17	Redeemable at par at the end of 731 days from the date of allotment
Series F FY 2015-16 opt 2	₹ 25 lakh each	12-Jun-15	2.91	8.82%	31-May-17	Redeemable at par at the end of 719 days from the date of allotment
Series F FY 2015-16 opt 3	₹ 25 lakh each	12-Jun-15	3.50	8.82%	12-Jun-17	Redeemable at par at the end of 731 days from the date of allotment
Series F FY 2015-16 opt 4	₹ 25 lakh each	12-Jun-15	2.62	8.82%	19-Jun-17	Redeemable at par at the end of 738 days from the date of allotment
Series F FY 2015-16 opt 5	₹ 25 lakh each	12-Jun-15	1.75	8.80%	24-Jul-17	Redeemable at par at the end of 773 days from the date of allotment
Series F FY 2015-16 opt 6	₹ 25 lakh each	12-Jun-15	25.35	8.80%	01-Aug-17	Redeemable at par at the end of 781 days from the date of allotment
Series E FY 2015-16 opt 1	₹ 25 lakh each	23-Jun-15	2.33	8.95%	06-Jun-17	Redeemable at par at the end of 714 days from the date of allotment
Series E FY 2015-16 opt 2	₹ 25 lakh each	23-Jun-15	32.62	8.96%	19-Jun-17	Redeemable at par at the end of 727 days from the date of allotment
Series E FY 2015-16 opt 3	₹ 25 lakh each	23-Jun-15	5.82	8.95%	07-Jan-19	Redeemable at par at the end of 1294 days from the date of allotment
Series G FY 2015-16 opt 1	₹ 25 lakh each	26-Jun-15	186.82	8.90%	26-Jun-17	Redeemable at par at the end of 731 days from the date of allotment
Series G FY 2015-16 opt 2	₹ 25 lakh each	26-Jun-15	34.02	8.90%	27-Jul-17	Redeemable at par at the end of 762 days from the date of allotment
Series G FY 2015-16 opt 3	₹ 25 lakh each	26-Jun-15	11.63	8.91%	20-Jun-18	Redeemable at par at the end of 1090 days from the date of allotment
Series G FY 2015-16 opt 4	₹ 25 lakh each	26-Jun-15	5.34	8.90%	26-Jun-18	Redeemable at par at the end of 1096 days from the date of allotment
Series F 2015-16	₹ 25 lakh each	30-Jun-15	20.94	8.96%	26-Jun-17	Redeemable at par at the end of 727 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series H FY 2015-16 opt 1	₹ 25 lakh each	08-Jul-15	40.60	8.93%	02-Jul-18	Redeemable at par at the end of 1090 days from the date of allotment
Series H FY 2015-16 opt 2	₹ 25 lakh each	08-Jul-15	40.61	8.93%	05-Jul-18	Redeemable at par at the end of 1093 days from the date of allotment
Series H FY 2015-16 opt 3	₹ 25 lakh each	08-Jul-15	63.89	8.92%	06-Jul-18	Redeemable at par at the end of 1094 days from the date of allotment
Series H FY 2015-16 opt 4	₹ 25 lakh each	08-Jul-15	30.16	8.93%	17-Jul-18	Redeemable at par at the end of 1105 days from the date of allotment
Series G FY 2015-16 opt 1	₹ 25 lakh each	13-Jul-15	58.01	8.99%	06-Jul-17	Redeemable at par at the end of 724 days from the date of allotment
Series G FY 2015-16 opt 2	₹ 25 lakh each	13-Jul-15	10.18	8.98%	13-Jul-17	Redeemable at par at the end of 731 days from the date of allotment
Series H FY 2015-16 opt 1	₹ 25 lakh each	21-Jul-15	17.65	8.92%	12-Jul-17	Redeemable at par at the end of 722 days from the date of allotment
Series H FY 2015-16 opt 2	₹ 25 lakh each	21-Jul-15	52.93	8.91%	21-Jul-17	Redeemable at par at the end of 731 days from the date of allotment
Series C FY 2015-16 opt 1	₹ 25 lakh each	07-Aug-15	105.80	8.97%	07-Aug-17	Redeemable at par at the end of 731 days from the date of allotment
Series C FY 2015-16 opt 2	₹ 25 lakh each	07-Aug-15	46.13	8.98%	04-Aug-17	Redeemable at par at the end of 728 days from the date of allotment
Series I FY 2015-16 opt 1	₹ 25 lakh each	19-Aug-15	34.41	8.80%	16-Aug-18	Redeemable at par at the end of 1093 days from the date of allotment
Series I FY 2015-16 opt 2	₹ 25 lakh each	19-Aug-15	26.36	8.80%	17-Aug-18	Redeemable at par at the end of 1094 days from the date of allotment
Series I FY 2015-16 opt 3	₹ 25 lakh each	19-Aug-15	20.64	8.80%	03-Sep-18	Redeemable at par at the end of 1111 days from the date of allotment
Series J FY 2015-16 opt 1	₹ 25 lakh each	27-Aug-15	34.34	8.81%	20-Aug-18	Redeemable at par at the end of 1089 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series D FY 2015-16 opt 1	₹ 25 lakh each	31-Aug-15	131.51	8.93%	31-Aug-17	Redeemable at par at the end of 731 days from the date of allotment
Series K FY 2015-16	₹ 25 lakh each	26-Oct-15	103.68	8.61%	25-Sep-17	Redeemable at par at the end of 700 days from the date of allotment
Series L FY 2015-16 opt 1	₹ 25 lakh each	29-Oct-15	129.42	8.61%	29-Sep-17	Redeemable at par at the end of 701 days from the date of allotment
Series L FY 2015-16 opt 2	₹ 25 lakh each	29-Oct-15	103.54	8.61%	25-Sep-17	Redeemable at par at the end of 697 days from the date of allotment
Series N FY 2015-16	₹ 25 lakh each	29-Mar-16	185.14	8.90%	29-Apr-19	Redeemable at par at the end of 1126 days from the date of allotment
Series A FY 2016-17 opt 1	₹ 25 lakh each	13-Apr-16	157.10	8.64%	28-Mar-18	Redeemable at par at the end of 714 days from the date of allotment
Series A FY 2016-17 opt 2	₹ 25 lakh each	13-Apr-16	184.25	8.69%	12-Mar-19	Redeemable at par at the end of 1063 days from the date of allotment
Series A FY 2016-17 opt 3	₹ 25 lakh each	13-Apr-16	10.84	8.70%	12-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment
Series A FY 2016-17 opt 4	₹ 25 lakh each	13-Apr-16	27.09	8.69%	31-May-19	Redeemable at par at the end of 1143 days from the date of allotment
Series A FY 2016-17 opt 5	₹ 25 lakh each	13-Apr-16	298.06	8.69%	13-Jun-19	Redeemable at par at the end of 1156 days from the date of allotment
Series A FY 2016-17 opt 6	₹ 25 lakh each	13-Apr-16	81.26	8.68%	12-Sep-19	Redeemable at par at the end of 1247 days from the date of allotment
Series A FY 2016-17 opt 7	₹ 25 lakh each	13-Apr-16	4.33	8.68%	30-Sep-19	Redeemable at par at the end of 1265 days from the date of allotment
Series A FY 2016-17	₹ 25 lakh each	20-Apr-16	10.83	8.80%	19-Apr-19	Redeemable at par at the end of 1094 days from the date of allotment
Series B FY 2016-17	₹ 25 lakh each	20-Apr-16	324.26	8.65%	20-Aug-19	Redeemable at par at the end of 1217 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series B FY 2015-16 opt 1	₹ 25 lakh each	11-May-15	35.19	8.78%	03-Apr-17	Redeemable at par at the end of 693 days from the date of allotment
Series B FY 2016-17 opt 1	₹ 25 lakh each	20-May-16	53.81	8.80%	18-May-18	Redeemable at par at the end of 728 days from the date of allotment
Series B FY 2016-17 opt 2	₹ 25 lakh each	20-May-16	21.52	8.80%	20-May-19	Redeemable at par at the end of 1095 days from the date of allotment
Series A FY 2016-17 opt 1	₹ 25 lakh each	20-May-16	134.60	8.80%	21-Jun-19	Redeemable at par at the end of 1127 days from the date of allotment
Series C FY 2016-17 opt 1	₹ 25 lakh each	24-May-16	53.69	8.65%	24-May-19	Redeemable at par at the end of 1095 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	24-May-16	3.22	8.64%	28-Jun-19	Redeemable at par at the end of 1130 days from the date of allotment
Series C FY 2016-17 opt 1	₹ 25 lakh each	13-Jun-16	10.70	8.80%	13-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series C FY 2016-17 opt 2	₹ 25 lakh each	13-Jun-16	10.70	8.80%	11-Jun-21	Redeemable at par at the end of 1824 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	14-Jun-16	50.05	8.72%	14-Jun-19	Redeemable at par at the end of 1095 days from the date of allotment
Series E FY 2016-17 opt 1	₹ 25 lakh each	29-Jun-16	138.54	8.72%	28-Jun-19	Redeemable at par at the end of 1094 days from the date of allotment
Series E FY 2016-17 opt 2	₹ 25 lakh each	29-Jun-16	2.66	8.71%	22-Jul-19	Redeemable at par at the end of 1118 days from the date of allotment
Series F FY 2016-17 opt 1	₹ 25 lakh each	22-Jul-16	211.99	8.70%	20-Jul-18	Redeemable at par at the end of 728 days from the date of allotment
Series G FY 2016-17 opt I	₹ 25 lakh each	03-Aug-16	52.77	8.40%	03-Aug-18	Redeemable at par at the end of 730 days from the date of allotment
Series G FY 2016-17 opt II	₹ 25 lakh each	03-Aug-16	79.17	8.45%	02-Aug-19	Redeemable at par at the end of 1094 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series H FY 2016-17 opt 1	₹ 25 lakh each	05-Aug-16	75.89	7.37%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series B FY 2016-17 opt 1	₹ 25 lakh each	05-Aug-16	10.57	8.65%	03-Aug-18	Redeemable at par at the end of 728 days from the date of allotment
Series B FY 2016-17 opt 2	₹ 25 lakh each	05-Aug-16	5.28	8.65%	05-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series I FY 2016-17	₹ 25 lakh each	09-Aug-16	52.69	8.40%	09-Aug-19	Redeemable at par at the end of 1095 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	18-Aug-16	2.62	8.55%	05-Aug-19	Redeemable at par at the end of 1082 days from the date of allotment
Series E FY 2016-17 opt 1	₹ 25 lakh each	23-Aug-16	12.33	8.54%	30-Sep-19	Redeemable at par at the end of 1133 days from the date of allotment
Series F FY 2016-17	₹ 25 lakh each	08-Sep-16	52.14	8.31%	06-Sep-19	Redeemable at par at the end of 1093 days from the date of allotment
Series G 2016-17	₹ 25 lakh each	12-Sep-16	209.15	8.31%	12-Sep-19	Redeemable at par at the end of 1095 days from the date of allotment
Series J FY 2016-17 opt I	₹ 25 lakh each	19-Jan-17	50.75	7.66%	18-Jan-19	Redeemable at par at the end of 729 days from the date of allotment
Series J FY 2016-17 opt II	₹ 25 lakh each	19-Jan-17	152.28	7.83%	20-Jan-20	Redeemable at par at the end of 1096 days from the date of allotment
Series C FY 2016-17 opt 1	₹ 25 lakh each	22-Mar-17	49.83	7.71%	22-Jun-18	Redeemable at par at the end of 457 days from the date of allotment
Series D FY 2016-17 opt 1	₹ 25 lakh each	27-Mar-17	53.48	7.75%	26-Apr-19	Redeemable at par at the end of 760 days from the date of allotment
Series D FY 2016-17 opt 2	₹ 25 lakh each	27-Mar-17	25.03	7.90%	27-Mar-20	Redeemable at par at the end of 1096 days from the date of allotment
Series E FY 2016-17	₹ 25 lakh each	29-Mar-17	99.79	7.90%	29-Jun-20	Redeemable at par at the end of 1188 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series F FY 2016-17	₹ 25 lakh each	31-Mar-17	300.07	8.07%	29-May-20	Redeemable at par at the end of 1155 days from the date of allotment
NCD 2009 series 4 (Public issue)	₹ 1000 each	17-Sep-09	453.90	10.24%	17-Sep-19	Redeemable at par at the end of 3652 days from the date of allotment
			7,467.53			

Nature of Security :

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on the company's specified immovable properties and specified lease/term loan receivables.

13 (b) Commercial papers (net) as on April 1,2017

Repayment Term	Tenure	Interest Range	Balance as at April 1, 2017 (₹ crore)
Bullet	Up to 1 years	upto 7.00%	3,333.41
		7.01% to 8.00%	4,444.53
		8.01% to 9.00%	1,380.11
		9.01% to 10.00%	492.37
Total			**9,650.42**

14 Borrowings (other than debt securities) ₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(A)			
(i) At amortised cost			
(a) Term loans			
(i) from banks (refer note 14 (a))	9,661.43	7,387.93	4,234.71
(ii) from financial institutions (refer note 14 (b))	1,477.13	1,475.78	-
(b) Term loans from bank - FCNR (refer note 14 (c))	107.32	101.16	129.70
(c) Loan from related parties (refer note 14 (d))	169.36	667.13	243.79
(d) Loan repayable on demand			
(i) from banks (refer note 14 (e))	8,781.30	7,721.47	5,451.58
(e) Corporate bond repo (refer note 14 (f))	323.62	-	-
(f) Collateralized borrowing and lending obligation (refer note 14 (g))	1,619.70	-	-
Total borrowings (other than debt securities) (A)	**22,139.86**	**17,353.47**	**10,059.78**

14 Borrowings (other than debt securities)

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(B)			
(I) Borrowings (other than debt securities) in India			
(i) At amortised cost	22,139.86	17,353.47	10,059.78
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total borrowings (other than debt securities) in India (I = i+ii+iii)	**22,139.86**	**17,353.47**	**10,059.78**
(II) Borrowings (other than debt securities) in outside India			
(i) At amortised Cost	-	-	-
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total borrowings (other than debt securities) in outside India (II = i+ii+iii)	**-**	**-**	**-**
Total borrowings (other than debt securities) (B) = (I)+(II)	**22,139.86**	**17,353.47**	**10,059.78**

14 (a) Term loans from bank as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Bullet	Up to 5 Years	8.01% - 9.00%	1,390.00
	Up to 5 Years	9.01% - 10.00%	250.00
	Above 5 Years	8.01% - 9.00%	700.00
Annually	Up to 5 Years	9.01% - 10.00%	750.00
	Above 5 Years	9.01% - 10.00%	185.00
Half Yearly	Up to 5 Years	8.01% - 9.00%	1,706.08
	Up to 5 Years	9.01% - 10.00%	3,180.35
	Above 5 Years	8.01% - 9.00%	1,500.00
Total			**9,661.43**

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

14 (b) Term loans from financial institutions as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Half Yearly	Up to 5 Years	8.01% - 9.00%	271.35
Quarterly	Up to 5 Years	7.01% - 8.00%	805.78
	Above 5 Years	7.01% - 8.00%	400.00
Total			**1,477.13**

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

14 (c) Term loans from bank- FCNR as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Bullet	Up to 5 Years	8.01%-9.00%	107.32
Total			**107.32**

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

14 (d) Loan from related parties as on March 31, 2019 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Bullet	Up to 1 Year	7.01% to 8.00%	3.25
		9.01% to 10.00%	166.11
Total			**169.36**

14 (e) Loan repayable on demand from bank as on March 31, 2019 : Secured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	1,299.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	848.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	1,085.00
Bank overdraft/ Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	279.85
Bank overdraft/ Cash Credit	Bullet	Up to 5 Years	9.01% - 10.00%	29.45
Total				**3,541.30**

Nature of Security :

Loan repayable on demand from bank is secured by hypothecation of specified lease/term loan receivables.

Loan repayable on demand as on March 31, 2019 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	2,390.00
Line of credit	Bullet	Up to 5 Years	9.01% - 10.00%	2,050.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	800.00
Total				**5,240.00**

14 (f) Corporate bond repo as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Bullet	Up to 1 month	8.01% to 9.00%	323.62
Total			**323.62**

Nature of Security :

Secured by hypothecation of any Corporate Bonds of Investment held by the Company.

14 (g) Collateralized borrowing and lending obligation as on March 31, 2019 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2019 (₹ crore)
Bullet	4 days	upto 7.00%	1,525.57
		7.01% to 8.00%	94.13
Total			**1,619.70**

Nature of Security :

Collateralized borrowing and lending obligation is secured by hypothecation of eligible Government Bonds as approved by The Clearing Corporation of India Limited.

14 (a) Term loans from bank as on March 31, 2018 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2018 (₹ crore)
Bullet	Up to 5 Years	7.01% - 8.00%	500.00
	Up to 5 Years	8.01% - 9.00%	4,435.03
	Above 5 Years	8.01% - 9.00%	740.00
Annually	Up to 5 Years	8.01% - 9.00%	50.00
Half Yearly	Up to 5 Years	8.01% - 9.00%	1,052.47
	Above 5 Years	8.01% - 9.00%	500.00
Quarterly	Up to 5 Years	8.01% - 9.00%	110.43
Total			**7,387.93**

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

14 (b) Term loans from financial institutions as on March 31, 2018 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2018 (₹ crore)
Half Yearly	Up to 5 Years	8.01% - 9.00%	270.00
Quarterly	Up to 5 Years	7.01% - 8.00%	805.78
	Above 5 Years	7.01% - 8.00%	400.00
Total			**1,475.78**

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

14 (c) Term loans from bank- FCNR as on March 31, 2018 : Secured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2018 (₹ crore)
Bullet	Up to 5 Years	8.01%-9.00%	101.16
Total			**101.16**

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

14 (d) Loan from related parties as on March 31, 2018 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at March 31, 2018 (₹ crore)
Bullet	Up to 1 Year	upto 7.00%	2.67
		7.01% to 8.00%	3.92
		8.01% to 9.00%	660.54
Total			**667.13**

14 (e) Loan repayable on demand from bank as on March 31, 2018 : Secured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2018 (₹ crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	1,700.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	390.00
Working Capital Demand	Bullet	Up to 5 Years	9.01% - 10.00%	146.00
Bank overdraft/ Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	58.47
Total				**2,294.47**

Nature of Security :

Loan repayable on demand from bank is secured by hypothecation of specified lease/term loan receivables.

Loan repayable on demand as on March 31, 2018 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at March 31, 2018 (₹ crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	4,797.00
Working Capital Demand	Bullet	Up to 5 Years	8.01% - 9.00%	630.00
Total				**5,427.00**

14 (a) Term loans from bank as on April 1, 2017 : Secured

Repayment Term	Tenure	Interest Range	Balance as at April 1, 2017 (₹ crore)
Bullet	Up to 5 Years	8.01% - 9.00%	2,425.00
	Up to 5 Years	9.01% - 10.00%	400.00
Half Yearly	Up to 5 Years	8.01% - 9.00%	585.50
	Up to 5 Years	9.01% - 10.00%	626.30
Quarterly	Up to 5 Years	8.01% - 9.00%	16.67
	Up to 5 Years	9.01% - 10.00%	181.24
Total			**4,234.71**

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

14 (c) Term loans from bank- FCNR as on April 1, 2017 : Secured

Repayment Term	Tenure	Interest Range	Balance as at April 1, 2017 (₹ crore)
Bullet	Up to 5 Years	8.01%-9.00%	129.70
Total			**129.70**

Nature of Security :

Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

14 (d) Loan from related parties as on April 1, 2017 : Unsecured

Repayment Term	Tenure	Interest Range	Balance as at April 1, 2017 (₹ crore)
Bullet	Up to 1 Year	7.01% to 8.00%	4.78
		9.01% to 10.00%	239.01
Total			**243.79**

14 (e) Loan repayable on demand from bank as on April 1, 2017 : Secured

Nature	Repayment Term	Tenure	Interest Range	Balance as at April 1, 2017 (₹ crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	1,900.00
Working capital demand	Bullet	Up to 5 Years	8.01% - 9.00%	20.00
Bank overdraft/Cash Credit	Bullet	Up to 5 Years	8.01% - 9.00%	76.58
Total				**1,996.58**

Nature of Security :

Loan repayable on demand from bank is secured by hypothecation of specified lease/term loan receivables.

Loan repayable on demand as on April 1, 2017 : Unsecured

Nature	Repayment Term	Tenure	Interest Range	Balance as at April 1, 2017 (₹ crore)
Line of credit	Bullet	Up to 5 Years	8.01% - 9.00%	2,955.00
			9.01% - 10.00%	500.00
Total				**3,455.00**

15 Subordinated liabilities

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(A)			
(i) At amortised cost			
(a) Perpetual debt Instruments to the extent that do not qualify as equity (Refer note 15 (a))	260.81	260.75	255.82
(b) Subordinate debt Instruments (Refer note 15 (b))	863.61	863.60	934.60
Total subordinated liabilities (A) = (i)+(ii)+(iii)	**1,124.42**	**1,124.35**	**1,190.42**
(B)			
(I) Subordinated liabilities in India			
(i) At amortised cost	1,124.42	1,124.35	1,190.42
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total subordinated liabilities in India (I = i+ii+iii)	**1,124.42**	**1,124.35**	**1,190.42**
(II) Subordinated liabilities in outside India			
(i) At amortised cost	-	-	-
(ii) At fair value through profit or loss	-	-	-
(iii) Designated at fair value through profit or loss	-	-	-
Total subordinated liabilities in outside India (II = i+ii+iii)	**-**	**-**	**-**
Total subordinated liabilities (B) = (I)+(II)	**1,124.42**	**1,124.35**	**1,190.42**

15 (a) Unsecured redeemable non convertible debentures as on March 31,2019 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series F FY 2011-12	₹ 10 lakh each	30-Dec-11	205.73	11.50%	30/12/21	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2015-16	₹ 10 lakh each	30-Mar-16	55.08	10.10%	30/03/26	Redeemable at par at the end of 3652 days from the date of allotment
			260.81			

15 (b) Unsecured redeemable non convertible debentures as on March 31,2019 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series J FY 2012-13	₹ 10 lakh each	21-Dec-12	282.46	9.80%	21/12/22	Redeemable at par at the end of 3652 days from the date of allotment
Series C FY 2013-14	₹ 10 lakh each	28-Feb-14	25.24	10.90%	28/04/24	Redeemable at par at the end of 3712 days from the date of allotment
Series F FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.90%	27/03/24	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	₹ 10 lakh each	27-Mar-14	50.07	10.35%	27/03/24	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2014-15	₹ 10 lakh each	30-Jun-14	43.11	10.40%	28/06/24	Redeemable at par at the end of 3651 days from the date of allotment
Series M FY 2014-15	₹ 10 lakh each	31-Dec-14	51.24	9.95%	31/12/24	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 lakh each	30-Mar-15	55.00	9.95%	28/03/25	Redeemable at par at the end of 3651 days from the date of allotment
Series J FY 2015-16	₹ 10 lakh each	09-Sep-15	105.14	9.25%	09/09/25	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	₹ 10 lakh each	29-Jan-16	32.51	9.35%	29/01/27	Redeemable at par at the end of 4018 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2019 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series G FY 2015-16	₹ 10 lakh each	09-Feb-16	18.23	9.35%	09/02/26	Redeemable at par at the end of 3653 days from the date of allotment
Series H FY 2015-16	₹ 10 lakh each	04-Mar-16	50.36	9.48%	04/03/26	Redeemable at par at the end of 3652 days from the date of allotment
Series M FY 2015-16	₹ 10 lakh each	23-Mar-16	100.18	9.30%	23/03/26	Redeemable at par at the end of 3652 days from the date of allotment
			863.61			

15 (a) Unsecured redeemable non convertible debentures as on March 31,2018 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2018 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series F FY 2011-12	₹ 10 lakh each	30/12/11	205.67	11.50%	30/12/21	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2015-16	₹ 10 lakh each	30/03/16	55.08	10.10%	30/03/26	Redeemable at par at the end of 3652 days from the date of allotment
			260.75			

15 (b) Unsecured redeemable non convertible debentures as on March 31,2018 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2018 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series J FY 2012-13	₹ 10 lakh each	21/12/12	282.46	9.80%	21/12/22	Redeemable at par at the end of 3652 days from the date of allotment
Series C FY 2013-14	₹ 10 lakh each	28/02/14	25.24	10.90%	28/04/24	Redeemable at par at the end of 3712 days from the date of allotment
Series F FY 2013-14	₹ 10 lakh each	27/03/14	50.07	10.90%	27/03/24	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	₹ 10 lakh each	27/03/14	50.07	10.35%	27/03/24	Redeemable at par at the end of 3653 days from the date of allotment

Series details	Face value per debenture	Date of allotment	Balance as at March 31, 2018 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series E FY 2014-15	₹ 10 lakh each	30/06/14	43.13	10.40%	28/06/24	Redeemable at par at the end of 3651 days from the date of allotment
Series M FY 2014-15	₹ 10 lakh each	31/12/14	51.23	9.95%	31/12/24	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 lakh each	30/03/15	54.95	9.95%	28/03/25	Redeemable at par at the end of 3651 days from the date of allotment
Series J FY 2015-16	₹ 10 lakh each	09/09/15	105.12	9.25%	09/09/25	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	₹ 10 lakh each	29/01/16	32.51	9.35%	29/01/27	Redeemable at par at the end of 4018 days from the date of allotment
Series G FY 2015-16	₹ 10 lakh each	09/02/16	18.24	9.35%	09/02/26	Redeemable at par at the end of 3653 days from the date of allotment
Series H FY 2015-16	₹ 10 lakh each	04/03/16	50.35	9.48%	04/03/26	Redeemable at par at the end of 3652 days from the date of allotment
Series M FY 2015-16	₹ 10 lakh each	23/03/16	100.23	9.30%	23/03/26	Redeemable at par at the end of 3652 days from the date of allotment
			863.60			

15 (a) Unsecured redeemable non convertible debentures as on April 1, 2017 : Perpetual debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series F FY 2011-12	₹ 10 lakh each	30/12/11	205.78	11.50%	30/12/21	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2015-16	₹ 10 lakh each	30/03/16	50.04	10.10%	30/03/26	Redeemable at par at the end of 3652 days from the date of allotment
			255.82			

15 (b) Unsecured redeemable non convertible debentures as on April 1, 2017 : Subordinate debt instruments

Series details	Face value per debenture	Date of allotment	Balance as at April 1, 2017 (₹ crore)	Interest rate % p.a.	Date of redemption	Redeemable terms
Series H FY 2007-08	₹ 10 lakh each	20/02/08	75.86	10.50%	20/02/18	Redeemable at par at the end of 3653 days from the date of allotment
Series J FY 2012-13	₹ 10 lakh each	21/12/12	282.44	9.80%	21/12/22	Redeemable at par at the end of 3652 days from the date of allotment
Series C FY 2013-14	₹ 10 lakh each	28/02/14	25.24	10.90%	28/04/24	Redeemable at par at the end of 3712 days from the date of allotment
Series F FY 2013-14	₹ 10 lakh each	27/03/14	50.07	10.90%	27/03/24	Redeemable at par at the end of 3653 days from the date of allotment
Series I FY 2013-14	₹ 10 lakh each	27/03/14	50.03	10.35%	27/03/24	Redeemable at par at the end of 3653 days from the date of allotment
Series E FY 2014-15	₹ 10 lakh each	30/06/14	43.19	10.40%	28/06/24	Redeemable at par at the end of 3651 days from the date of allotment
Series M FY 2014-15	₹ 10 lakh each	31/12/14	51.24	9.95%	31/12/24	Redeemable at par at the end of 3653 days from the date of allotment
Series S FY 2014-15	₹ 10 lakh each	30/03/15	50.07	9.95%	28/03/25	Redeemable at par at the end of 3651 days from the date of allotment
Series J FY 2015-16	₹ 10 lakh each	09/09/15	105.17	9.25%	09/09/25	Redeemable at par at the end of 3653 days from the date of allotment
Series F FY 2015-16	₹ 10 lakh each	29/01/16	32.50	9.35%	29/01/27	Redeemable at par at the end of 4018 days from the date of allotment
Series G FY 2015-16	₹ 10 lakh each	09/02/16	18.23	9.35%	09/02/26	Redeemable at par at the end of 3653 days from the date of allotment
Series H FY 2015-16	₹ 10 lakh each	04/03/16	50.34	9.48%	04/03/26	Redeemable at par at the end of 3652 days from the date of allotment
Series M FY 2015-16	₹ 10 lakh each	23/03/16	100.22	9.30%	23/03/26	Redeemable at par at the end of 3652 days from the date of allotment
			934.60			

16 Other financial liabilities

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Security deposit and margin money received	14.91	18.82	24.55
Unclaimed interest on debentures	0.89	-	-
Liability for capital goods	0.12	0.12	0.12
Bank book credit balance	0.59	0.07	18.52
Liability for expenses	143.49	77.96	111.58
Short term obligation	19.58	10.38	16.98
Interim dividend payable	191.90	-	-
Payable on re-recognition of financial assets	-	109.05	-
Other payables	35.18	22.74	46.81
Total other financial liabilities	**406.66**	**239.14**	**218.56**

17 Provisions

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Provision for employee benefits			
Compensated absences	17.01	10.20	8.31
Gratuity	4.73	1.63	3.19
Total provisions	**21.74**	**11.83**	**11.50**

18 Other non-financial liabilities

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Revenue received in advance	0.58	2.30	5.43
Statutory dues payable	12.34	31.80	34.05
Dividend distribution tax payable	39.44	-	-
Total other non-financial liabilities	**52.36**	**34.10**	**39.48**

19 Equity share capital

(a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of shares	₹ in crore	No. of shares	₹ in crore	No. of shares	₹ in crore
Authorised						
Equity shares of ₹10 each	2,65,43,09,610	2,654.31	2,65,43,09,610	2,654.31	2,65,43,09,610	2,654.31
Preference shares of ₹ 100 each	**10,00,000**	**10.00**	**10,00,000**	**10.00**	**1,000,000**	**10.00**
Issued, subscribed and paid up						
Equity shares of ₹ 10 each fully paid up	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14	1,44,00,47,294	1,440.05
		1,599.14		**1,599.14**		**1,440.05**

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of shares	₹ in crore	No. of shares	₹ in crore	No. of shares	₹ in crore
At the beginning of the year	1,59,91,38,199	1,599.14	1,44,00,47,294	1,440.05	20,43,09,610	204.31
Add: Issued during the year	-	-	15,90,90,905	159.09	1,23,57,37,684	1,235.74
At the end of the year	**1,59,91,38,199**	**1,599.14**	**1,59,91,38,199**	**1,599.14**	**1,44,00,47,294**	**1,440.05**

(c) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	No. of shares	No. of shares	No. of shares
Fully paid up pursuant to contract(s) without payment being received in cash	1,23,57,37,684	1,23,57,37,684	1,23,57,37,684

(d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Members of the Company holding equity shares capital therein have a right to vote, on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid up equity capital of the Company held by the shareholders. The Company declares dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year, the company has declared interim dividend of ₹ 1.20 per equity share (previous year : ₹ Nil per equity share).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shares held by holding company:

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of shares	₹ in crore	No. of shares	₹ in crore	No. of shares	₹ in crore
L&T Finance Holdings Limited (Holding company) directly or through it's beneficially nominee (Equity shares of ₹ 10 each fully paid up)	1,59,91,38,199	1,599.14	1,59,91,38,199	1,599.14	1,44,00,47,294	1,440.05

(f) Shareholder holding more than 5% of equity shares as at the end of the year:

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
L&T Finance Holdings Limited (Holding company) directly or through it's beneficially nominee (Equity shares of ₹ 10 each fully paid up)	1,59,91,38,199	100%	1,599,138,199	100%	1,44,00,47,294	100%

20 Other equity

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Capital redemption reserve	3.20	3.20	3.20
Debenture redemption reserve[1]	114.18	97.61	75.22
Securities premium account	6,903.72	6,903.72	5,664.21
General reserve[2]	0.25	0.24	-
Reserve u/s 45 IC of Reserve Bank of India Act, 1934[3]	753.59	584.40	526.42
Reserve u/s 36(1)(viii) of Income tax Act, 1961[4]	44.93	23.57	8.81
Amalgamation adjustment account[5]	(538.06)	(538.06)	(538.52)
Retained earnings	19.85	(386.64)	(407.95)
Change in fair value of debt instruments classified at fair value through other comprehensive income	(0.37)	-	4.07
Total other equity	**7,301.29**	**6,688.04**	**5,335.46**

Notes:

1. **Debenture redemption reserve:** As the Company has issued redeemable non-convertible debentures, it has created Debenture Redemption Reserve out of its profits available for payment of dividend in accordance with the provisions of section 71(4) of the Companies Act, 2013 to be utilised for the redemption of debentures.

2. **General Reserve:** The Companies (Transfer of Profits to Reserves) Rules, 1975 read with Section 205(2A) of the Companies Act, 1956, prohibited declaration of dividend for any financial year out of profits of

the company for that year except after the transfer of a specified percentage of the profits not exceeding 10%, to its reserves. Amounts were transferred to General Reserve to comply with these provisions. The Companies Act, 2013, does not mandate such a transfer.

3. **Reserve u/s 45 IC of Reserve Bank of India Act, 1934:** The Company created a reserve pursuant to section 45 IC the Reserve Bank of India Act, 1934 by transferring amount not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss and before any dividend is declared.

4. **Reserve u/s 36(1)(viii) of Income tax Act, 1961:** In respect of any special reserve created and maintained by a specified entity, an amount not exceeding twenty percent of the profits derived from eligible business computed under the head "Profits and gains of business or profession" (before making any deduction under this clause) carried to such reserve account.

5. **Amalgamation Adjustment Account:** Upon amalgamation of the erstwhile L&T Finance Limited and the erstwhile L&T Fincorp Limited (the "Transferor Companies") with Family Credit Limited (the "Transferee Company" which was renamed as L&T Finance Limited") the statutory reserves (i.e. Debenture Redemption Reserve, Reserve under section 45 IC of the Reserve Bank of India Act, 1934 and Reserve under section 36(1)(Viii) of the Income tax Act, 1961) of the Transferor Companies as on April 01, 2016 (the Appointed Date") with a corresponding debit to Amalgamation Adjustment Account. As the corresponding statutory reserve unwind, the Amalgamation Adjustment Account is also reversed.

21 Interest Income

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(i) On financial assets measured at amortised cost		
- Interest on loans	5,589.91	4,081.51
- Interest income from investments	74.24	-
- Interest on deposits with banks	13.02	3.63
- Other interest income	5.68	4.71
Total interest income on financial assets measured at amortised cost (i)	**5,682.85**	**4,089.85**
(ii) On financial assets measured at fair value through other comprehensive income		
- Interest income from investments	189.81	202.47
Total interest income on financial assets measured at fair value through other comprehensive income (ii)	**189.81**	**202.47**
(iii) On financial assets classified at fair value through profit or loss		
- Interest on loans	1,129.88	673.06
- Interest income from investments	9.18	2.76
Total interest income on financial assets classified at fair value through profit or loss (iii)	**1,139.06**	**675.82**
Total interest income (i+ii+iii)	**7,011.72**	**4,968.14**

22 Rental income

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Lease rental income	16.15	35.95
Other rental income	2.69	1.28
Total rental income	**18.84**	**37.23**

23 Fees and commission income

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Consultancy fees and financial advisory fee	71.70	26.82
Other financial activities	80.55	38.89
Total fees and commission income	**152.25**	**65.71**

24 Net gain/(loss) on fair value changes

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(A) Net gain/(loss) on financial instruments classified at fair value through profit or loss		
On trading portfolio		
- Gain on sale of investments	76.46	2.96
- Gain/(loss) on sale of loan assets	7.28	(1.73)
- Fair value changes on loan assets	(63.81)	(17.51)
- Fair value changes on investments	(37.99)	(22.15)
(B) Net gain on disposal of financial instruments classified at fair value through other comprehensive income		
- Gain on sale of Investments	9.44	37.74
Total net gain/(loss) on fair value changes (A+B)	**(8.62)**	**(0.69)**
(C) Fair value changes:		
-Realised	93.18	38.97
-Unrealised	(101.80)	(39.66)
Total net gain/(loss) on fair value changes (D)	**(8.62)**	**(0.69)**

25 Other income

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Cross sale income	199.43	-
Other income	0.35	0.35
Total other income	**199.78**	**0.35**

26 Finance costs

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
On financial liabilities measured at amortised cost		
Interest on debt securities	1,778.02	1,582.82
Interest on borrowings	1,422.12	808.57
Interest on subordinated liabilities	110.42	89.41
Other interest expense	17.36	24.75
Total finance costs	**3,327.92**	**2,505.55**

27 Net loss on derecognition of financial instruments under amortised cost category

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Loss on foreclosure and writeoff of loan	1,181.43	471.07
Less: Provision held reversed on derecognition of financial instruments	(856.46)	(51.94)
Total net loss on derecognition of financial instruments under amortised cost category	**324.97**	**419.13**

28 Impairment on financial instruments

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
On financial instruments measured at amortised cost:		
Loans	(219.40)	678.75
Add: Provision held reversed on derecognition of financial instruments	856.46	51.94
Total impairment on financial instruments	**637.06**	**730.69**

29 Employee benefits expenses

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries	467.18	159.68
Contribution provident and pension fund (refer note: 32)	16.19	11.20
Contribution to gratuity fund (refer note: 32)	2.93	2.80
Share based payments to employees (refer note: 35)	25.91	15.39
Staff welfare expenses	36.10	16.80
Total employee benefits expenses	**548.31**	**205.87**

30 Other expenses

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Rent	48.20	48.18
Rates and taxes	3.24	1.76
Repairs and maintenance	56.96	50.36
Advertisement and publicity	11.69	3.82
Printing and stationery	10.00	6.59
Telephone and postage	9.87	11.37
Directors sitting fees	0.28	0.32
Auditor's remuneration (refer footnote)	0.82	1.09
Legal and professional charges	99.44	58.18
Insurance	5.13	1.39
Electricity charges	5.94	5.30
Travelling and conveyance	29.02	20.32
Stamping charges	2.57	2.30
Collection charges	152.93	106.33
Loan processing charges	12.68	6.34
Corporate social responsibility expenses (refer note: 34)	4.01	1.81
Corporate support charges	8.02	2.85
Bank charges	22.25	8.51
Non executive directors remunerations	0.62	0.34
Loss on sale of property, plant and equipment (net)	7.62	5.47
Brand license fees	46.53	16.03
Miscellaneous expenses	3.88	3.92
Total administration and other expenses	**541.70**	**362.58**
footnote: Auditor's remuneration comprises the following		
Statutory audit fees	0.34	0.42
Limited review fees	0.13	0.12
Tax audit Fees	0.03	0.03
Certification and other service	0.27	0.43
Expenses reimbursed	0.02	0.05
GST/Service tax (net of input credit)	0.03	0.04
	0.82	**1.09**

31 Disclosure pursuant to Ind AS 24 "Related Party Disclosures"

(a) List of Related Parties (with whom transactions were carried out during current or previous year)

A. Ultimate Holding Company

1. Larsen & Toubro Limited

B. Holding Company

2. L&T Finance Holdings Limited

C. Fellow Subsidiary Companies

3. L&T Infrastructure Finance Company Limited
4. L&T Infotech Limited
5. L&T Capital Company Limited
6. L&T Capital Markets Limited
7. L&T Housing Finance Limited
8. L&T Investment Management Limited
9. L&T Financial Consultants Limited
10. L&T Infra Investment Partners Advisory Private Limited

D. Associates

11. L&T Infra Debt Fund Limited

E. Key Management Personnel

12. Mr. Dinanath Dubhashi
13. Mr. Sunil Prabhune
14. Mr. P. V. Bhide
15. Mr. D. R. Dongra *(Appointed as Director with effect from July 24, 2017 and Ceased to be a Director with effect from June 06, 2018)*
16. Mr. Mannil Venugopalan *(Ceased to be a Director with effect from June 11, 2018)*
17. Dr (Mrs). Rajni R Gupte
18. Mr. Prabhakar B. *(Ceased to be a Director with effect from May 30, 2018)*
19. Mr. Ashish Kotecha *(Appointed as Director with effect from July 14, 2017)*
20. Mr. Pavninder Singh *(Ceased to be a Director with effect from July 24, 2017)*

(b) Disclosure of related party transactions :

₹ in crore

Sr. No.	Nature of transaction*	2018-19	2017-18
1	**Inter corporate deposits borrowed**		
	Larsen & Tourbo Limited	2,000.00	-
	L&T Finance Holdings Limited	8,036.51	7,421.03
	L&T Infrastructure Finance Company Limited	410.00	1,370.00
	L&T Housing Finance Limited	100.00	636.00
	L&T Capital Company Limited	5.97	8.37
	L&T Investment Management Limited	133.25	967.94
	L&T Capital Markets Limited	155.82	134.46
	L&T Infra Investment Partners Advisory Private Limited	61.26	159.95
2	**Inter corporate deposits repaid (including interest)**		
	Larsen & Tourbo Limited	2,016.57	-
	L&T Finance Holdings Limited	8,626.02	6,992.97
	L&T Infrastructure Finance Company Limited	410.35	1,407.13
	L&T Housing Finance Limited	100.02	636.51
	L&T Capital Company Limited	9.67	10.02
	L&T Investment Management Limited	133.51	969.91
	L&T Capital Markets Limited	156.49	134.84
	L&T Infra Investment Partners Advisory Private Limited	61.53	160.70
3	**Interest expense on inter corporate deposits**		
	Larsen & Tourbo Limited	16.57	-
	L&T Finance Holdings Limited	95.08	31.29
	L&T Infrastructure Finance Company Limited	0.35	2.12
	L&T Housing Finance Limited	0.02	0.51
	L&T Capital Company Limited	0.36	0.64
	L&T Investment Management Limited	0.26	1.97
	L&T Capital Markets Limited	0.67	0.38
	L&T Infra Investment Partners Advisory Private Limited	0.27	0.75
4	**Inter corporate deposits given**		
	L&T Infrastructure Finance Company Limited	75.00	100.00
	L&T Housing Finance Limited	12.57	5.65
5	**Inter corporate deposits received back (inculding interest)**		
	L&T Infrastructure Finance Company Limited	75.04	100.02
	L&T Housing Finance Limited	12.59	5.66

₹ in crore

Sr. No.	Nature of transaction*	2018-19	2017-18
6	**Interest received on inter corporate deposits**		
	L&T Infrastructure Finance Company Limited	0.04	0.02
	L&T Housing Finance Limited	0.02	0.01
7	**Advisory fees received from**		
	Larsen & Tourbo Limited	-	0.13
8	**Portfolio related transaction**		
	L&T Housing Finance Limited	0.57	0.58
9	**Investment in equity shares of**		
	L&T Infra Debt Fund Limited	-	19.80
10	**Purchase of assets from**		
	L&T Capital Company Limited	-	0.02
11	**Corporate support charges paid to**		
	L&T Finance Holdings Limited	7.36	2.62
12	**Branch sharing cost paid to**		
	Larsen & Toubro Limited	0.00	0.11
	L&T Financial Consultants Limited	24.28	23.36
	L&T Investment Management Limited	0.05	-
	L&T Housing Finance Limited	0.08	-
13	**Branch sharing cost recovered from**		
	L&T Infrastructure Finance Company Limited	0.23	0.17
	Larsen & Toubro Limited	0.05	0.05
	L&T Investment Management Limited	2.38	1.77
	L&T Capital Markets Limited	0.74	0.64
	L&T Housing Finance Limited	3.06	3.04
14	**IT/Professional fees paid to**		
	Larsen & Toubro Limited	7.63	6.13
	L&T Infotech Limited	1.19	2.15
	L&T Finance Holdings Limited	-	0.08
15	**Sale/Assignment of loan portfolio to**		
	L&T Infra Debt Fund Limited	248.03	418.21
	L&T Infrastructure Finance Company Limited	1,514.86	662.12
	L&T Housing Finance Limited	-	735.85

₹ in crore

Sr. No.	Nature of transaction*	2018-19	2017-18
16	**Purchase of loan portfolio from**		
	L&T Housing Finance Limited	1,769.38	-
	L&T Infrastructure Finance Company Limited	120.02	963.00
17	**Purchase of investment from**		
	L&T Infrastructure Finance Company Limited	-	330.00
18	**Brand license fees paid to**		
	Larsen & Toubro Limited	45.16	14.73
19	**Expenses on employee stock option plan**		
	L&T Finance Holdings Limited	25.91	15.39
20	**Equity capital Infused (including share premium)**		
	L&T Finance Holdings Limited	-	1,400.00
21	**Service cost for loan portfolio**		
	L&T Housing Finance Limited	0.30	-
22	**Reimbursement of expenses to**		
	Larsen & Toubro Limited	0.11	-
23	**Interest on security deposit**		
	L&T Financial Consultants Limited	0.43	0.40
24	**Interim dividend**		
	L&T Finance Holdings Limited	191.90	-

25 Compensation Paid to Key Managerial Personnel

₹ in crore

Name of Key Management Personnel	2018-19				2017-18			
	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total	Short-Term employee benefits	Post Employment Benefits	Other Long Term Benefits	Total
Mr. Sunil Prabhune	2.32	-	-	2.32	8.13	-	-	8.13
Mr. P. V. Bhide	0.19	-	-	0.19	0.18	-	-	0.18
Mr. D. R. Dongra	0.02	-	-	0.02	0.08	-	-	0.08
Mr. Mannil Venugopalan	0.05	-	-	0.05	0.15	-	-	0.15
Dr (Mrs). Rajni R Gupte	0.20	-	-	0.20	0.21	-	-	0.21
Mr. Prabhakar B.	0.02	-	-	0.02	0.11	-	-	0.11
Mr. Ashish Kotecha	0.11	-	-	0.11	0.09	-	-	0.09
Mr. Pavninder Singh	-	-	-	-	0.02	-	-	0.02

(c) Amount due to/from related parties:

₹ in crore

S. No.	Nature of transactions	As at March 31,2019	As at March 31,2018	As at April 1,2017
1	**Inter corporate borrowings**			
	L&T Finance Holdings Limited	166.11	660.54	201.18
	L&T Infrastructure Finance Company Limited	-	-	35.01
	L&T Capital Company Limited	3.25	6.59	7.60
2	**Investment in equity share**			
	L&T Infra Debt Fund Limited	176.50	176.50	156.70
3	**Rent deposit**			
	L&T Financial Consultants Limited	7.89	3.81	3.81
4	**Account payable**			
	L&T Finance Holdings Limited	3.47	27.56	14.45
	L&T Infrastructure Finance Company Limited	0.02	0.14	-
	L&T Investment Management Limited	-	0.03	-
	L&T Capital Company Limited	***0.00	***0.00	-
	L&T Capital Markets Limited	-	0.07	0.70
	L&T Housing Finance Limited	-	0.19	-
	L&T Financial Consultants Limited	0.03	0.12	-
	L&T Infra Debt Fund Limited	0.35	-	-
5	**Account receivable**			
	Larsen & Toubro Limited	3.03	2.29	0.28
	L&T Finance Holdings Limited	-	-	0.03
	L&T Infrastructure Finance Company Limited	-	0.67	0.44
	L&T Investment Management Limited	0.40	0.56	0.10
	L&T Capital Markets Limited	2.44	0.16	-
	L&T Housing Finance Limited	5.76	0.83	0.24
	L&T Financial Consultants Limited	-	0.00	-
6	**Security deposit payable**			
	L&T Investment Management Limited	0.22	0.22	0.22

₹ in crore

S. No.	Nature of transactions	As at March 31,2019	As at March 31,2018	As at April 1,2017
7	**Interim dividend payable**			
	L&T Finance Holdings Limited	191.90	-	-
8	**Brand license fees payable**			
	Larsen & Tourbo Limited	47.87	16.06	-

* Transactions shown above are excluding of GST, if any.

** Managerial Remuneration excludes provision for gratuity, pension and compensated absences, since it is provided on actuarial basis for the company as a whole.

*** Amount less than ₹ 1 lakh.

32 Disclosure pursuant to Ind AS 19 "Employee Benefits" :

(i) Defined Contribution plan:

The Company's state governed provident fund scheme are defined contribution plan for its employees and for a certain categories of employees made to a trust viz. The Larsen & Toubro Officers & Supervisory Staff Provident Fund constituted by the ultimate parent company, which is permitted under The employee's Provident Funds and Miscellaneous Provisions Act, 1952. The Contribution by the employer and employee together with interest accumulated there on are payable to the employee at the time of separation from company or retirement whichever is earlier. The benefit vets immediately on rendering of services by the employee. In addition to the above, information relating to the scheme operated by the trust constituted by the holding company is given in the note (iii) below.

The Company has recognised charges of ₹ 16.19 crore (previous year: ₹ 11.20 crore) for provident fund contribution contribution is included in "Note 29 Employee Benefits Expenses" in the Statement of Profit and Loss.

(ii) Defined Benefits Gratuity Plan :

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days last salary drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

(a) The amounts recognised in Balance Sheet are as follows:

₹ in crore

Particulars	Gratuity Plan		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
A) Present Value of Defined Benefit Obligation			
- Wholly funded	12.92	9.55	9.09
- Wholly unfunded	-	-	-
	12.92	**9.55**	**9.09**

₹ in crore

Particulars		Gratuity Plan		
		As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
	Less : Fair Value of plan assets	(8.19)	(7.91)	(5.89)
	Amount to be recognised as liability or (asset)	**4.73**	**1.63**	**3.19**
B)	Amounts reflected in Balance Sheet			
	Liabilities	4.73	1.63	3.19
	Assets	-	-	-
	Net liability/(asset)	**4.73**	**1.63**	**3.19**

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

₹ in crore

Sr. No.	Particulars	Gratuity Plan	
		As at March 31, 2019	As at March 31, 2018
1	Current Service Cost	2.93	2.80
2	Interest Cost	0.01	0.12
3	Actuarial losses/(gains):		
	i) Actuarial (gains)/losses arising from changes in financial assumptions	0.23	1.25
	ii) Actuarial (gains)/losses arising from changes in demographic assumptions	**0.00	(0.50)
	iii) Actuarial (gains)/losses arising from changes in experience adjustments	1.81	(0.56)
	iv) Actuarial losses/(gains) - difference between actuarial return on plan assets and interest income	(0.50)	0.01
4	Past Service Cost	-	-
	Total (1 to 4)	**4.48**	**3.12**
i	Amount included in "employee benefits expenses"	2.93	2.80
ii	Amount included in as part of "finance cost'	0.01	0.12
iii	Amount included as part of "Other Comprehensive income"	1.54	0.20
	Total (i + ii + iii)	**4.48**	**3.12**

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

₹ in crore

Particulars	Gratuity Plan		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Opening balance of the present value of defined benefit obligation	9.55	9.09	1.35
Add : Current Service Cost	2.93	2.80	3.07
Add : Interest Cost	0.63	0.63	0.76
Add : Actuarial losses/(gains)			
i) Actuarial (gains)/losses arising from changes in financial assumptions	0.23	1.25	0.89
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	**0.00	(0.50)	-
iii) Actuarial (gains)/losses arising from changes in experience adjustments	1.81	(0.56)	(1.18)
Less : Benefits paid	(2.48)	(3.15)	(3.72)
Add : Past service cost	-	-	-
Add : Liability assumed/(settled)*	0.25	(0.01)	7.92
Closing balance of the present value of defined benefit obligation	**12.92**	**9.55**	**9.09**

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in crore

Particulars	Gratuity Plan		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Opening balance of the fair value of the plan assets	7.91	5.89	0.78
Add : interest income of plan assets	0.62	0.51	0.52
Add/(less) : Actuarial gains/(losses)			
Difference between actual return on plan assets and interest income	0.50	(0.01)	0.14
Add : Contribution by the employer	1.63	4.67	2.58
Less : Benefits paid	(2.48)	(3.15)	(3.72)
Add: Assets acquired/(settled)*	-	-	5.59
Closing balance of the fair value of the plan assets	**8.19**	**7.91**	**5.89**

(e) The fair value of major categories of plan assets are as follows:

₹ in crore

Sr. No	Particulars	Gratuity Plan		
		As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
1	Government of India Securities	1.84	1.83	1.90
2	Insurer managed funds - unquoted	3.10	0.59	0.37
3	Others debt instruments	2.55	2.38	2.36
4	Others - unquoted	0.70	3.11	1.26

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Gratuity Plan		
		As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
1	Discount rate	6.90%	7.25%	7.20%
2	Salary escalation rate	9.00%	9.00%	6.00%

(A) Discount rate:

The discount rate based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

(B) Salary escalation rate:

The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

(g) Attrition Rate:

The attrition rate varies from 15% to 25% (previous year: 15% to 25%) for various age groups.

(h) Mortality:

Published rates under the Indian Assured Lives Mortality (2012-14) Ult table.

(i) Sensitivity Analysis:

One percentage point change in actuarial assumption would have the following effects on the defined benefit obligation:

₹ in crore

Sr. No.	Particulars	Gratuity Plan			
		Effect of 1% increase		Effect of 1% decrease	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
1	Impact of change in discount rate	(0.63)	(0.44)	0.69	0.48
2	Impact of change salary escalation rate	0.67	0.47	(0.63)	(0.44)

(ii) Defined Benefits Provident Fund Plan

In respect of the contribution by the employer and employee to the provident fund trust constituted by the ultimate parent company, in terms of the guidance note issued by the Institution of Actuarial of India for the measurement of provident fund liabilities, the actuary engaged by the Company has provide the following information in this regards:

(a) The amounts recognised in Balance Sheet are as follows:

₹ in crore

Particulars	Provident Fund Plan		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
A) Present Value of Defined Benefit Obligation			
- Wholly funded	15.72	24.07	-
- Wholly unfunded	-	-	-
	15.72	**24.07**	**-**
Assets acquired on acquisition	-	-	51.52
Less : Fair Value of plan assets	(15.82)	(24.27)	(51.83)
Add : Amount not recognised as an asset	-	-	-
Amount to be recognised as liability or (asset)	**(0.10)**	**(0.20)**	**(0.31)**
B) Amounts reflected in Balance Sheet			
Liabilities	-	-	-
Assets	(0.10)	(0.20)	(0.31)
Net liability/(asset)	**(0.10)**	**(0.20)**	**(0.31)**

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

₹ in crore

Sr. No.	Particulars	Provident Fund Plan	
		As at March 31, 2019	As at March 31, 2018
1	Current Service Cost	-	0.00
2	Interest Cost	1.67	2.75
3	Interest Income on Plan Assets	-	-
4	Expected return on Plan Assets	(1.67)	(2.75)
5	Actuarial losses/(gains)	0.10	(2.56)
6	Actuarial gain/(loss) not recognised in Books	(0.10)	2.56
	Total (1 to 6)	**-**	**-**
i	Amount included in “employee benefits expenses”	-	-
ii	Amount included in as part of “finance cost’	-	-
iii	Amount included as part of “Other Comprehensive income”	-	-
	Total (i + ii + iii)	**-**	**-**

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

₹ in crore

Particulars	Provident Fund Plan		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Opening balance of the present value of defined benefit obligation	24.07	51.52	-
Add : Assets acquired on acquisition	-	-	53.11
Add : Current Service Cost	-	**0.00	3.95
Add : Interest Cost	1.67	2.75	4.26
Add : Actuarial (gains)/losses			
i) Actuarial (gains)/losses arising from changes in financial assumptions	-	-	-
ii) Actuarial (gains)/losses arising from changes in demographic assumptions	-	-	-
iii) Actuarial (gains)/losses arising from changes in experience adjustments	-	-	-
Less : Benefits paid	(10.53)	(32.08)	(14.44)
Add : Contribution by the employer	-	1.95	7.81
Add : Liability assumed/(settled)*	0.51	(0.07)	(3.16)
Closing balance of the present value of defined benefit obligation	**15.73**	**24.07**	**51.52**

(d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in crore

Particulars	Provident Fund Plan		
	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Opening balance of the fair value of the plan assets	24.27	51.83	-
Add : Assets acquired on acquisition	-	-	53.25
Add : Interest income of plan assets	1.67	2.75	4.26
Add/(less) : Actuarial gains/(losses)	-	-	-
Difference between actual return on plan assets and interest income	(0.10)	2.56	(0.63)
Add : Contribution by the employer	-	**0.00	4.31
Add/(less) : Contribution by plan participants	-	**0.00	8.24
Less : Benefits paid	(10.53)	(32.08)	(14.44)
Add: Assets acquired/(settled)*	0.51	(0.79)	(3.16)
Closing balance of plan assets	**15.82**	**24.27**	**51.83**

(e) The fair value of major categories of plan assets are as follows:

₹ in crore

Sr. No.	Particulars	Provident Fund Plan		
		As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
1	Government of India Securities	7.53	10.44	21.25
2	Corporate Bonds	3.51	4.13	7.77
3	Special Deposit Scheme	0.82	1.46	4.15
4	Public Sector Unit Bond	3.48	7.04	17.10
5	Others (unquoted)	0.48	1.20	1.56

(f) Principal actuarial assumptions at the valuation date:

Sr. No.	Particulars	Gratuity Plan		
		As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
1	Discount rate for the term of the obligation	6.90%	7.25%	7.20%
2	Average historic yield on the investment portfolio	8.78%	8.82%	8.80%
3	Discount rate for the remaining term to maturity of the investment portfolio	7.65%	7.80%	7.12%
4	Future derived return on assets	8.03%	8.27%	8.88%
5	Guaranteed rate of return	8.65%	8.55%	8.65%

(A) Discount rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the valuation date for the estimated term of the obligations.

(B) Average historic yield on the investment portfolio:

The average rate of return earned on the investment portfolio of provident fund in the previous three years.

(C) Expected investment return:

Expected investment return is determined by adding the yield spread to the discount rate for a term of the obligation, where yield spread is the difference between the average historic yield on the investment portfolio & discount rate for the remaining term to maturity of the investment portfolio.

(D) Guaranteed rate of return:

The latest interest rate declared by the Regional Provident Fund Commissioner to its own subscribers.

*On account of business combination or inter group transfer

**Amount less than ₹ 1 lakh

33 Disclosure pursuant to Ind AS 17 "Leases"

(i) Operating lease:

(a) Company as Leases:

The Company has taken motor vehicles, furniture and fixtures and premises on operating leases. Lease payments recognized in the Statement of Profit and Loss during the year is ₹ 48.20 crore (previous year: ₹48.18 crore). The total of future minimum lease payments on non-cancellable operating lease as at March 31, 2019 are as follows:

₹ in crore

Particulars	As at 31 March, 2019	As at 31 March, 2018	As at 1 April, 2017
Not later than 1 year	3.39	23.25	21.61
Later than 1 year and not later than 5 years	0.32	3.23	14.45
Later than 5 years	-	-	-
Total	**3.71**	**26.48**	**36.06**

(b) Company as Lessor:

The Company has given motor vehicles, furniture and fixtures, office equipments, plant and machineries and computers under non-cancellable operating lease. The total of future minimum lease payment receivables on non-cancellable operating lease as at March 31, 2019 are as follows:

₹ in crore

Particulars	As at 31 March, 2019	As at 31 March, 2018	As at 1 April, 2017
Not later than 1 year	5.79	12.44	34.04
Later than 1 year and not later than 5 years	1.50	18.87	40.07
Later than 5 years	-	1.45	1.45
Total	**7.29**	**32.76**	**75.56**

(ii) Finance lease

(a) Company as Lessor:

The Company has given assets on finance lease to its customers with respective underlying assets/ equipments as security. The details of gross investment, unearned finance income and present value of minimum lease payment receivable as at March 31, 2019 in respect of these assets are as under:

₹ in crore

Particulars	Minimum lease payment receivable			Present value of minimum lease payment receiavble		
	As at 31 March, 2019	As at 31 March, 2018	As at 1 April, 2017	As at 31 March, 2019	As at 31 March, 2018	As at 1 April, 2017
Not Later than 1 year	29.20	25.89	28.27	22.37	18.44	21.77
Later than 1 year and not later than 5 years	50.98	87.28	50.40	44.72	72.19	41.76
Later than 5 years	-	0.01	-	-	-	-
Gross investment in lease	**80.18**	**113.18**	**78.67**	**67.09**	**90.63**	**63.53**
Less: Unearned finance income	(13.09)	(22.55)	(15.14)	-	-	-
Present value of minimum lease payment receivable	**67.09**	**90.63**	**63.53**	**67.09**	**90.63**	**63.53**

34 Corporate Social Responsibility (CSR)

Amount required to be spent by the Company on Corporate Social Responsibility (CSR) related activities during the year is ₹ 4.01 crore (previous year: ₹ 1.76 crore).

(a) The amount recognised as expense in the Statement of Profit and Loss on CSR related activities is ₹ 4.01 crore (previous year: ₹ 1.81 crore) (Refer note no. 30 of financial statements), which comprises of:

₹ in crore

Particulars	2018-19			2017-18		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(a) Amount spent during the year on:						
(i) Construction/ acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	4.01	-	4.01	1.81	-	1.81

35 Pursuant to the Employees Stock Options Scheme established by the holding company (i.e. L&T Finance Holdings Limited), stock options have been granted to the employees of the Company. Total cost incurred by the holding company in respect of options granted to employees of the company amounts, recovery of the same and future period expense details are following:

₹ in crore

Particulars	Total cost incurred by holding company (i.e. L&T Finance Holdings Limited)	Expense recovered by holding company till end of financial year	Expenses charged to retained earning on transition date April 1, 2017	Expenses charged to Statement of Profit and Loss for the year	Remaining expenses to be recovered in future year
(A)	(B)	(C)	(D)	(E)	(E = B-C)
As at March 31, 2019	113.73	65.34	-	25.91	48.39
As at March 31, 2018	73.77	39.43	-	15.39	34.34
As at April 1, 2017	38.34	24.04	14.45	-	14.30

36 Basic and Diluted Earnings per share [EPS] computed in accordance with Ind AS 33 "Earnings Per Share"

Particulars		2018-19	2017-18
Basic Earning Per Share			
Profit after tax as per statement of profit and loss (₹ in crore)	A	845.96	117.34
Weighted average number of equity shares outstanding during the year (Nos.)	B	1,59,91,38,199	1,44,92,00,469
Basic Earning Per Share (₹)	**A/B**	**5.29**	**0.81**

Particulars		2018-19	2017-18
Diluted Earning Per Share			
Profit after tax as per statement of profit and loss (₹ in crore)	A	845.96	117.34
Weighted average number of equity shares outstanding (Nos.)	B	1,59,91,38,199	1,44,92,00,469
Diluted Earning Per Share (₹)	A/B	**5.29**	**0.81**
Face value of shares (₹)		**10.00**	**10.00**

37 Disclosures pursuant to Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Contingent Liabilities:			
a) Claim against the Company not acknowledged as debt:			
- Income Tax matter in dispute*	0.71	0.71	0.71
- Sales tax/ VAT / Service Tax matter in dispute*	56.14	65.41	23.80
- Legal matter in dispute*	1.20	1.31	1.06
b) Bank Guarantees;	22.27	39.52	21.20
c) Other money for which the Company is contingently liable Liability towards Letter of Credit(net of margin money)	1,537.36	922.48	52.59
Commitments			
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	82.20	161.61	6.99
b) Undisbursed Commitment	32.00	-	41.00

*In respect of disputes, the company is hopeful of succeeding in appeals and does not expect any significant liabilities to materialise.

38 Frauds committed against the company:

₹ in crore

Particulars	2018-19	2017-2018
No. of cases of fraud which occurred during the year	44	12
Amount involved	0.64	0.63
Amount recovered	0.00	0.02
Amount provided/loss	0.49	0.61

39 The Company has invoked pledge of equity shares in the following companies, pledged with the Company as collateral by the borrowers and these shares are being held by the Company as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding.

Sr. No.	Name of Company	No. of shares held as bailee		
		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
i)	Saumya Mining Limited	5,13,012	5,13,012	5,13,012
ii)	SEW Vizag Coal Terminal Private Limited*	7,03,833	7,03,833	7,03,833
iii)	Bhushan Steel Limited	71,89,089	71,89,089	71,89,089
iv)	Sterling International Enterprises Limited	2,17,309	2,17,309	2,17,309
v)	Tulip Telecom Limited	14,01,762	14,01,762	14,01,762
vi)	Punj Lloyed Limited	5	5	5
vii)	Golden Tobacco Limited	10,000	10,000	10,000
viii)	Gujurat Highway Corporation Limited	70,000	70,000	70,000
ix)	Vakrangee Limited	-	81,524	-
x)	Hindusthan National Glass & Industries Limited	34,04,499	38,02,235	-

**Shares held on behalf of L&T Infrastructure Finance Company Limited.*

40 Expenditure in foreign currency:

₹ in crore

Particulars	2018-2019	2017-2018
Professional Fees	1.48	0.37
License Fees	3.95	1.52

41 The details of total fees for all services paid by the Company to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditors is a part, are as follows :

₹ in crore

Particulars	Amount
Statutory Auditor	
Statutory audit fees	0.47
Tax audit fees	0.03
Other services*	1.06
Networking firm/Entity	
Professional fees	0.15
Total	**1.71**

* Other services include ₹ 0.74 Crore paid for certification by Statutotry Auditors with respect to public issue of redeemable non convertible debentures issued during the year and has been included in the amortised cost of such debentures.

42 Dues to micro enterprises and small enterprises:

₹ in crore

Sr. No.	Particulars	2018-2019	2017-2018
i	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
ii.	the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
iii.	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
iv.	the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
v.	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

footnote: The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company. Based on the information available with the Company, as at the year end, there are no dues to micro and small Enterprises that are reportable under the MSMED Act, 2006.

43 Disclosure pursuant to Ind AS 101 "First time adoption of Indian Accounting Standards"

The Company has prepared opening balance sheet as per Ind AS as at April 1, 2017 (transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, derecognising items of assets or liabilities which are not permitted to be recognised by Ind AS, reclassifying items from Previous GAAP to Ind AS as required, and applying Ind AS to measure the recognised assets and liabilities. The exemptions availed by the Company are as follows:

(i) The Company has adopted the carrying value determined in accordance with Previous GAAP for all of its property plant and equipment and investment property as deemed cost of such assets at the transition date.

(ii) Ind AS 102 "Share-based Payment" has not been applied to equity instruments in share-based payment transactions that vested before April 1, 2017.

(iii) The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2017.

(iv) The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

(v) The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

Further, as permitted by Ind AS 101, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition.

(vi) The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date.

(vii) The estimates as at April 1, 2017 and at March 31, 2018 are consistent with those made for the same dates in accordance with the Previous GAAP.

(A) Statement of reconciliation of equity under Ind AS and equity reported under Previous GAAP

₹ in crore

Sr. No.	Particulars	Note	April 01, 2017	March 31, 2018
	Equity as per Previous GAAP		6,879.39	8,586.75
(i)	Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual.	a	(70.78)	(79.49)
(ii)	Incremental cost on fair valuation of employee stock options plan previously recognised on the basis of intrinsic value	b	(14.45)	(25.57)
(iii)	Changes in fair valuation of investments/financial instruments previously recorded at cost less other than temporary diminution	c	22.14	14.50
(iv)	Incremental provision on application of expected credit loss model	d	(210.30)	(514.49)
(v)	Increase in borrowing cost pursuant to the application of effective interest rate method as issue expenses were previously adjusted against Securities Premium Account	e	10.70	5.36
(vi)	Interest income recognition on stage 3 loans	g	99.35	130.55
(vii)	Others		(1.43)	(0.82)
(viii)	Deferred tax impact on above adjustments	h	60.89	170.39
	Equity as per Ind AS		**6,775.51**	**8,287.18**

(B) Statement of reconciliation of total comprehensive income for the year ended March 31, 2018:

₹ in crore

Sr. No.	Particulars	Note	2017-18
	Net profit after tax under the Previous GAAP		**289.92**
(i)	Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual.	a	(8.71)
(ii)	Incremental cost on fair valuation of employee stock options plan previously recognised on the basis of intrinsic value	b	(11.12)
(iii)	Changes in fair valuation of investments/financial instruments previously recorded at cost less other than temporary diminution	c	(3.91)

₹ in crore

Sr. No.	Particulars	Note	2017-18
(iv)	Incremental provision on application of expected credit loss model	d	(304.19)
(v)	Increase in borrowing cost pursuant to the application of effective interest rate method as issue expenses were previously adjusted against Securities Premium Account	e	(8.00)
(vi)	Reversal of amortised loss on sale of loan assets now being charged in year of sale. The past losses were adjusted against retained earnings	f	23.08
(vii)	Interest income recognition on stage 3 loans	g	31.20
(viii)	Others		0.60
(ix)	Deferred tax impact on above adjustments	h	108.27
(x)	Reclassification of net actuarial loss on employee defined benefit obligations to OCI	i	0.20
	Net profit after tax under Ind AS		**117.34**
	Other comprehensive income (net of tax)		
(xi)	Remeasurements of the defined benefit plans	i	(0.20)
(xii)	Change in fair value of debt instruments measured at fair value through other comprehensive income		(4.07)
	Total comprehensive income for the year under Ind AS		**113.07**

(C) Statement of reconciliation of cash flow statement under Ind AS and cash flow statement reported under Previous GAAP

₹ in crore

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash used in operating activities (A)	(9,001.93)	26.09	(9,028.02)
Net cash (used in)/generated from by investing activities (B)	727.33	(26.09)	753.42
Net cash generated from financing activities (C)	8,328.44	-	8,328.44
Net increase in cash and cash equivalents (A+B+C)	**53.84**	**-**	**53.84**
Cash and cash equivalents at beginning of the year	**294.82**	**-**	**294.82**
Cash and cash equivalents at the end of the year	**348.66**	**-**	**348.66**

Note:

a. Under Previous GAAP, Processing fees charged to corporate loan was recognised as revenue in the period of accrual while under Ind AS, such processing fees are included in the initial recognition amount of financial assets and recognised as interest income using the effective interest method.

b. The cost of employee benefits under the Employee Stock Option Plan ("ESOP") is measured using fair value method. The portion of ESOP charge levied by the holding company viz L&T Finance Holding Limited is accordingly measured and recognised at fair value. Under the Previous GAAP, ESOP charge was calculated based on intrinsic value method.

c. All Investments except investments in associate companies have been fair valued in accordance with Ind AS 109. Investments in debt securities are fair valued through OCI and reclassified to profit or loss on their sale. Other investments are fair valued through profit or loss. Under Previous GAAP, the current investments were carried at cost net of diminution in their value as at the

Balance Sheet date. The long term investments were carried at cost net of permanent diminution, if any.

d. The allowance for credit losses on loan assets is based on "expected credit loss" model as per Ind AS 109. Under the Previous GAAP, the provision was made based on the requirement of the RBI Master Directions.

e. Under Ind AS 23 borrowing cost is calculated using the effective rate interest method as described under Ind AS 109. Under the Previous GAAP, borrowing cost was computed by applying the coupon rate to the principal amount for the period. Borrowings are recognised at fair value at the inception and subsequently at amortised cost with interest expenses is calculated using the effective rate interest method.

f. Under the Previous GAAP, any shortfall of sale value over the net amortised value on sale of credit impaired assets to Reconstruction Company, was spread over period of four quarters in term of notification RBI/2015-16/423/DBR.No.BP.BC.102/21.04.048/2015-16 dated June 13, 2016 to the Statement of Profit and loss. However under Ind AS same has been recognised upfront.

g. For credit impaired financial assets, the interest income is calculated by applying the effective rate interest to the amortised cost of the credit impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses). However under Previous GAAP, interest income recognised on Stage 3 loan assets which met the definition of "non-performing asset" was reversed and the recognition was restricted to cash collection.

h. Deferred tax under Ind AS has been recognised for temporary differences between tax base and the book base of the relevant assets and liabilities. Under the Previous GAAP, the deferred tax was accounted based on timing differences impacting the Statement of Profit and Loss for the period.

i. Actuarial gains and losses pertaining to defined benefit obligations and re-measurement pertaining to return on plan assets are recognised in Other Comprehensive Income in accordance with Ind AS 19 and are not reclassified to profit or loss.

44 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures and pursuant to Ind AS 1 "Presentation of financial statements"

Maturity profile of financial assets and financial liabilities

₹ in crore

Particular	March 31, 2019			March 31, 2018			April 1, 2017		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
ASSETS:									
Financial assets									
Cash and cash equivalents	1,530.51	-	1,530.51	348.66	-	348.66	294.82	-	294.82
Bank Balance other than (a) above	0.89	29.68	30.57	0.05	43.85	43.90	0.05	22.52	22.57
Derivative financial instruments	7.20	-	7.20	-	-	-	-	-	-

₹ in crore

Particular	March 31, 2019			March 31, 2018			April 1, 2017		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Receivables			-			-			-
Trade receivables	11.50	-	11.50	9.12	-	9.12	10.29	-	10.29
Other receivables	18.95	-	18.95	5.12	-	5.12	1.09	-	1.09
Loans	28,019.96	19,093.71	47,113.67	20,468.65	17,729.75	38,198.40	13,234.74	15,376.71	28,611.45
Investments	2,376.84	2,307.46	4,684.30	1,531.40	923.65	2,455.05	2,382.51	752.09	3,134.60
Other financial assets	102.97	4.57	107.54	2.62	72.05	74.67	1.50	58.18	59.68
Non-financial assets			**-**			**-**			**-**
Current tax assets (net)	-	77.78	77.78	-	186.09	186.09	-	104.73	104.73
Deferred tax assets (net)	-	727.21	727.21	-	695.33	695.33	-	433.43	433.43
Property, plant and equipment	-	49.34	49.34	-	74.53	74.53	-	160.25	160.25
Intangible assets under development	-	18.48	18.48	-	9.23	9.23	-	-	-
Goodwill	-	1,131.41	1,131.41	-	1,697.11	1,697.11	-	2,262.81	2,262.81
Other intangible assets	-	214.71	214.71	-	277.54	277.54	-	358.63	358.63
Other non-financial assets	59.81	53.74	113.55	48.28	51.72	100.00	47.56	8.28	55.84
Total Assets	**32,128.63**	**23,708.09**	**55,836.72**	**22,413.90**	**21,760.85**	**44,174.75**	**15,972.56**	**19,537.63**	**35,510.19**
LIABILITIES :									
Financial liabilities									
Derivative financial instruments	-	-	-	-	0.10	0.10	6.66	-	6.66
Payables									
Trade payables	86.03	-	86.03	109.09	-	109.09	79.76	-	79.76
Other payables	13.11	-	13.11	14.38	-	14.38	10.57	-	10.57
Debt securities	12,383.23	10,688.37	23,071.60	8,739.85	8,240.75	16,980.60	12,200.92	4,917.03	17,117.95
Borrowings (other than debt securities)	7,337.02	14,802.84	22,139.86	5,436.74	11,916.73	17,353.47	560.61	9,499.17	10,059.78
Subordinated liabilities	34.42	1,090.00	1,124.42	29.40	1,094.95	1,124.35	100.38	1,090.04	1,190.42

₹ in crore

Particular	March 31, 2019			March 31, 2018			April 1, 2017		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Other financial liabilities	406.66	-	406.66	235.81	3.33	239.14	200.54	18.02	218.56
Non-financial liabilities			-						
Current tax liabilities (net)	20.51	-	20.51	20.51	-	20.51	-	-	-
Provisions	21.74	-	21.74	11.83	-	11.83	11.50	-	11.50
Other non-financial liabilities	52.36	-	52.36	34.10	-	34.10	39.48	-	39.48
Total liabilities	**20,355.08**	**26,581.21**	**46,936.29**	**14,631.71**	**21,255.86**	**35,887.57**	**13,210.42**	**15,524.26**	**28,734.68**

45 Disclosure persuant to Ind AS 7 "Statement of Cash Flows"

Change in liabilities arising from financing activities:

₹ in crore

Particulars	April 1, 2017	Net Cash flows	Non - cash changes			March 31, 2018
			Changes in fair values	Exchange Difference	Others	
Debt securities	17,117.95	(276.51)	-	-	139.16	16,980.60
Borrowings (other than debt securities)	10,059.78	7,280.96	-	(1.60)	14.33	17,353.47
Subordinated liabilities	1,190.42	(75.00)	-	-	8.93	1,124.35
Total liabilities from financing activities	**28,368.15**	**6,929.45**	**-**	**(1.60)**	**162.42**	**35,458.42**

₹ in crore

Particulars	April 1, 2018	Net Cash flows	Non - cash changes			March 31, 2019
			Changes in fair values	Exchange Difference	Others	
Debt securities	16,980.60	6,050.51	-	-	40.49	23,071.60
Borrowings (other than debt securities)	17,353.47	4,794.88	-	6.17	(14.66)	22,139.86
Subordinated liabilities	1,124.35	0.00	-	-	0.07	1,124.42
Total liabilities from financing activities	**35,458.42**	**10,845.39**	**-**	**6.17**	**25.90**	**46,335.88**

46 Disclosure pursuant to Ind AS 108 "Operating Segment"

(i) The company has identified operating segments based on performance assessment and resource allocation by the management. Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly attributable to each reportable segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocated expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. As the operations of the Company are carried out within India, there are no geographical segments.

(ii) Information about Business Segment composition :

Segment composition :

Rural Business comprises of Farm Equipments, Micro Loan and Two Wheeler Finance.

Housing Business comprises of Loan against Property and Real Estate Finance.

Wholesale Business comprises of Infrastructure Finance and Structured Corporate Loans.

Defocused Business comprises of Commercial Vehicle Finance, Construction Equipment Finance, SME term loans and Leases.

Unallocated represents tax assets and tax liabilities

₹ in crore

Sr. No.	Particulars	Rural Business			Housing Business			Wholesale Business			Defocused Business			Total		
		For the year ended / As at March 31, 2019	For the year ended / As at March 31, 2018	As at April 1, 2017	For the year ended / As at March 31, 2019	For the year ended / As at March 31, 2018	As at April 1, 2017	For the year ended / As at March 31, 2019	For the year ended / As at March 31, 2018	As at April 1, 2017	For the year ended / As at March 31, 2019	For the year ended / As at March 31, 2018	As at April 1, 2017	For the year ended / As at March 31, 2019	For the year ended / As at March 31, 2018	As at April 1, 2017
1.	**Revenue**	4,066.35	2,304.23		1,086.92	684.88		1,924.32	1,859.75		105.22	222.22		7,182.81	5,071.08	
2.	Less : Inter segment revenue	-	-		-	-		-	-		-	-		-	-	
3.	**Total revenue (1) - (2)**	**4,066.35**	**2,304.23**		**1,086.92**	**684.88**		**1,924.32**	**1,859.75**		**105.22**	**222.22**		**7,182.81**	**5,071.08**	
4.	Segment result	1,127.33	711.34		478.18	335.75		605.01	154.47		(253.97)	(394.42)		1,956.55	807.14	
5.	Unallocable expenses[1]	-	-		-	-		-	-		-	-		**653.47**	**653.46**	
6.	Operating profit (4)-(5)	1,127.33	711.34		478.18	335.75		605.01	154.47		(253.97)	(394.42)		1,303.08	153.68	

₹ in crore

Sr. No.	Particulars	Rural Business			Housing Business			Wholesale Business			Defocused Business			Total		
		For the year ended / As at March 31, 2019	For the year ended / As at March 31, 2018	As at April 1, 2017	For the year ended / As at March 31, 2019	For the year ended / As at March 31, 2018	As at April 1, 2017	For the year ended / As at March 31, 2019	For the year ended / As at March 31, 2018	As at April 1, 2017	For the year ended / As at March 31, 2019	For the year ended / As at March 31, 2018	As at April 1, 2017	For the year ended / As at March 31, 2019	For the year ended / As at March 31, 2018	As at April 1, 2017
7.	Income tax expenses (Including deferred tax)													457.12	36.34	
8.	**Net profit (6)-(7)**	**1,127.33**	**711.34**		**478.18**	**335.75**		**605.01**	**154.47**		**(253.97)**	**(394.42)**		**845.96**	**117.34**	
9.	Segment assets	26,141.17	17,313.49	10,920.79	11,706.62	6,104.20	3,931.42	16,656.17	18,618.51	17,376.55	527.77	1,257.13	2,743.27	55,031.73	43,293.33	34,972.03
10.	Unallocable assets[2]													804.99	881.42	538.16
11.	**Total assets (9) + (10)**	**26,141.17**	**17,313.49**	**10,920.79**	**11,706.62**	**6,104.20**	**3,931.42**	**16,656.17**	**18,618.51**	**17,376.55**	**527.77**	**1,257.13**	**2,743.27**	**55,836.72**	**44,174.75**	**35,510.19**
12.	Segment liabilities	22,167.25	14,343.64	8,973.04	9,927.01	5,057.12	3,230.24	14,373.98	15,424.81	14,277.40	447.54	1,041.49	2,254.00	46,915.78	35,867.06	28,734.68
13.	Unallocable liabilities[3]	-	-	-	-	-	-	-	-	-	-	-	-	20.51	20.51	-
14.	**Total liabilities (12)+(13)**	**22,167.25**	**14,343.64**	**8,973.04**	**9,927.01**	**5,057.12**	**3,230.24**	**14,373.98**	**15,424.81**	**14,277.40**	**447.54**	**1,041.49**	**2,254.00**	**46,936.29**	**35,887.57**	**28,734.68**
15.	Capital Expenditure (tangible and intangible fixed assets)	34.82	17.70	31.27	15.14	6.10	10.72	22.00	19.21	48.48	0.99	45.78	7.88	72.95	88.79	98.35
16.	Depreciation & amortisation expenses (included in segment expense)	17.12	12.87	11.49	0.62	0.46	0.52	5.07	4.30	3.68	14.64	22.14	35.19	37.45	39.77	50.88

Note :

1 Relates to amortisation of Goodwill

2 Includes current tax assets (net) and deferred tax assets (net)

3 Includes current tax liabilities (net)

47 Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/(income):

₹ in crore

Sr. No.	Particulars	2018-19	2017-18
	Statement of Profit and Loss:		
(a)	**Profit and Loss section:**		
	(i) Current tax :		
	Current tax expense for the year	488.47	297.02
	Tax expense in respect of earlier years	-	-
		488.47	**297.02**
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	(31.35)	(255.38)
	Effect on deferred tax balances due to the change in income tax rate	-	(5.30)
		(31.35)	**(260.68)**
	Income tax expense reported in the statement of profit or loss[(i)+(ii)]	**457.12**	**36.34**
(b)	**Other Comprehensive Income (OCI) Section:**		
	(i) Items that will not be reclassified to profit or loss in subsequent years:		
	(A) Current tax expense/(income):	-	-
	(B) Deferred tax expense/(income):		
	On re-measurement of the defined benefit plans	(0.54)	-
		(0.54)	**-**
	(ii) Items that will be reclassified to profit or loss in subsequent years:		
	(A) Current tax expense/(income):	-	-
	(B) Deferred tax expense/(income):		
	On gain/(loss) on fair value of debt securities	-	(2.15)
		-	(2.15)
	Income tax expenses reported in the other comprehensive income [i+ii]	**(0.54)**	**(2.15)**
(c)	**Other directly reported in balance sheet:**		
	Current tax expense	-	-
	Deferred tax assets/(liabilities)	-	(0.93)
	Income tax expense reported directly in balance sheet	**-**	**(0.93)**

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

₹ in crore

Sr. No.	Particulars		2018-19	2017-18
(a)	Profit before tax		1,303.08	153.68
(b)	Corporate tax rate as per Income tax Act, 1961		34.944%	34.608%
(c)	Tax on accounting profit	(c)=(a)*(b)	455.35	53.19
(d)	(i) Tax on Income exempt from tax :			
	(A) Deduction of Special reserve u/s 36(1)(viii) of the Income Tax Act, 1961		(7.46)	(5.11)
	(ii) Tax on Income which are taxed at different rates		(1.97)	-
	(iii) Tax on non deductible expenses:			
	(A) Corporate Social Responsibility (CSR) expenses		0.74	0.35
	(B) Provision for dimunition of investments		1.68	(10.61)
	(C) Others		-	3.85
	(iv) Tax effect of reversal of deferred tax asset (MTM investments) recognised in earlier year		9.79	-
	(v) Effect on deferred tax due to change in Income tax rate		-	(5.30)
	(vi) Tax effect on various other Items		(1.01)	(0.03)
	Total effect of tax adjustments [(i) to (vi)]		**1.77**	**(16.85)**
(e)	**Tax expense recognised during the year**	**(e)=(c)+(d)**	**457.12**	**36.34**
(f)	**Effective tax rate**	**(f)=(e)/(a)**	**35.08%**	**23.64%**

(c) (i) Unused tax losses and unused tax credits for which no deferred tax asset is recognised in Balance sheet

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	₹ in crore	Expiry year	₹ in crore	Expiry year	₹ in crore	Expiry year
Tax losses (Business loss and unabsorbed depreciation)						
- Amount of losses having expiry	-	-	-	-	-	-
- Amount of losses having no expiry	-	-	-	-	-	-
Tax losses (Capital loss)	-	-	-	-	-	-
Unused tax credits [Minimum Alternate Tax (MAT) credit not recognised]	-	-	-	-	-	-
Total	**-**		**-**		**-**	

(c) (ii) Unrecognised deductible temporary differences for which no deferred tax asset is recognised in Balance Sheet

₹ in crore

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
(a)	Towards provision for diminution in value of investments	55.37	15.95	42.43
(b)	Arising out of upward revaluation of tax base of assets (on account of indexation benefit)	-	-	-
(c)	Other items	-	-	-
	Total	**55.37**	**15.95**	**42.43**

(d) Major components of deferred tax liabilities and deferred tax assets:

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at April 01, 2017	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/ (credit) directly in balance sheet	Deferred tax liabilities/ (assets) as at March 31, 2018
Deferred tax liabilities:					
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	5.68	(22.06)	-	-	(16.38)
-Fair value of investments	7.14	(16.93)	(2.15)	-	(11.94)
-Interest income recognised on Stage 3 Loans	34.38	11.21	-	-	45.59
-Unamortised Borrowing Cost	2.85	(1.66)	-	0.93	2.12
-Other items giving rise to temporary differences	7.71	14.93	-	-	22.64
Net deferred tax liabilities	**57.76**	**(14.51)**	**(2.15)**	**0.93**	**42.03**
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss	(440.95)	(250.74)	-	-	(691.69)
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(24.50)	(3.28)	-	-	(27.78)

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at April 01, 2017	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/ (credit) directly in balance sheet	Deferred tax liabilities/ (assets) as at March 31, 2018
-Defined benefit obligation (Gratuity and Leave encashment)	(3.98)	(0.15)	-	-	(4.13)
-Amortisation of expenditure incurred for amalgamation	(7.85)	1.91	-	-	(5.94)
-Provision for Expenses	(5.92)	(1.72)	-	-	(7.64)
- Unamortised loss on sale of NPA asset	(7.99)	7.99	-	-	-
-Other items giving rise to temporary differences	-	(0.18)	-	-	(0.18)
Net Deferred tax (assets)	**(491.19)**	**(246.17)**	**-**	**-**	**(737.36)**
Net deferred tax liability/ (assets)	**(433.43)**	**(260.68)**	**(2.15)**	**0.93**	**(695.33)**

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at March 31, 2018	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/ (credit) directly in balance sheet	Deferred tax liabilities/ (assets) as at March 31, 2019
Deferred tax liabilities:					
-Interest income recognised on Stage 3 Loans	45.59	(24.03)	-	-	21.56
-Unamortised borrowing cost	2.12	(1.31)	-	-	0.81
-Other items giving rise to temporary differences	22.64	0.39	-	-	23.03
Net deferred tax liabilities	**70.35**	**(24.95)**	**-**	**-**	**45.40**
Offsetting of deferred tax liabilities with deferred tax (assets)	**-**				**-**
Net Deferred tax liabilities	**70.35**				**45.40**
Deferred tax (assets):					
-Provision on loan assets based on expected credit loss	(691.69)	52.32	-	-	(639.37)
-Amortisation of processing fee on corporate loans based on effective interest income which was previously recognised as revenue in the period of accrual	(27.78)	11.15	-	-	(16.63)

₹ in crore

Particulars	Deferred tax liabilities/ (assets) as at March 31, 2018	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	Charge/ (credit) directly in balance sheet	Deferred tax liabilities/ (assets) as at March 31, 2019
-Fair value of investments	(11.94)	0.35	-	-	(11.59)
-Defined benefit obligation (Gratuity and Leave encashment)	(4.13)	(2.94)	(0.54)	-	(7.60)
-Amortisation of expenditure incurred for amalgamation	(5.94)	1.98	-	-	(3.96)
-Provision for expenses	(7.64)	(2.87)	-	-	(10.51)
-Difference between book base and tax base of property, plant & equipement, other intangible assets and goodwill	(16.38)	(66.57)	-	-	(82.95)
-Other items giving rise to temporary differences	(0.18)	0.18	-	-	-
Net Deferred tax (assets)	**(765.68)**	**(6.40)**	**(0.54)**	**-**	**(772.61)**
Net deferred tax liability/ (assets)	**(695.33)**	**(31.35)**	**(0.54)**	**-**	**(727.21)**

48 Risk Management

Basis

Great importance is attached to the identification, measurement and control of risks. All employees of the Company are responsible for the management of risk, with the ultimate accountability residing with the Board of Directors. The Board of Directors and its Risk Management Committee ensure that Management takes in to consideration all the relevant risk factors which could lead to unexpected fluctuations in results or to a loss of capital employed. Recommendations for risk control measures are derived from the evaluation of the risk factors. Certain risks are also recognised as opportunities. The aim in such cases is to achieve an appropriate balance between the possible losses which might result and the potential gains. Risks which primarily represent loss potential are minimised. This helps in aligning the risk appetite to the Company's strategy to deliver sustainable, long term returns to its investors.

The risks are reviewed periodically every quarter.

Types of risk

As a lending non-banking financial company, the most important risks it is faced with are the following:

- Credit risk
- Market risk
- Capital risk

Credit risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers or counterparties fail to fulfil their contractual obligations to the Company.

Credit risk arises mainly from wholesale and retail loans and advances and loan commitments arising from such lending activities; but could also arise from credit enhancement provided, such as financial guarantees and letters of credit. The Company is also exposed to other credit risks arising from investments in debt securities and exposures arising from its trading activities ("Trading Exposures") as well as settlement balances with market counterparties.

Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk. A centralised risk management function oversees the risk management framework, which periodically presents an overview of credit risk of portfolio to the Risk Management Committee.

Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time. Internal credit rating is used as an important tool to manage exposures of the "Wholesale" segment. Ratings provides a consistent and common scale for measurement of components of credit risk of a loan asset including the Probability of Default (PD) across products and sectors. Credit rating model takes into account critical success parameters relevant for each industry, competitive forces within the industry as well as regulatory issues while capturing financial parameters, management strengths, project parameters etc. of the borrower. These ratings are reviewed at least once annually.

Loans and advances (including loan commitments and guarantees)

The estimation of credit exposure for risk management purposes is complex, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring and of the associated loss ratios. The Company measures credit risk for each class of loan assets using inputs such as ¬Probability of Default ("PD") and Loss Given Default ("LGD"). This is similar to the approach used for the purposes of measuring Expected Credit Loss ("ECL") under Ind AS 109.

Wholesale and retail portfolios are managed separately to reflect the differing nature of the assets; wholesale balances tend to be larger and are managed on an individual basis, while retail balances are greater in number but lesser in value and are, therefore, managed in aggregated segments.

Wholesale (Infrastructure Finance and Structured Corporate Finance) and Housing (Real Estate)

The Company uses internal credit risk grading (17 levels for loans which are not credit impaired and 1 level for loans considered to be credit impaired) that reflect its assessment of the PD of individual counterparties in respect of its "Wholesale" segment. The Company use internal rating models tailored to the various categories of counterparties. Borrower and loan specific information collected at the time of application (such as turnover and industry type for wholesale exposures) and judgement based on market intelligence on the sector or the specific borrower is used in assigning the rating. The Company's own internal ratings were benchmarked against the last published cumulative default rates for 1 year and 3 year periods as published annually by CRISIL for Stage 1 and Stage 2 loan assets.

The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between an AAA and A- rating grade is lower than the difference in the PD between a BBB and B- rating grade.

Management also assesses the impact of economic developments in key markets on specific customers, customer segments or portfolios. If changes in credit conditions are foreseen, mitigation action, including the revision of risk appetites or limits and tenors, as appropriate are taken.

Retail (Farm Equipment Finance, Two-Wheeler Loans, Micro Loans and Others) and Housing (Home Loans and Loans Against Property)

The Company has deployed standardised credit decision rules, as approved by the designated officials for the specific product. The rules are regularly monitored to ensure that the changes in the economic environment have been factored into the credit decision rules.

Trading Exposures

For debt securities in the trading portfolio, external rating agency credit grades are used for evaluating the credit risk.

Expected Credit Loss ('ECL')

Prior to the implementation of Ind AS, the Board of Directors used the Non-Banking Financial Company Systemically Important Non-deposit taking Master Directions issued by the Reserve Bank of India, as the basis for setting up its provisioning policies.

Post the shift to Ind AS, and specifically to address the requirements of Ind AS 109, these were enhanced or supplemented, with reviews at levels regarded as appropriate.

ECL allowances recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability weighted basis, based on certain economic scenarios. The recognition and measurement of ECL involves use of significant judgement and estimation. Forward looking economic forecasts are used in developing the ECL estimates. Three scenarios sufficient to calculate unbiased ECL were used - representing the "most likely outcome" (the "Central" scenario) and two "less likely outcome" scenarios (the "Upside" and "Downside" scenarios). The Upside and Downside scenarios have been assigned a probability of 5% and 20% respectively while the Central Scenario has been assigned a probability of 75%. The Central scenario is based on the Company outlook of GDP growth, inflation, unemployment and interest rates for India and most relevant for the Company's loan portfolio. The Upside and Downside scenarios generated at the reporting dates are designed to cover cyclical changes and are updated during the year only if the economic conditions change significantly. The Upside scenario reflects improvement in rural disposable income on account of good monsoons. The Downside scenario reflects rural stress caused by poor monsoons and drought.

Management oversees the estimation of ECL including:

i. setting requirements in policy, including key assumptions and the application of key judgements;

ii. the design and execution of models; and

iii. review of ECL results.

As required by Ind AS 109, a 'three-stage' model for impairment based on changes in credit quality since initial recognition was built as summarised below:

- A loan asset that is not credit-impaired, on initial recognition, is classified in 'Stage 1' and has its credit risk continuously monitored by Management.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the loan asset is moved to 'Stage 2' but is not yet deemed to be credit-impaired. (See note 1.13 for a description of how the Company determines when a significant increase in credit risk has occurred).
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. (See note 1.13 for a description of how the Company defines credit-impaired and default).

The following are additional considerations for each type of portfolio held by the Group:

Wholesale (Infrastructure Finance and Structured Corporate Finance) and Housing (Real Estate)

For wholesale business, the PD was determined based on the internal credit rating assigned to the borrower as explained above. The EAD is determined and the LGD estimated, at the borrower level. Updated or new information/credit assessments for credit risk evaluation are incorporated on an ongoing basis. In addition, information about the creditworthiness of the borrower is updated every year from sources such as financial statements. This will determine the updated internal credit rating and PD. The internal ratings based PD has been benchmarked to the Cumulative Default Rates for 1 year and 3 year periods as published annually by CRISIL.

The Exposure at Default ("EAD") is measured at the amortised cost as at the reporting date, after considering repayments of principal and interest received in advance and expected drawdowns on committed facilities.

The Company, in determining its Loss Given Default ("LGD") estimates, for Stage 3 loan assets as of the reporting date, has used cash flow estimates based on inputs provided by assigned business managers and external corroborating information including amounts realised on resolution of cases referred to the National Company Law Tribunal ("NCLT") under the Insolvency and Bankruptcy Code, 2016.

The Company has carried out a historical analysis of loss experience for all closed and live defaulted (Stage 3) borrowers over the previous 4 years.

Retail (Farm Equipment Finance, Two-Wheeler Loans, Micro Loans and Others) and Housing (Home Loans and Loans Against Property)

Retail lending credit quality is determined on a collective basis based on a 12-month point in time ("PIT") probability weighted PD.

A centralised impairment model summarises the historical payment behaviour of the borrowers within a retail portfolio which data is used to build the PD estimates. For estimating PD, information on the month-on-book (vintage) and the days-past-due form key differentiating characteristics. The weighted average is determined (using count of customers as the weight) from quarterly snapshots.

For credit impaired loan assets LGD is computed based on actual history of loss (on settlement/repossession and disposal of security/ enforcement action) from the same historical quarterly snapshots. The loss divided by the principal outstanding at the time of default is the loss ratio for a credit impaired loan asset in a specific snapshot. The weighted average of loss ratios (using the principal outstanding in respect of such credit impaired loan assets in the corresponding snapshot as the weight) was used to determine the LGD ratio for credit impaired loan assets.

By applying the LGD ratio to the EAD for the credit impaired loan asset portfolio, the ECL for Stage 3 loan assets was determined.

The EAD adjustment factor was used, along with the respective PD factors to arrive at the ECL for Stage 2 and Stage 1 loan assets.

Exposure at Default (EAD)

EAD is the amortised cost as at the period end, after considering repayments of principal and interest received in advance.

Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The Company's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Financial assets									
Cash and cash equivalent and other bank balances	1,561.08	-		392.56	-		317.39	-	
Loans and advances at amortised cost	34,828.40	-	Refer footnote below	30,694.40	-	Refer footnote below	25,976.83	-	Refer footnote below

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 01, 2017		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Trade receivables	11.50	-		9.12	-		10.29	-	
Debt instruments	1,643.54	-		-	-		-	-	
Other receivables	18.95	-		5.12	-		1.09	-	
Other financial assets	107.54	-		74.67	-		59.68	-	
Total financial assets at amortised cost	**38,171.00**	**-**		**31,175.87**	**-**		**26,365.28**	**-**	
Derivative financial instruments	7.20	-		-	-		-	-	
Financial assets at fair value through profit or loss	12,860.39	-		7,925.91	-		3,360.06	-	
Debt securities designated at fair value through profit or loss	-	-		-	-		-	-	
Total financial instruments at fair value through profit or loss	**12,867.59**	**-**		**7,925.91**	**-**		**3,360.06**	**-**	
Debt instruments at fair value through Other Comprehensive Income	2,289.14	-		1,856.63	-		2,252.47	-	
Total debt instruments at fair value through Other Comprehensive Income	**2,289.14**	**-**		**1,856.63**	**-**		**2,252.47**	**-**	**-**
Total on-balance sheet	**53,327.73**	**-**		**40,958.41**	**-**		**31,977.80**	**-**	
Off balance sheet									
Contingent liabilities	1,617.69			1,029.44			99.37		
Other commitments	114.20			161.61			47.99		
Total off-balance sheet	**1,731.89**	**-**		**1,191.05**	**-**		**147.36**	**-**	
Total	**55,059.62**	**-**		**42,149.46**	**-**		**32,125.16**	**-**	

Footnote

Retail loans, other than unsecured loans aggregating ₹12,911.95 crore as of March 31, 2019, are generally secured by a charge on the asset financed (farm equipment loans, two-wheeler loans, loans against property, and home loans)(as of March 31,2018 : ₹9,098.37 crore ; as of April 1,2017 : ₹6,677.35 crore). Wholesale loans are secured with current assets as well as immovable property and property, plant and equipment in some cases. However, collateral securing each individual loan may not be adequate in relation to the value of the loan. If the customer fails to pay, the Company would, as applicable, liquidate collateral and/or set off accounts. For most products, the Company obtains direct debit instructions or post-dated cheques from the customer. It is a criminal offence in India to issue a bad cheque.

Of the unmitigated on balance sheet exposure, a significant portion relates to cash held with banks, settlement balances, and debt securities issued by governments all of which are considered to be lower risk.

Besides growth in the loan assets portfolio, increases in trading portfolio assets and financial assets at fair value through the Statement of Profit and Loss have also contributed to the increase in the Company's net exposure to credit risk. Investments in debt instruments are predominantly investment grade.

Where collateral has been obtained in the event of default, the Company does not, ordinarily, use such assets for its own operations and they are usually sold and off set against the outstanding loan assets.

The Company has invoked pledge of equity shares in the following companies, pledged with the Company as collateral by the borrowers and these shares are being held by the Company as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding.

Sr. No.	Name of Company	No. of shares held as bailee		
		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
i)	Saumya Mining Limited	5,13,012	5,13,012	5,13,012
ii)	SEW Vizag Coal Terminal Private Limited*	7,03,833	7,03,833	7,03,833
iii)	Bhushan Steel Limited	71,89,089	71,89,089	71,89,089
iv)	Sterling International Enterprises Limited	2,17,309	2,17,309	2,17,309
v)	Tulip Telecom Limited	14,01,762	14,01,762	14,01,762
vi)	Punj Lloyed Limited	5	5	5
vii)	Golden Tobacco Limited	10,000	10,000	10,000
viii)	Gujarat Highway Corporation Limited	70,000	70,000	70,000
ix)	Vakrangee Limited	-	81,524	-
x)	Hindustan National Glass & Industries Limited	34,04,499	38,02,235	-

* Shares held on behalf of L&T Infrastructure Finance Company Limited.

Concentration of exposure

Concentrations of credit risk arise when a number of counterparties or exposures have comparable economic characteristics, or such counterparties are engaged in similar activities or operate in the same geographical areas or industry sectors so that their collective ability to meet contractual obligations is uniformly affected by changes in economic, political or other conditions. The Company has established a diversified borrower base and as at March 31, 2019. The Company has put in place a framework of Risk Limits, which are monitored on a quarterly basis to ensure that the overall portfolio is steered within the approved limits to minimize concentration risk. The Risk Limits cover risk of concentration to a particular geography, industry, group/ borrower or revenue counterparty of the borrowers etc. as are relevant to the respective product.

Market Risk Management

Liquidity Risk:

The risk that the Company is unable to service its contractual or contingent liabilities or that it does not have the adequate amount of funding and liquidity to support its committed disbursements.

Liquidity risk management in the Company is managed as per the guidelines of Board-approved Asset-Liability Management ('ALM') Policy. The ALM Policy provides the governance framework for the identification, measurement, monitoring and reporting of liquidity risk arising out of Company's lending and borrowing activities. The liquidity risk is measured in terms of structural liquidity gaps across various time-buckets. Actual liquidity gaps against the Gap Limits are reported every month to the Asset Liability Management Committee ('ALCO') which provides oversight and strategic direction for the prudent asset liabilities management. As a prudent practice, the Company has been maintaining positive cumulative liquidity gaps in the current market scenario.

In the absence of any regulatory requirement, the Group of which the Company is a component, continues to maintain liquidity buffer under stress scenario by applying hair cut of 40% on undrawn lines and collection shortfall of 15% in the form of High Quality Liquidity Assets which provides adequate cushion for the survival period of minimum 30 days as on March 31, 2019.

Additionally, the Company has line of credit from the ultimate parent, Larsen & Toubro Limited.

Foreign Exchange Rate Risk:

In the normal course of its business, the Company does not deal in foreign exchange in a significant way. Any significant foreign exchange exposure on account of foreign exchange borrowings is hedged to safeguard against exchange rate risk.

Interest Rate Risk:

Interest rate risk is the risk where changes in market interest rates affect the Company's financial position due to change in its Net Interest Income (NII). Interest Rate Sensitivity Statement is prepared every month and placed before ALCO. The Statement captures the Rate Sensitive Gaps i.e. the mismatch between the Rate Sensitive Assets and Liabilities, in various time buckets. The impact of different types of changes in the yield curve on the earnings for the entire Group of which the Company is a component are also measured every month and captured in the Risk Dashboard.

Security Prices:

The Company manages investment portfolios comprising of government securities, corporate bonds and debentures. To safeguard against the credit risk and interest rate risk in the investment portfolios, risk limits in the form of portfolio size limits, concentration limits, stop loss limit and PV01 limits are stipulated. To provide early warning indicators, alarm limits have also been put in place, reporting periodicity and escalation matrix upon the breach of alarm limits as well as risk limits have been clearly defined. The Company does not invest in Equity stocks and therefore is not exposure to equity price risk on this account.

48.1 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Expected credit loss - Loans:

₹ in crore

Particulars		As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
		Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision	Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision	Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	33,597.80	397.97	33,199.83	28,956.17	216.19	28,739.98	22,864.12	244.77	22,619.34

₹ in crore

Particulars		As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
		Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision	Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision	Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	1,127.47	106.13	1,021.34	1,108.60	56.99	1,051.61	1,375.79	106.75	1,269.04
	Financial assets for which credit risk has increased significantly and credit-impaired	1,845.98	1,238.73	607.25	2,595.77	1,692.95	902.82	3,029.67	941.23	2,088.44
Total		**36,571.25**	**1,742.83**	**34,828.42**	**32,660.54**	**1,966.13**	**30,694.41**	**27,269.58**	**1,292.75**	**25,976.82**

48.2 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(b) Reconciliation of loss allowance provision - Loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on April 1, 2017	**244.77**	**106.75**	**941.23**	**1,292.75**
New assets originated or purchased	159.15	6.07	64.93	230.15
Amount written off	-	-	(51.94)	(51.94)
Transfers to Stage 1	31.79	(6.74)	(25.05)	-
Transfers to Stage 2	(3.50)	7.41	(3.91)	-
Transfers to Stage 3	(77.86)	(64.78)	142.64	-
Impact on ECL of Exposure transferred between stages during the year	(30.05)	36.19	281.38	287.52
Increase / (Decrease) in provision on existing financial assets (Net of recovery)	(108.11)	(27.90)	343.67	207.66
ECL as on March 31, 2018	**216.19**	**56.99**	**1,692.95**	**1,966.13**

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
New assets originated or purchased	306.85	32.22	122.11	461.18
Amount written off	-	-	(856.46)	(856.46)
Transfers to Stage 1	21.73	(13.50)	(8.23)	-
Transfers to Stage 2	(2.75)	5.06	(2.31)	-
Transfers to Stage 3	(4.41)	(4.32)	8.73	-
Impact on ECL of Exposure transferred between stages during the year	(16.22)	46.39	324.95	355.12
Increase/(decrease) in provision on existing financial assets (Net of recovery)	(123.42)	(16.71)	(42.99)	(183.12)
ECL as on March 31, 2019	**397.97**	**106.13**	**1,238.73**	**1,742.85**

(c) Reconciliation of Gross carrying amount - Loans:

₹ in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on April 1, 2017	**22,864.12**	**1,375.79**	**3,029.67**	**27,269.58**
New assets originated or purchased	21,068.36	206.17	124.66	21,399.19
Amount written off	-	-	(51.94)	(51.94)
Transfers to Stage 1	267.10	(169.24)	(97.86)	-
Transfers to Stage 2	(484.76)	691.59	(206.83)	-
Transfers to Stage 3	(591.73)	(345.71)	937.44	-
Net recovery	(14,166.92)	(650.00)	(1,139.37)	(15,956.29)
Gross carrying amount as on March 31, 2018	**28,956.17**	**1,108.60**	**2,595.77**	**32,660.54**
New assets originated or purchased	22,253.29	351.72	179.82	22,784.83
Amount written off	-	-	(856.46)	(856.46)
Transfers to Stage 1	161.65	(142.02)	(19.63)	-
Transfers to Stage 2	(407.12)	412.00	(4.88)	-
Transfers to Stage 3	(482.58)	(134.58)	617.16	-
Net recovery	(16,883.61)	(468.25)	(665.80)	(18,017.66)
Gross carrying amount as on March 31, 2019	**33,597.80**	**1,127.47**	**1,845.98**	**36,571.25**

48.3 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

₹ in crore

Sr. No.	Particulars		As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
I	**Measured at fair value through profit or loss (FVTPL):**				
	(i)	Investment in equity instruments	7.73	9.54	42.54
	(ii)	Investment in preference shares	4.56	5.98	9.90
	(iii)	Investment in bonds/debentures	59.48	57.91	52.04
	(iv)	Investment in mutual funds	40.09	-	440.06
	(v)	Investment in security receipt	279.49	226.38	74.11
	(vi)	Investment in units of fund	183.77	122.11	106.79
	(vii)	Loans	12,285.27	7,504.00	2,634.62
	(viii)	Derivative financial instruments	7.20	-	-
	Sub-total (I)		**12,867.59**	**7,925.92**	**3,360.06**
II	**Measured at amortised cost:**				
	(i)	Loans	34,828.40	30,694.41	25,976.83
	(ii)	Trade receivables	11.50	9.12	10.29
	(iii)	Other receivables	18.95	5.12	1.09
	(iv)	Other financial assets	107.54	74.67	59.68
	(v)	Cash and cash equivalents and bank balances	1,561.08	392.56	317.39
	(vi)	Investment in government securities	1,643.54	-	-
	Sub-total (II)		**38,171.01**	**31,175.88**	**26,365.28**
III	**Measured at fair value through other comprehensive income (FVTOCI):**				
	(i)	Investment in bonds/Debentures	2,243.12	1,834.30	1,840.02
	(ii)	Investment in government securities	37.62	-	245.89
	(iii)	Investment in pass through certificates	8.40	22.33	166.56
	Sub-total (III)		**2,289.14**	**1,856.63**	**2,252.47**
	Total (I+II+III)		**53,327.74**	**40,958.43**	**31,977.81**

(b) Category-wise classification for applicable financial liabilities:

₹ in crore

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
I	**Measured at fair value through profit or loss (FVTPL):**			
	(i) Derivative Instruments not designated as cash flow hedges	-	0.10	6.66
	Sub-total (I)	**-**	**0.10**	**6.66**
II	**Measured at amortised cost:**			
	(i) Debt securities	23,071.60	16,980.60	17,117.95
	(ii) Borrowings (other than debt securities)	22,139.86	17,353.47	10,059.78
	(iii) Subordinated liabilities	1,124.42	1,124.35	1,190.42
	(iv) Trade payables	86.03	109.09	79.76
	(iv) Other payables	13.11	14.38	10.57
	(iv) Other financial liabilities	406.66	239.14	218.56
	Sub-total (II)	**46,841.68**	**35,821.03**	**28,677.04**
III	**Measured at fair value through other comprehensive income (FVTOCI):**	-	-	-
	Sub-total (III)	**-**	**-**	**-**
	Total (I+II+III)	**46,841.68**	**35,821.13**	**28,683.70**

48.4 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(c) Fair value of financial assets and financial liabilities measured at amortised cost:

₹ in crore

Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:						
Loans*	34,828.40	34,828.40	30,694.40	30,694.40	25,976.83	25,976.83
Investment in government securities	1,643.54	1,710.43	-	-	-	-
Total	**36,471.93**	**36,538.83**	**30,694.40**	**30,694.40**	**25,976.83**	**25,976.83**
Financial liabilities:						
Debt securities	23,071.60	23,247.75	16,980.60	17,122.86	17,117.95	17,235.30
Borrowings (other than debt securities)	22,139.86	22,133.77	17,353.47	17,340.24	10,059.78	10,266.18
Subordinated liabilities	1,124.42	1,131.56	1,124.35	1,151.01	1,190.42	1,239.36
Total	**46,335.88**	**46,513.08**	**35,458.42**	**35,614.11**	**28,368.15**	**28,740.84**

***In the absence of an observable market for these loan assets, the fair values have been determined from the perspective of the Company after considering changes in performance and risk indicators (including delinquencies and interest rates)**

The carrying amounts of cash & cash equivalents, bank balance, trade receivables,other receivables,other financial assets,trade payables,other payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

(d) Disclosure pursuant to Ind AS 113 "Fair Value Measurement" - Fair value hierarchy of financial assets and financial liabilities measured at amortised cost:

₹ in crore

As at March 31, 2019	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	34,828.40	34,828.40	Discounted cashflow approach
Investment in government securities	-	1,710.43	-	1,710.43	
Total financial assets	**-**	**1,710.43**	**34,828.40**	**36,538.83**	
Financial liabilities:					
Debt securities	-	-	23,247.75	23,247.75	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	22,133.77	22,133.77	Discounted cashflow approach
Subordinated liabilities	-	-	1,131.56	1,131.56	Discounted cashflow approach
Total financial liabilities	**-**	**-**	**46,513.08**	**46,513.08**	

₹ in crore

As at March 31, 2018	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	30,694.40	30,694.40	Discounted cashflow approach
Investment in government securities	-	-	-	-	
Total financial assets	**-**	**-**	**30,694.40**	**30,694.40**	
Financial liabilities:					
Debt securities	-	-	17,122.86	17,122.86	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	17,340.24	17,340.24	Discounted cashflow approach
Subordinated liabilities	-	-	1,151.01	1,151.01	Discounted cashflow approach
Total financial liabilities	**-**	**-**	**35,614.11**	**35,614.11**	

₹ in crore

As at April 1, 2017	Level 1	Level 2	Level 3	Total	Valuation technique for level 3 items
Financial assets:					
Loans	-	-	25,976.83	25,976.83	Discounted cashflow approach
Investment in government securities	-	-	-	-	
Total financial assets	**-**	**-**	**25,976.83**	**25,976.83**	
Financial liabilities:					
Debt securities	-	-	17,235.30	17,235.30	Discounted cashflow approach
Borrowings (other than debt securities)	-	-	10,266.18	10,266.18	Discounted cashflow approach
Subordinated liabilities	-	-	1,239.36	1,239.36	Discounted cashflow approach
Total financial liabilities	**-**	**-**	**28,740.84**	**28,740.84**	

48.5 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

₹ in crore

Particulars	As at March 31, 2019				As at March 31, 2018				As at April 1, 2017			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets:												
Financial assets at fair value through profit and loss:												
Investments												
- Equity instruments	5.61	-	2.13	7.74	7.41	-	2.13	9.54	26.60	-	15.94	42.54
- Preference shares	-	-	4.56	4.56	-	-	5.98	5.98	-	-	9.90	9.90
- Bonds and debentures	-	-	59.48	59.48	-	-	57.91	57.91	-	-	52.04	52.04
- Mutual funds	40.09	-	-	40.09	-	-	-	-	440.06	-	-	440.06
- Security receipts	-	-	279.49	279.49	-	-	226.38	226.38	-	-	74.11	74.11
- Units of fund	-	-	183.77	183.77	-	-	122.11	122.11	-	-	106.79	106.79
				-				-				-
Loans	-	-	12,285.27	12,285.27	-	-	7,504.00	7,504.00	-	-	2,634.62	2,634.62
Derivative not designated as hedges	-	7.20	-	7.20	-	-	-	-	-	-	-	-
Sub total	**45.70**	**7.20**	**12,814.70**	**12,867.60**	**7.41**	**-**	**7,918.51**	**7,925.92**	**466.65**	**-**	**2,893.40**	**3,360.06**
Financial assets at fair value through other comprehensive income:												
Investments												
- Bonds and debentures	-	2,243.12	-	2,243.12	-	1,834.30	-	1,834.30	-	1,840.02	-	1,840.02
- Government securities	-	37.62	-	37.62	-	-	-	-	-	245.89	-	245.89
- Pass through certificates	-	-	8.40	8.40	-	-	22.33	22.33	-	-	166.56	166.56
Sub total	**-**	**2,280.74**	**8.40**	**2,289.14**	**-**	**1,834.30**	**22.33**	**1,856.63**	**-**	**2,085.91**	**166.56**	**2,252.47**
Total Financial assets at fair value	**45.70**	**2,287.94**	**12,823.10**	**15,156.74**	**7.41**	**1,834.30**	**7,940.84**	**9,782.55**	**466.65**	**2,085.91**	**3,059.96**	**5,612.53**
Financial liabilities:												
Financial liabilities at fair value through profit and loss:												
Derivative not designated as hedges	-	-	-	-	-	0.10	-	0.10	-	6.66	-	6.66
Total Financial liabilities at fair value	**-**	**-**	**-**	**-**	**-**	**0.10**	**-**	**0.10**	**-**	**6.66**	**-**	**6.66**

48.6 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table presents the changes in level 3 items for the year ended April 1, 2017 ; March 31, 2018 and March 31, 2019:

₹ in crore

Particulars	- Equity instruments	- Preference shares	- Bonds and debentures	- Pass Through Certificates	- Security Receipts	- Units of fund	Loans	Total
As at April 1, 2017	**15.94**	**9.90**	**52.04**	**166.56**	**74.11**	**106.79**	**2,634.62**	**3,059.96**
Acquisitions	-	-	14.57	-	155.19	25.00	6,113.78	6,308.54
Deletions	(11.00)	-	-	(144.23)	(0.44)	(8.21)	(1,244.40)	(1,408.29)
Gains/(losses) recognised in profit or loss	(2.81)	(3.92)	(8.70)	-	(2.48)	(1.47)	-	(19.37)
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	-	-
As at March 31, 2018	**2.13**	**5.98**	**57.91**	**22.33**	**226.38**	**122.11**	**7,504.00**	**7,940.84**
Acquisitions	-	-	1.57	-	112.83	65.11	7,596.82	7,776.33
Deletions	-	-	-	(13.93)	(27.07)	(3.45)	(2,815.54)	(2,859.99)
Gains/(losses) recognised in profit or loss	-	(1.42)	-	-	(32.65)	-	-	(34.07)
Gains/(losses) recognised in other comprehensive income	-	-	-	-	-	-	-	-
As at March 31, 2019	**2.13**	**4.56**	**59.48**	**8.40**	**279.49**	**183.77**	**12,285.27**	**12,823.10**
Unrealised gains/(losses) recognised in profit and loss related to assets and liabilities held at the end of the reporting period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
As at April 1, 2017	-	-	-	-	-	-	-	-
As at March 31, 2018	2.16	(3.92)	(8.70)	-	(2.48)	(1.47)	-	(14.40)
As at March 31, 2019	-	(1.43)	-	-	(32.65)	-	-	(34.08)
Unrealised gains/(losses) recognised in Other Comprehensive Income related to assets and liabilities held at the end of the reporting period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
As at April 1, 2017	-	-	-	-	-	-	-	-
As at March 31, 2018	-	-	-	-	-	-	-	-
As at March 31, 2019	-	-	-	-	-	-	-	-

48.7 Disclosure pursuant to Ind AS 113 "Fair Value Measurement"

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

₹ in crore

Particulars	Fair value as at			Rates for Sensitivity	Impact of Increase in Rates on Total Comprehensive Income statement					
	March 31, 2019	March 31, 2018	April 1, 2017		March 31, 2019	March 31, 2019	March 31, 2018	March 31, 2018	April 1, 2017	April 1, 2017
					Favourable	Unfavourable	Favourable	Unfavourable	Favourable	Unfavourable
Investments										
- Equity instruments	2.13	2.13	15.94	5.00%	0.11	(0.11)	0.11	(0.11)	0.80	(0.80)
- Preference shares	4.56	5.98	9.90	5.00%	0.23	(0.23)	0.30	(0.30)	0.49	(0.49)
- Bonds and debentures	59.48	57.91	52.04	0.25%	0.15	(0.15)	0.14	(0.14)	0.13	(0.13)
- Pass Through Certificates	8.40	22.33	166.56	0.25%	0.02	(0.02)	0.06	(0.06)	0.42	(0.42)
- Security Receipts	279.49	226.38	74.11	5.00%	13.97	(13.97)	11.32	(11.32)	3.71	(3.71)
- Units of fund	183.77	122.11	106.79	5.00%	9.19	(9.19)	6.11	(6.11)	5.34	(5.34)
Loans	**12,285.27**	**7,504.00**	**2,634.62**	**0.25%**	**30.71**	**(30.71)**	**18.76**	**(18.76)**	**6.59**	**(6.59)**

48.8 Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

Liquidity risk management :

(a) Maturity profile of financial liabilities based on undiscounted cashflows

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Within twelve month	After twelve month	Total	Within twelve month	After twelve month	Total	Within twelve month	After twelve month	Total
A. Non-derivative liabilities:									
Borrowings*	20,980.56	30,442.56	51,423.12	14,866.85	24,146.17	39,013.02	13,757.13	17,311.10	31,068.23
Trade payables	86.03		86.03	109.09		109.09	79.76		79.76
Other payables	13.11		13.11	14.38		14.38	10.57		10.57
Other financial liabilities	406.66		406.66	239.14		239.14	218.56		218.56
Total	**21,486.36**	**30,442.56**	**51,928.92**	**15,229.46**	**24,146.17**	**39,375.63**	**14,066.02**	**17,311.10**	**31,377.12**
B. Derivative liabilities:									
Currency swap	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-

*** Borrowings include debt securities,borrowings (other than debt securities)and subordinated liabilities and are net off offsetting respective derivative gain/loss**

(b) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Undrawn backup lines	3,580.94	3,312.00	3,460.00
Line of credit from Ultimate Holding Company	700.00	700.00	700.00

48.9 Capital management

(i) Risk management

The Company's objectives when managing capital are to

(a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'Equity' (as shown in the balance sheet, including non-controlling interests).

The Company's gearing ratios were as follows:

₹ in crore

Particulars	March 31, 2019	March 31, 2018	April 1, 2017
Net debt	44,805.37	35,109.76	28,073.33
Total equity	8,900.43	8,287.18	6,775.51
Net debt to equity ratio	**5.03**	**4.24**	**4.14**

(ii) Loan covenants

There are certain financial and non-financial convenants like security cover, debt-equity ratio, etc. attached to the borrowings availed by the Company. The Company has complied with the covenants throughout the reporting period.

(iii) Dividends

₹ in crore

Particulars	March 31, 2019	March 31, 2018
(a) Equity shares		
Final dividend for the year ended March 31, 2019 of ₹ Nil per fully paid share (Previous year : Nil)	-	-
Interim dividend for the year ended March 31, 2019 of ₹ 1.20 per fully paid share (Previous year : Nil)	191.90	-
(b) Dividends not recognised at the end of the reporting year	-	-

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

48.10 Market risk management :

(a) Foreign currency risk :

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Liability – External Commercial Borrowings	USD 1,55,06,280.04	USD 1,55,06,280.04	USD 2,00,00,000
Assets – Currency Swap Contracts	USD 1,55,06,280.04	USD 1,55,06,280.04	USD 2,00,00,000

(b) Interest rate risk :

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Variable rate borrowings	17,003.97	15,177.39	9,960.01
Fixed rate borrowings	28,797.02	19,757.54	18,072.44
Total borrowings	**45,800.99**	**34,934.93**	**28,032.45**

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swap contracts outstanding:

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018			As at April 1, 2017		
	Weighted average interest rate	Balance	% of total borrowing	Weighted average interest rate	Balance	% of total borrowing	Weighted average interest rate	Balance	% of total borrowing
Variable rate borrowings	8.56%	17,003.97	37.13%	8.43%	15,177.39	43.44%	9.50%	9,960.01	35.53%
Interest rate swap at variable rate	-	-	-	-	-	-	-	-	-
Net exposure to cash flow interest rate risk	**8.56%**	**17,003.97**	**37.13%**	**8.43%**	**15,177.39**	**43.44%**	**9.50%**	**9,960.01**	**35.53%**

(c) Sensitivity :

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

₹ in crore

Particulars	Impact on profit after tax		Impact on other components of equity	
	FY 2018-19	FY 2017-18	March 31, 2019	March 31, 2018
Interest rates – increase by 25 basis points *	(21.19)	(20.35)	(21.19)	(20.35)
Interest rates – decrease by 25 basis points*	21.19	20.35	21.19	20.35

* Impact on P/L upto 1 year, holding all other variables constant

48.11 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Transfer of financial assets

The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Securitisations			
Carrying amount of transferred assets measured at amortised cost (Held as collateral)	-	139.18	-
Carrying amount of associated liabilities	-	109.05	-
Fair value of assets	-	137.02	-
Fair value of associated liabilities	-	109.05	-
Net position at FV	**-**	**27.97**	**-**

49 The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by Reserve Bank of India vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01,2016 as amended (the "RBI Master Directions").

The disclosures as required by the RBI Master Directions has been perpared after giving effect of below mentioned adjustments to the amounts reported in the financial statements:

i. The amount of allowances for expected credit losses on loan assets was added to the loan asset balances and the amount of provisions on standard, non-performing and stressed loan assets was recomputed based on the Company's provisioning policy as approved by the Board of Directors read together with the RBI Master Directions;

ii. The interest income recognised on Stage 3 loan assets which met the definition of "non-performing asset" was reversed and the recognition was restricted to cash collection;

iii. The fair valuation gains recognised on long term debt instruments measured at "Fair Value Through Profit or Loss" were reversed; and

iv. The deferred tax relating to the adjustments listed in items (i) to (iii) above was also adjusted.

The disclosures for the previous year ended March 31, 2018 are on the basis of the financial statement prepared as per Previous GAAP.

49.1 Capital :

₹ in crore

Particulars		As at March 31, 2019	As at March 31, 2018
i)	CRAR (%)	16.98%	17.92%
ii)	CRAR - Tier I Capital (%)	15.22%	15.64%
iii)	CRAR - Tier II Capital (%)	1.76%	2.28%
iv)	Amount of subordinated debt raised during the year as Tier-II capital	-	-
v)	Amount raised during the year by issue of Perpetual Debt Instruments	-	-

49.2 Investments :

₹ in crore

Particulars		As at March 31, 2019	As at March 31, 2018
(1)	**Value of Investments**		
	(i) Gross Value of Investments		
	(a) In India	4,772.83	2,477.61
	(b) Outside India	-	-
	(ii) Provisions for Depreciation		
	(a) In India	103.03	64.68
	(b) Outside India	-	-
	(iii) Net Value of Investments		
	(a) In India	4,669.80	2,412.93
	(b) Outside India	-	-
(2)	**Movement of provisions held towards depreciation on investments**		
	(i) Opening balance	64.68	43.93
	(ii) Add : Provisions made during the year	39.55	35.92
	(iii) Less : Write-off / write-back of excess provisions during the year	1.20	15.18
	(iv) Closing balance	103.03	64.68

49.3 Derivatives :

I) Forward Rate Agreement / Interest Rate Swap (also includes currency interest rate swaps)

₹ in crore

Particulars		2018-19	2017-18
(i)	The notional principal of swap agreements	100.00	100.00
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	7.20	-
(iii)	Collateral required by the NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	7.20	(0.10)

II) Exchange Traded Interest Rate (IR) Derivatives: The Company has not traded in Interest Rate Derivative during the financial year ended March 31,2019 (Previous year: NIL).

III) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

The Company has a Treasury Risk Management Policy approved by the Assets Liability Committee and the Board. This policy provides the framework for managing various risks including interest rate risk and currency risk. The policy provides for use of derivative instruments in managing the risks.

The Company has sourced External Commercial Borrowing in foreign currency. The same has been hedged as required by RBI.

49.4 Securitisation:

I) The information on securitisation of the Company as an originator in respect of outstanding amount of securitised assets is given below:

₹ in crore

Particulars				No. / Amount	
				As at March 31, 2019	As at March 31, 2018
1	No of SPVs sponsored by the NBFC for securitisation transactions			-	2
2	Total amount of securitised assets as per books of the SPVs sponsored			-	506.05
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet				
	a)	Off-balance sheet exposures			
		First loss		-	-
		Others		-	-
	b)	On-balance sheet exposures			
		First loss		-	64.74
		Others		-	-
4	Amount of exposures to securitisation transactions other than MRR				
	a)	Off-balance sheet exposures			
		i)	Exposure to own securitisations		
			First loss	-	-
			Loss	-	-
		ii)	Exposure to third party securitisations		
			First loss	-	-
			Others	-	-
	b)	On-balance sheet exposures			
		i)	Exposure to own securitisations		
			First loss	-	-
			Others	-	-
		ii)	Exposure to third party securitisations		
			First loss	-	-
			Others	-	-

II) Details of securitisation transactions undertaken by applicable NBFCs

₹ in crore

Particulars		2018-19	2017-18
(i)	No. of accounts	-	181,572
(ii)	Aggregate value (net of provisions) of accounts securitised	-	301.29
(iii)	Aggregate consideration	-	301.29
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / (loss) over net book value	-	-

III) Details of non-performing financial assets purchased/sold: During the current and previous year, no non-performing financial assets has been purchased/sold from/to other NBFCs.

IV) Financial asset sold to Securitisation/Reconstruction company for Asset reconstruction:

₹ in crore

Particulars		2018-19	2017-18
1	No. of accounts sold	3	5
2	Aggregate value (net of provisions) of accounts sold to SC/RC (₹ lakh)	120.83	194.70
3	Aggregate consideration (₹ crore)	147.00	183.97
4	Additional consideration realized in respect of accounts transferred in earlier years (₹ lakh)	-	-
5	Aggregate Gain/(Loss) over net book Value (₹ crore)	26.17	(10.73)

49.5 Exposures

(I) Exposure to Real Estate Sector

₹ in crore

Particulars		As at March 31, 2019	As at March 31, 2018
	Direct Exposure		
(i)	**Residential Mortgages -**		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	346.90	145.53
(ii)	**Commercial Real Estate -**	**11,207.96**	**6,291.00**
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits		
(iii)	**Investments in Mortgage Backed Securities (MBS) and other securitised exposures -**		
	a. Residential	-	-
	b. Commercial Real Estate	-	-
	Total Exposure to Real Estate Sector	**11,554.86**	**6,436.53**

Footnote: Undisbursed commitments are considered as NIL on account of conditions precedent to disbursements.

(II) Exposure to Capital Market

₹ in crore

Particulars		As at March 31, 2019	As at March 31, 2018
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	289.57	291.45
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	2,004.91	3,051.33
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds/ convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	183.77	122.11
	Total Exposure to Capital Market	**2,478.25**	**3,464.89**

(III) Details of financing of parent company products: Nil (Previous year : Nil)

(IV) The company has not exceeded the Single Borrower Limit (SBL) or Group Borrower Limit (GBL) as defined in RBI.

(V) Unsecured Advances (net off provision):

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Term loans	14,073.36	10,640.12
Debentures	324.53	235.00
Personal Loans	-	-
Total	**14,397.88**	**10,875.12**

Note : There are no advances outstanding as on 31st March 2019 against which intangible securities has been taken as collateral.

(Previous year : Nil)

49.6 Miscellaneous

(I) Registration obtained from other financial sector regulators : No registration has been obtained from other financial sector regulators.

(II) Penalties imposed by RBI and other regulators : No penalties have been imposed by RBI or other regulators during the year. (Previous Year: NIL)

(III) Ratings assigned by credit rating agencies and migration of ratings during the year

Particular		2018-2019			2017-2018	
		CARE	ICRA	IRA	CARE	ICRA
(i)	Commercial Paper	CARE A1+	ICRA A1+	Not Rated	CARE A1+	ICRA A1+
(ii)	Non-Convertible Debentures	"CARE AAA (Stable)"	"ICRA AAA (Stable)"	"IND AAA (Stable)"	"CARE AAA (Stable)"	"ICRA AA+ (Stable)"
(iii)	Long term Bank facilities	"CARE AAA (Stable)"	Not Rated	Not Rated	"CARE AAA (Stable)"	Not Rated
(iv)	Subordinate Debts	"CARE AAA (Stable)"	"ICRA AAA (Stable)"	"IND AAA (Stable)"	"CARE AAA (Stable)"	"ICRA AA+ (Stable)"
(v)	Perpetual Debt	"CARE AA+ (Stable)"	"ICRA AA+ (Stable)"	Not Rated	"CARE AA+ (Stable)"	"ICRA AA (Stable)"
(vi)	Non-Convertible Debentures (Public Issue)	"CARE AAA (Stable)"	"ICRA AAA (Stable)"	Not Rated	"CARE AAA (Stable)"	"ICRA AA+ (Stable)"
(vii)	Principal Protected Market-Linked Debenture	CARE PP-MLD AAA (Stable)	PP-MLD-ICRA AAA (Stable)	Not Rated	"CARE AAA (Stable)"	"ICRA AA+ (Stable)"

(V) Postponements of revenue recognition: Current year: NIL (Previous year: NIL)

Note: In respect of Non performing assets, the revenue is recognised in terms of requirement of Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01,2016 as amended.

49.7 Provisions and Contingencies :

(I) Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

₹ in crore

Particulars	2018-2019	2017-2018
Provision for depreciation on Investments	38.36	18.24
Provision towards Non Performing Assets	-	531.35
Provision made towards Income tax		
Current Tax	488.47	297.02
Deferred Tax	104.72	(152.41)
Other Provision and Contingencies (with details)		
Provision for standard assets	-	(130.63)
Provision on loan assets	(579.76)	-
Provision of restructured assets	-	(8.67)
Loss on foreclosure of loans (net)	1,181.43	494.15

(II) Drawn down from reserves: No draw down from reserves during the financial year (Previous year: NIL)

49.8 Concentration of Advances, Exposures and NPAs

(I) Concentration of Advances

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Total Advances to twenty largest borrowers	8,758.37	7,301.78
Percentage of advances to twenty largest borrowers to total advances of the Company	18.31%	18.65%

(II) Concentration of Exposures

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Total Exposure to twenty largest borrowers / customers#	10,393.78	7,797.68
Percentage of total exposure to twenty largest borrowers / customers to total exposure of the Company on borrowers / customers #	19.54%	18.81%

Undisbursed commitments are considered as NIL on account of conditions precedent to disbursements.

(III) Concentration of NPA

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Total Exposure to top four NPA accounts	311.99	379.00

(IV) Sector-wise NPAs

	Particulars	Percentage to Total Advances in that Sector	
		As at March 31, 2019	As at March 31, 2018
1	Agriculture & allied activities	4.14%	9.69%
2	MSME	99.21%	7.97%
3	Corporate borrowers	2.97%	4.11%
4	Services	5.71%	4.44%
5	Unsecured personal loans	2.92%	4.74%
6	Auto loans	5.18%	12.34%
7	Other personal loans	3.95%	7.09%

49.9 Movement of NPAs

₹ in crore

Particulars		2018-19	2017-18
(i)	**Net NPAs to Net Advances (%)**	2.13%	2.81%
(ii)	**Movement of NPAs (Gross)**		
	(a) Opening balance	2,376.64	1,905.22
	(b) Additions during the year	1,345.81	2,231.87
	(c) Reductions during the year	2,023.18	1,760.45
	(d) Closing balance	1,699.27	2,376.64
(iii)	**Movement of Net NPAs**		
	(a) Opening balance	1,064.76	1,137.65
	(b) Additions during the year	875.45	1,173.75
	(c) Reductions during the year	937.98	1,246.64
	(d) Closing balance	1,002.23	1,064.76
(iv)	**Movement of provisions for NPAs (excluding provisions on standard assets)**		
	(a) Opening balance	1,311.88	767.57
	(b) Provisions made during the year	470.36	1,058.12
	(c) Write-off / write-back of excess provisions	1,085.20	513.81
	(d) Closing balance	697.04	1,311.88

Note: Loan assets identified as NPA and upgraded to standard assets during the same quarter have been excluded in above disclosure except for NPA identified and sold to Securitisation/Reconstruction company for asset reconstruction.

49.10 Disclosure of customer complaints

Particulars	2018-19	2017-18
(i) No. of complaints pending at the beginning of the year	-	-
(ii) No. of complaints received during the year	1,731	2,105
(iii) No. of complaints redressed during the year	1,705	2,105
(iv) No. of complaints pending at the end of the year	26	-

49.11 Disclosures on the Scheme for Sustainable Structuring of Stressed Assets (S4A), in terms of RBI circular DBR.No.BP.BC.33/21.04.132/2016-17 dated November 10, 2016

₹ in crore

Year	No. of accounts where S4A has been applied	Aggregate amount outstanding	Amount outstanding		Provision Held
			In Part A	In Part B	
	Classified as Standard				
2017-18	1.00	14.55	-	14.55	9.15
2018-19	-	-	-	-	-
	Classified as NPA				
2017-18	-	-	-	-	-
2018-19	1.00	14.55	-	14.55	9.15

49.12 Disclosure on Exposure to Infrastructure Leasing & Financial Services Limited (IL&FS) and its group entities, in terms of RBI circular DBR.BP.BC.No.37/21.04.048/2018-19 dated April 24, 2019

Position as on 31 March 2019

₹ in crore

Loan amount outstanding	Of (1), total amount of exposures which are NPAs as per IRAC norms and not classified as NPA	Provisions required to be made as per IRAC norms	Provisions actually held
(1)	(2)	(3)	(4)
391.25	-	1.57	1.57

footnote: As on March 31, 2019, the Company's exposure as senior secured financial creditor to certain infrastructure special purpose entities of IL&FS Group are in the Stage 1 category and within the "Standard" classification of RBI's Master Directions. Pending resolution of the plan submitted by the IL&FS Board to the National Company Law Appellate Tribunal, recognition of interest of ₹21.83 crores on these loans between 1st October, 2018 and the year end has been deferred.

49.13 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

₹ in crore

March 31, 2019	1 day to 30/31 days (1 month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances (Net)	1,214.16	1,480.62	1,641.32	4,780.44	9,614.80	15,589.71	5,819.59	6,992.12	47,132.76
Investments (Net)	1,990.10	-	40.00	-	1,851.40		-	684.45	4,565.95
Borrowings*	3,958.39	2,835.50	2,009.20	2,798.13	3,821.82	21,853.78	7,812.80	711.37	45,800.99
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities*	-	-	-	107.23	-	-	-	-	107.23

* Including FCNR loan

footnote: The above bucketing has been arrived at based on the extant regulatory guidelines and the policy approved by the Board of Directors at its meeting held on October 24, 2018.

49.14 Details of restructured accounts as on March 31, 2019

₹ in crore

Type of Restructuring			Under CDR Mechanism					Others					Total				
Asset Classification			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1, 2018	No. of borrowers	-	-	1	-	1	2,385	776	38	-	3,199	2,385	776	39	-	3,200
		Amount outstanding Restructured facility only	-	-	14.88	-	14.88	115.45	105.67	32.59	-	253.71	115.45	105.67	47.47	-	268.59
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	15.98	-	15.98	13.97	37.24	25.70	-	76.91	13.97	37.24	41.68	-	92.89
2	Movement in balance for accounts appearing under opening balance	No. of borrowers	-	-	1	-	1	2,385	776	38	-	3,199	2,385	776	39	-	3,200
		Amount outstanding Restructured facility only	-	-	(0.13)	-	(0.13)	(29.11)	(19.87)	(29.97)	-	(78.95)	(29.11)	(19.87)	(30.10)	-	(79.08)
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	(0.10)	-	(0.10)	(0.82)	22.41	(22.21)	-	(0.62)	(0.82)	22.41	(22.31)	-	(0.72)
3	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	109	(106)	(3)	-	-	109	(106)	(3)	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	2.37	(2.30)	(0.07)	-	-	2.37	(2.30)	(0.07)	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	0.12	(0.11)	(0.01)	-	-	0.12	(0.11)	(0.01)	-	-

₹ in crore

Type of Restructuring			Under CDR Mechanism					Others					Total				
Asset Classification			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
5	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	(231)	55	176	-	-	(231)	55	176	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	(25.98)	(55.23)	81.21	-	-	(25.98)	(55.23)	81.21	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	(4.33)	(55.02)	59.35	-	-	(4.33)	(55.02)	59.35	-	-
7	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding Restructured facility only	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Restructured Accounts as on March 31, 2019	No. of borrowers	-	-	1	-	1	1,981	310	179	-	2,470	1,981	310	180	-	2,471
		Amount outstanding Restructured facility only	-	-	14.75	-	14.75	62.73	28.27	83.76	-	174.76	62.73	28.27	98.51	-	189.51
		Amount outstanding other facility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	15.88	-	15.88	8.94	4.52	62.83	-	76.29	8.94	4.52	78.71	-	92.17

49.15 Schedule to the Balance Sheet of a non-deposit taking non-banking financial company (as required in terms of paragraph 18 of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01, 2016 as amended)

Liabilities Side:

1. Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:

₹ in crore

Particulars		As at March 31, 2019		As at March 31, 2018	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a)	Debentures :				
	- Secured	16,007.24	-	10,460.14	-
	- Unsecured	1,124.42	-	1,124.35	-
	(Other than falling within the meaning of Public Deposits)*		-	-	-
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans	11,138.55	-	8,863.71	-
(d)	Inter-Corporate Loans and borrowings	169.36	-	667.13	-
(e)	Commercial Paper (Net off unexpired discounting charges)	7,064.36	-	6,525.82	-
(f)	Public Deposits	-	-	-	-
(g)	Other Loans		-	-	-
	i) Foreign Currency Loan	107.33	-	101.16	-
	ii) Bank Overdraft, Cash credit & Working Capital Demand Loan	8,781.30	-	7,721.47	-
	iii) Corporate Bond Repo and Collateralized Borrowing and Lending Obligation	1,943.32	-	-	-

* Refer footnote 1 below

2 Break-up of 1(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :

₹ in crore

Particulars		As at March 31, 2019		As at March 31, 2018	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a)	In the form of Unsecured debentures	-	-	-	-
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c)	Other public deposits	-	-	-	-

* Refer footnote 1 below

Assets Side:

3. Break-up of Loans and Advances including bills receivables [Other than those included in (4) below]:

₹ in crore

Particulars	Amount Outstanding	
	As at March 31, 2019	As at March 31, 2018
(a) Secured (net of provision)	33,772.69	26,948.12
(b) Unsecured (net of provision)	14,144.56	10,875.12

4. Break-up of Leased Assets and Stock on Hire and hypothecation loans counting towards AFC activities

₹ in crore

Particulars		Amount Outstanding	
		As at March 31, 2019	As at March 31, 2018
(i)	Lease assets including lease rentals under sundry debtors :		
	(a) Financial Lease	-	-
	(b) Operating Lease (net of provision)	0.30	0.09
(ii)	Stock on hire including hire charges under sundry debtors :		
	(a) Assets on Hire	-	-
	(b) Repossessed Assets	-	-
(iii)	Other loans counting towards AFC activities :		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-

5. Break-up of Investments (net off diminution) :

₹ in crore

Particulars		Amount Outstanding	
		As at March 31, 2019	As at March 31, 2018
Current Investments			
1	**Quoted**		
	(i) Shares :		
	(a) Equity	5.61	7.41
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-

₹ in crore

Particulars				Amount Outstanding	
				As at March 31, 2019	As at March 31, 2018
2	Unquoted				
	(i)	Shares :			
		(a)	Equity	-	-
		(b)	Preference	0.68	1.43
	(ii)	Debentures and Bonds		2,206.19	1,442.30
	(iii)	Units of Mutual Funds		40.09	-
	(iv)	Government Securities		81.53	-
	(v)	Others (Pass Through Certificates)		8.41	52.46
Long Term Investments					
1	**Quoted**				
	(i)	Shares :			
		(a)	Equity	-	-
		(b)	Preference	-	-
	(ii)	Debentures and Bonds		-	-
	(iii)	Units of Mutual Funds		-	-
	(iv)	Government Securities		-	-
	(v)	Others (please specify)		-	-
2	**Unquoted**				
	(i)	Shares :			
		(a)	Equity	178.63	178.63
		(b)	Preference	3.87	4.56
	(ii)	Debentures and Bonds		38.00	377.67
	(iii)	Units of Mutual Funds		-	-
	(iv)	Government Securities		1,643.54	-
	(v)	Others :			
		(a)	Security receipts	279.48	226.38
		(b)	Investment in Units/Pass Through Certificates	183.77	122.11

6. Borrower group-wise classification of assets financed as in (3) and (4) above (see footnote 2 below):

₹ in crore

Category		As at March 31, 2019		As at March 31, 2018	
		Secured (net of provision)	Unsecured (net of provision)	Secured (net of provision)	Unsecured (net of provision)
1	Related Parties **				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
2	Other than related parties	33,772.69	14,144.56	26,948.12	10,875.12
	Total	**33,772.69**	**14,144.56**	**26,948.12**	**10,875.12**

** As per Accounting Standard issued by the Institute of Chartered Accountants of India (see footnote 3 below)

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

₹ in crore

Category		As at March 31, 2019		As at March 31, 2018	
		Market value/ Breakup Value/ Fair Value / NAV	Book Value (Net of Provision)	Market value/ Breakup Value/ Fair Value / NAV	Book Value (Net of Provision)
1	Related Parties**				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	176.50	176.50	182.50	182.50
2	Other than related parties	4,596.33	4,493.30	2,295.11	2,230.43
	Total	**4,772.83**	**4,669.80**	**2,477.61**	**2,412.93**

** As per Accounting Standard issued by the Institute of Chartered Accountants of India (see footnote 3 below)

8. Other Information

₹ in crore

Particulars		As at March 31, 2019	As at March 31, 2018
(i)	Gross Non-Performing Assets	1,699.27	2,376.64
	(a) Related parties	-	-
	(b) Other than related parties	1,699.27	2,376.64
(ii)	Net Non-Performing Assets	1,002.23	1,064.76
	(a) Related parties	-	-
	(b) Other than related parties	1,002.23	1,064.76
(iii)	Assets acquired in satisfaction of debt (Gross)	102.62	100.43

Footnotes:

1. As defined in point (xix) of paragraph 3 of chapter-2 of these Directions.
2. Provisioning norms shall be applicable as prescribed in these Directions.
3. All Accounting Standards represents to Companies Act,2013 and Companies Rules and Guidance Notes issued by the Institute of Chartered Accountants of India are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/Net Asset Value in respect of unquoted investments have been disclosed irrespective of whether they are classified as long term or current in (5) above.

50 Previous year Previous GAAP figures have been regrouped/ reclassified to make them comparable with Ind AS presentation.

51 The above financial statements have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at its meeting held on April 28, 2019.

For and on behalf of the board of directors of
L&T Finance Limited

Dinanath Dubhashi
Chairperson
(DIN - 03545900)

Manish Jethwa
Head Accounts
Chief Financial Officer

Gufran Ahmed Siddiqui
Company Secretary

Place : Mumbai
Date : April 28, 2019