

“Our position as a frontrunner in the NBFC sphere presents numerous prospects to drive a positive change”

Sudipta Roy, Managing Director & CEO, L&T Finance Holdings Ltd. cited that for the organization, being future-ready involves enhancing capabilities to meet forthcoming challenges. This entails prioritizing five pillars i.e. to establish a resilient & sustainable retail franchise: customer acquisition, refined credit underwriting, enriched digital experiences, heightened brand visibility, and capacity building

What role do you think organizations like L&T Finance play in empowering India and thus the country's economic growth?

NBFCs, particularly the diversified ones who have built considerable size and scale over the last decade have historically been playing a major role in providing access to credit at attractive rates while also promoting financial inclusion of the masses, especially in the unbanked and underserved section of the country. NBFCs of today are leveraging technology and more particularly data analytics, artificial intelligence, and machine learning models to offer innovative and risk-tested differentiated solutions to its customers in cities and villages alike. At L&T Finance, with our superior strength in the rural geographies of the country, our efforts are concentrated on providing financial solutions aimed at elevating the lifestyle of our customers while driving financial inclusion, facilitating credit expansion, and supporting segments like Micro Finance, Farm, Two-wheeler, Consumer, Home, SME Finance amongst others, thereby spurring consumption and economic growth.



How is L&T Finance ensuring enhanced risk management and resilience against emerging threats amidst a volatile and interconnected global landscape?

At LTFH, innovation and technology are at the core of our operations. We've made significant investments across AI-driven data analytics and digital platforms to enhance our risk management practices, credit underwriting, and customer engagement capabilities. Today LTFH is using trust signals and account aggregator data-based underwriting which offers granular insights into customer behaviour, thereby supporting better credit underwriting. Our AI and ML algorithms automate processes, bolster accuracy, and combat fraud. By utilizing Customer Relationship Management Systems, the Company elevates customer experience, while Robotic Process Automation enhances efficiency and scalability. In addition to digital risk governance processes, we also have a strong physical presence of our in-house risk personnel on the ground for enhanced risk management. These initiatives exemplify our commitment to leveraging cutting-edge technology and help us drive resilience against emerging threats amidst a volatile and interconnected global landscape.

Being future-ready is a big theme what is L&T Finance doing on this front? Any capacity-building initiatives that you would like to share?

Being future-ready means amplifying our capabilities for what lies ahead. We've

outlined five pillars to build a robust and enduring retail franchise which include customer acquisition, refined credit underwriting, enriched digital experiences, heightened brand visibility, and capacity building. Recent appointments of a Chief Marketing Officer and Chief Digital Officer, along with senior-level additions, bolster our leadership team for this purpose. Our strategy aims for consistent, predictable, and sustainable performance. We are focusing on sharpening existing product propositions, introducing contiguous products, and ensuring our operations align with evolving market demands. This proactive approach ensures we adapt swiftly to the future landscape, maintaining our position at the forefront of the industry.

Building heightened brand visibility is one of the core pillars of your strategy, what strides has L&T Finance taken to this effect?

In FY24, LTFH embarked on substantial initiatives to bolster its brand visibility and market presence. Strategic partnerships were forged with prestigious events such as The Times Group's ET Now Global Business Summit, where LTFH served as the NBFC Fintech Partner, and participation in the Global Fintech Festival, cementing its status as a frontrunner in the fintech domain. Brand awareness was further propelled through campaigns on Disney+Hotstar during prominent events like the Cricket World Cup and Asia Cup. Extensive rural outreach, including wall branding exercises nationwide, has helped

us in enhancing our brand visibility and presence, especially in high-traffic areas. LTFH has extensively participated in the branch rebranding exercises across the country, and we believe such initiatives have had a positive and far-reaching effect on both internal and external audiences.

ESG lending is becoming crucial in building a sustainable economy, what role can NBFCs play?

Organizations must incorporate ESG practices in their investment strategies, risk assessment frameworks, and operations. Managing risks associated with ESG factors is imperative in effective risk management practices. At LTFH, we recognize the role of ESG principles, and these serve as a catalyst for transitioning towards a low-carbon economy and emphasizing a holistic approach that aligns business objectives with societal concerns. Our position as a frontrunner in the NBFC sphere presents numerous opportunities to drive a positive change. Recently, we have successfully secured financing agreements totalling USD 250 million with prestigious institutions such as Asian Development Bank and Japan International Cooperation Agency. These funds are earmarked to support initiatives towards empowering women, assisting MSMEs, and facilitating the acquisition of two-wheelers, including electric variants. Our CSR & ESG initiatives like Digital Sakhi, Project Prakruti, Carbon Sequestration, and Water Replenishment have helped us in our endeavours that are designed to foster sustainable development.