

L&T Finance Limited announces Tranche 2 of Public Issue of Secured Redeemable Non-Convertible Debentures (NCDs)

- Secured NCDs of a face value of Rs.1000 each.
- The Tranche 2 issue includes a Base issue Size of Rs. 500 crore (“Base Issue Size”) with an option to retain oversubscription of up to Rs. 500 crore aggregating up to Rs.1,000 crore (“Tranche 2 Issue”).
- The offer is rated as [ICRA] AAA / Stable (pronounced as ICRA triple A with Stable outlook), CARE AAA / Stable (pronounced as CARE triple A with Stable Outlook), IND AAA / Stable (pronounced as IND triple A with Stable outlook).
- The Tranche 2 issue offers effective annualized yield up to 9.05% p.a. on redemption.
- The Tranche 2 Issue opens on April 08, 2019 and Closes on April 18, 2019 **.
- Post allotment, Secured NCDs will be listed on BSE and NSE. NSE shall be the Designated Stock Exchange.

Mumbai, April 02, 2019: L&T Finance Limited (a wholly owned subsidiary of L&T Finance Holdings Limited) is coming out with Tranche 2 of public issue of secured redeemable non-convertible debentures (“Secured NCDs”) of face value of Rs. 1,000 each. This Tranche aggregates to Rs. 500 crore, with an option to retain oversubscription up to Rs. 500 crore, aggregating up to a total of Rs. 1000 crore. The Tranche 2 issue offers various options for subscription and the yield on Redemption of up to 9.05% (per annum). The Tranche 2 issue opens on April 08, 2019 and closes on April 18, 2019, with an option of early closure or extension. In this Tranche, across tenors, the interest rates offered to retail investors are higher than that being offered to institutional investors.

The Secured NCDs proposed to be issued under this Issue have been rated ‘[ICRA] AAA (stable) (pronounced as ICRA triple A with Stable outlook)’, CARE AAA / Stable (pronounced as CARE triple A with Stable outlook) and IND AAA / Stable (pronounced as IND triple A with Stable outlook). The rating of NCDs by ICRA, CARE and India Ratings indicate that instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

The Secured NCDs, bearing a fixed rate of interest, are being offered under seven different options. The terms of each options of NCDs, offered under Tranche 2 Issue are set out below:

Series	I	II	III*	IV	V	VI	VII
Frequency of Interest Payment	Annual	NA	Annual	Monthly	NA	Annual	Monthly
Minimum Application	₹ 10,000 (10 NCDs) across all Series						
Face Value/ Issue Price of NCDs (₹ / NCD)	₹ 1,000						
In Multiples of thereafter (₹)	₹ 1,000/- (1 NCD)						
Tenor	3 years	3 years	5 years	5 years	5 years	8 years	8 years
Coupon (% per annum) for NCD Holders in Category I & II	8.70%	NA	8.80%	8.48%	NA	8.85%	8.52%
Coupon (% per annum) for NCD Holders in Category III & IV	8.90%	NA	9.00%	8.66%	NA	9.05%	8.70%
Effective Yield (% per annum) for NCD Holders in Category I & II	8.69%	8.70%	8.79%	8.81%	8.80%	8.84%	8.86%
Effective Yield (% per annum) for NCD Holders in Category III & IV	8.89%	8.90%	8.99%	9.00%	9.00%	9.04%	9.05%
Mode of Interest Payment	Through various mode available						
Amount (Rs / NCD) on Maturity for NCD Holders in Category I	₹ 1,000	₹ 1,284.66	₹ 1,000	₹ 1,000	₹ 1,525.27	₹ 1,000	₹ 1,000

& II							
Amount (Rs / NCD) on Maturity for NCD Holders in Category III & IV	₹ 1,000	₹ 1,291.77	₹ 1,000	₹ 1,000	₹ 1,539.36	₹ 1,000	₹ 1,000
Put and Call Option	NA	NA	NA	NA	NA	NA	NA

*Our Company would allot the series III NCDs, as specified in the Tranche 2 Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant Series of NCDs.

Net proceeds of the Tranche 2 issue will be utilized for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of the interest and/or repayment /prepayment of principal of borrowings) (up to 75%) and up to 25% for general corporate purpose.

The Secured NCDs offered through the Tranche 2 Prospectus are proposed to be listed on the BSE & NSE. NSE shall be the designated stock exchange for the Tranche 2 Issue.

The Lead Managers to the Issue are Edelweiss Financial Services Ltd., A K Capital Services Ltd., Axis Bank Ltd. and Trust Investment Advisors Pvt. Ltd.

Catalyst Trusteeship Ltd. is the Debenture Trustee and Link Intime India Pvt. Ltd. is the registrar to the issue.

About L&T Finance Ltd.

L&T Finance Limited is one of the leading Systemically Important Non-Deposit taking Non-Banking Financial Company in India in terms of total loans outstanding, as of December 31, 2018. Our Promoter is registered with the RBI as a Non-Banking Finance Company – Core Investment Company (“NBFC-CIC”) conducting business through its wholly-owned subsidiaries. The Company is a part of the larger L&T group which is one of the leading business conglomerates in India, with presence across infrastructure, power, heavy engineering, electrical and automation, hydrocarbons, IT and technology services, financial services, project development, metallurgical and material handling, realty, shipbuilding, construction equipment, machinery and industrial products sectors.

The Company’s operations are spread throughout India and it has 223 branches in 218 cities across 21 states and 3 union territories, as of December 31, 2018. In addition, for its micro loans business, it has 1,181 meeting centres covering 274 districts across 14 states in India, as of December 31, 2018. The company has 19,649 employees as of December 31, 2018. Each of its businesses is led by senior executives who are, generally, also responsible for certain organizational functions at the group level. Together, they have demonstrated the ability to manage and grow the company’s operations.

Disclaimer:

Allotment in the public issue of debt securities will be made on the basis of date of upload of each application into the electronic book of the stock exchanges. However, on the date of oversubscription, the allotments will be made to the applicants on proportionate basis. For further details refer section titled “Issue Related Information” on page 67 of the Tranche 2 Prospectus dated March 28, 2019.

**The Tranche 2 Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that the Tranche 2 Issue may close on such earlier date or extended date as may be decided by the authorised signatory(ies) as authorised by the Board of Directors of our Company pursuant to the resolution dated July 19, 2018 (“Authorised Personnel”). In the event of an early closure or extension of the Tranche 2 Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper with wide circulation on or before such earlier or extended date of Tranche 2 Issue closure. Applications Forms for the Tranche 2 Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by BSE and NSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE and NSE.

For further details please refer Shelf Prospectus dated February 22, 2019 and Tranche 2 Prospectus dated March 28, 2019.

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rating/outlook may undergo change in case of withdrawal of capital or unsecured loans brought in by the partners/ proprietors in addition to the financial performance and other relevant factors.

DISCLAIMER: L&T Finance Limited, subject to market conditions and other considerations is proposing a public issue of secured, redeemable non-convertible debentures ("Secured NCDs") and has filed the Shelf Prospectus dated February 22, 2019 and Tranche 2 Prospectus dated March 28, 2019 with the Registrar of Companies, West Bengal at Kolkata, National Stock Exchange of India Limited, BSE Limited and SEBI. The Shelf Prospectus dated February 22, 2019 and Tranche 2 Prospectus dated March 28, 2019 are available on our website www.lfcs.com, on the website of the stock exchanges www.nseindia.com, www.bseindia.com, on the website of SEBI www.sebi.gov.in and the respective web sites of the lead managers at www.edelweissfin.com, www.akgroup.co.in www.axisbank.com and www.trustgroup.in. Investors proposing to participate in the issue, should invest only on the basis of the information contained in the Shelf Prospectus dated February 22, 2019 and Tranche 2 Prospectus dated March 28, 2019. Investors should note that investment in NCDs involves a high degree of risks and for details relating to the same, please refer to Shelf Prospectus dated February 22, 2019, including the section on "Risk Factors" beginning on Page 18 of the Shelf Prospectus dated February 22, 2019.

For further details contact:

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