

L&T Finance Rural Business Finance grows by 41% in financial year 2022-23

Rural Business Finance book size grows by 41% for financial year 2022-23, contributing to about 6% of total industry business volumes

Mumbai, July 27, 2023: L&T Finance (LTF), one of the leading Non-Banking Financial Companies of the country, announces robust business performance of the Rural Business Finance vertical for the financial year 2022-23 surpassing industry growth with Assets Under Management growth at 41% and disbursement growth at 70%.

Key factors which contributed to this exceptional performance include:

- **Strong customer profile:** Persistent focus on customer value management has allowed LTF to capitalize on the strong customer profile showcased by over 50% repeat business volumes. Further, 40% of the Company's customers are exclusive to LTF only exhibiting the strength of the Company's customer engagement and optimal loan offerings
- **Digitally enabled workflows:** Consistent focus on digital driven processes assisted by in-house tech architecture has resulted in increased customer outreach and business scalability along with improved efficiencies and customer journeys
- **Prudent risk management:** Stringent policy and process norms backed by strong reliance on data analytics have allowed the Company to acquire right set of customers and build/sustain a robust portfolio

The resilience and favourable credit demand shown by the rural sector has allowed LTF in the financial year 2022-23 to focus on expanding and deepening its geo-presence with focus on targeted locations like Orissa, Uttar Pradesh, Rajasthan, and Karnataka. Currently, LTF has over 1,700 active branches across the country through which it promotes rural women entrepreneurship. For the financial year 2023-24, the focus will be on capitalising on the strong geo-presence along with enhancing customer offerings both in terms of new products and current product enhancements.

Speaking on the growth, **Ms. Sonia Krishnankutty, Chief Executive – Rural Business Finance, Customer Services & Operations at L&T Finance** said, "The remarkable performance of Rural Business Finance for the financial year 2022-23 is in line with our 'Lakshya 2026' goal to be a top-class retail finance company built on the foundation of achieving sustained growth and profitability along with robust risk management delivered through focus on cutting edge tech and ESG initiatives. For the financial year 2023-24, Rural Business Finance will aim to sustain its growth momentum through streamlining existing business processes, launch of new products and enhanced customer experience and engagement."

About L&T Finance Holdings (LTFH):

L&T Finance Holdings Limited (LTFH) (<https://www.ltfh.com>), a leading Non-Banking Financial Company (NBFC), offers a range of financial products and services through its subsidiary L&T Finance Ltd. (LTF) under the L&T Finance brand. Headquartered in Mumbai, the company has been rated AAA — the highest credit rating for NBFCs — by four leading rating agencies. It has also received leadership scores and ratings by global and national Environmental, Social and Governance (ESG) rating providers for its sustainability performance. The company has also won many prestigious awards for its flagship CSR project – “Digital Sakhi” which is focused on women empowerment and digital and financial inclusion. Under Right to Win, being in the ‘right businesses’ has helped the company become one of the leading financiers in key retail products. The company is focused on creating a top-class, digitally-enabled retail finance company as part of the Lakshya 2026 plan. The goal is to move the emphasis from product focus to customer focus and establish a robust retail portfolio with quality assets, thus creating a Fintech@Scale while keeping ESG at the core. Fintech@Scale is one of the pillars of the company’s strategic roadmap - Lakshya 2026. The company has over 2.1 crore customer database, and this database is being leveraged to cross-sell, up-sell as well as identify new customers.

