

L&T Finance disburses over Rs. 400 crore of SME Loans in Gujarat in the first year of operations

Ahmedabad, August 2, 2023: L&T Finance (LTF), one of the leading Non-Banking Financial Companies of the country, supporting the growth of small and medium sized enterprises (SMEs), has disbursed SME loans of Rs. 436 crore in the first year since the launch of the SME Finance business in Gujarat on July 1, 2022. These loans represent a significant milestone in the Company's ongoing mission to foster entrepreneurship, drive innovation and contribute to the overall development of the state of Gujarat.

As at the end of first quarter of the current financial year, SME loans worth Rs. 114 crore have been disbursed in Gujarat and the overall SME loans portfolio of LTF in Gujarat stood at Rs. 358 crore. Gujarat contributes to nearly 20 percent of the overall loan book. The key markets in Gujarat contributing to this growth include Ahmedabad, Gandhinagar, Surat, Rajkot, Vadodara, Bharuch, Anand, Vapi, Morbi, Mehsana, Jamnagar and Gandhidham. The average ticket size of SME loans currently stands at Rs. 24 lakh in Gujarat.

Speaking on the occasion, **Mr. Raju Dodti, Chief Executive – Wholesale and SME Finance, L&T Finance** said, "In our economy Small and Medium Enterprises (SMEs) have emerged as a highly dynamic, vibrant, and growth-oriented sector. Gujarat is an important market for L&T Finance as it has highest number of registered SMEs of around 13 lakhs. Keeping our Lakshya 2026 goals in mind to become a 'Fintech@Scale, we offer our SME loans digitally to our customers. The entire end to end journey of availing the loan is digital from applying for the loan by a customer to actual disbursement of the loan by L&T Finance. Currently, L&T Finance is offering SME loans across 12 locations in Gujarat."

At the end of the first quarter ended June 30, 2023, the Company has disbursed SME loans worth Rs. 607 crore recording 8x growth year-on-year. During the same period the SME loans portfolio stood at Rs. 1759 crore, up 13x year-on-year.

SME loans are primarily targeted at self-employed professionals like doctors, chartered accountants etc. and self-employed non-professionals like those engaged in businesses across industries in manufacturing, trading and services. The loans can be availed without any collateral and with minimal documentation through a seamless process.

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. Our focus on doing 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.

