

L&T Finance Ltd. (LTF) records Profit After Tax (PAT) at Rs. 696 Crore (Consolidated), up 17% Year-on-Year (YoY)

Robust retail franchise with a retail portfolio of Rs. 88,975 Crore, reflecting a 28% growth YoY

Consolidated loan book grew by 18% YoY, reaching its highest since the first quarter of the fiscal ended March 31, 2020

Retail disbursements for the second quarter ended September 30, 2024 stood at Rs. 15,092 Crore, reflecting a 12% YoY increase

October 18, 2024, Mumbai: L&T Finance Ltd. (LTF), one of the leading Non-Banking Financial Companies (NBFCs) in India has recorded a PAT of Rs. 696 Crore (Consolidated), up 17% YoY for the second quarter ended September 30, 2024. The retail book stood at Rs. 88,975 Crore, reflecting a YoY growth of 28%.

The consolidated loan book grew by 18% YoY, reaching its highest since the first quarter of the fiscal ended March 31, 2020. The Company has recorded quarterly retail disbursements of Rs. 15,092 Crore for the second quarter ended September 30, 2024, up 12% YoY.

Furthermore, the Company's customer-facing PLANET app, has emerged as a powerful digital channel for customers and has crossed more than 1.25 Crore downloads as on date, comprising more than 13.5 lakh downloads from the rural areas. As of date, this channel has done collections of over Rs. 2,400 Crore and has done sourcing of over Rs. 8,600 Crore (including web).

Commenting on the financial results, **Mr. Sudipta Roy, Managing Director & CEO, LTF** said, "Our Company has been able to demonstrate sustainable growth and profits through proactive portfolio management and persistent collection strategies. The second quarter of the current financial year has been challenging on account of multiple sectoral headwinds and a volatile macro environment.

Looking ahead, we expect that the sectoral challenges may persist for the next two quarters and apropos to the same, we may dynamically recalibrate our business objectives in the coming quarters, prioritizing positive credit outcome over assets under management growth.

Our next gen credit underwriting engine, 'Project Cyclops', which was operationalized in the quarter ended September 30, 2024 in our two-wheeler finance product is expected to be leveraged for our other major products through the course of second half of the current fiscal. We expect this to be a strategic differentiator in the financial services ecosystem. Digitally-enabled acquisition engines would be scaled up through big-tech partnerships to ensure low-cost acquisition while maintaining superior credit quality.

We remain optimistic about our go-forward strategy and despite ongoing sectoral challenges, we remain focused on our overall transformation agenda and granular execution towards the same continues unabated."

Healthy retail disbursements and book for the second quarter ended September 30, 2024:

- **Rural Business Finance:**

- Despite sectoral headwinds with risk calibrated approach, disbursements stood at Rs. 5,435 Crore vs. Rs. 5,741 Crore, down by 5% YoY
- Book size at Rs. 26,539 Crore vs. Rs. 21,672 Crore, up 22% YoY
- Maintained best-in-class collection efficiency of 99.45% for the quarter on the back of concerted collection efforts along with efficient sourcing and portfolio monitoring guardrails

- **Farmer Finance:**
 - Disbursements at Rs. 1,782 Crore vs. Rs. 1,534 Crore, up 16% YoY
 - Book size at Rs. 14,488 Crore vs. Rs. 13,351 Crore, up 9% YoY
 - Growth was aided by good monsoon, Kharif crop, and steady reservoir levels
- **Two-wheeler Finance:**
 - Disbursements at Rs. 2,393 Crore vs. Rs. 1,817 Crore, up 32% YoY
 - Book size at Rs. 12,669 Crore vs. Rs. 9,518 Crore, up 33% YoY
 - Growth was sustained with emphasis on prime customer disbursements, which has increased to 60%
- **Personal Loans:**
 - Disbursements at Rs. 1,361 Crore vs. Rs. 1,308 Crore, up 4% YoY
 - Book size at to Rs. 7,178 Crore vs. Rs. 6,481 Crore, up 11% YoY
- **Housing Loans and Loans Against Property:**
 - Disbursements at Rs. 2,531 Crore vs. Rs. 1,734 Crore, up 46% YoY
 - Book size at Rs. 21,731 Crore vs. Rs. 15,254 Crore, up 42% YoY
 - Growth was due to collaborative tie-up with prime developers across top locations
- **SME Finance:**
 - Disbursements at Rs. 1,244 Crore vs. Rs. 872 Crore, up 43% YoY
 - Book size at Rs. 5,190 Crore vs. Rs. 2,413 Crore, up 115% YoY
 - Focus on building additional channels for diversifying existing sourcing funnel helped the growth

About L&T Finance Ltd (LTF):

L&T Finance Ltd. (LTF) (<https://www.ltf.com>), formerly known as L&T Finance Holdings Ltd., (LTFH) is a leading Non-Banking Financial Company (NBFC), offering a range of financial products and services. 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 been certified as a Great Place To Work® and has also won many prestigious awards for its flagship CSR project – “Digital Sakhi”- which focuses on women’s 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 2.5 Crore customer database, which is being leveraged to cross-sell, up-sell, and identify new customers.

