October 22, 2020

**National Stock Exchange of India Limited**
Exchange Plaza,
Plot No. C/1, G Block,
Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051.

**Symbol: L&TFH**

**BSE Limited**
Corporate Relations Department,
1st Floor, New Trading Ring,
P. J. Towers, Dalal Street,
Mumbai - 400 001.

**Security Code No.: 533519**

**Kind Attn: Head – Listing Department / Dept of Corporate Communications**

**Sub: Unaudited Financial Results (Consolidated and Standalone) for the quarter and six months ended September 30, 2020**

Dear Sir / Madam,

Pursuant to Regulation 33, Regulation 52 and Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other regulation, if applicable, we hereby inform the Exchange that the Board of Directors ("Board") of the Company at its meeting held on October 22, 2020 has, inter alia, approved the Unaudited Financial Results (Consolidated and Standalone) of the Company for the quarter and six months ended September 30, 2020.

Further, in accordance with Regulation 33(3)(b) of the Listing Regulations, the Company has submitted, in addition to Standalone Financial Results, Consolidated Financial Results of the Company to the Exchanges. Accordingly, please find enclosed Unaudited Financial Results (Consolidated and Standalone) for the quarter and six months ended September 30, 2020 along with the Limited Review Report of Statutory Auditors and the press release in this connection. Also, in accordance with Regulation 47(1)(b) of the Listing Regulations, the Company would be publishing the Condensed Unaudited Consolidated Financial Results for the quarter and six months ended September 30, 2020 in the newspapers.

The Board Meeting commenced at 2:30 p.m. and concluded at 5:52 p.m.

We request you to take the aforesaid on records.

Thanking you,

Yours faithfully,

For **L&T Finance Holdings Limited**

**Apurva Rathod**
**Company Secretary and Compliance Officer**

Encl: As above

**L&T Finance Holdings Limited**
**Registered Office**
Brindavan, Plot No. 177, C.S.T Road
Kalina, Santacruz (East)
Mumbai 400 098, Maharashtra, India
CIN: L67120MH2008PLC181833

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**DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
One International Center, Tower 3
27th – 32nd Floor, Senapati Bapat Marg
Elphinstone Road (West)
Mumbai 400013.

**B. K. KHARE & CO.**
Chartered Accountants
706/708, Sharda Chambers
New Marine Lines
Mumbai 400004.

## INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

## TO THE BOARD OF DIRECTORS OF L&T FINANCE HOLDINGS LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **L&T FINANCE HOLDINGS LIMITED** (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), for the quarter and six months ended September 30, 2020 (the "Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

| Sr. No. | Name of the Company | Nature of relationship |
|---|---|---|
| 1 | L&T Finance Holdings Limited | Holding |
| 2 | L&T Finance Limited | Subsidiary |
| 3 | L&T Infrastructure Finance Company Limited | Subsidiary |
| 4 | L&T Housing Finance Limited | Subsidiary |
| 5 | L&T Infra Debt Fund Limited | Subsidiary |
| 6 | L&T Infra Investment Partners Advisory Private Limited | Subsidiary |
| 7 | L&T Infra Investment Partners Trustee Private Limited | Subsidiary |
| 8 | L&T Investment Management Limited | Subsidiary |
| 9 | L&T Mutual Fund Trustee Limited | Subsidiary |
| 10 | L&T Capital Markets Limited (divestment of entire stake from April 24, 2020) | Subsidiary |
| 11 | L&T Financial Consultants Limited | Subsidiary |
| 12 | Mudit Cement Private Limited | Subsidiary |
| 13 | L&T Infra Investment Partners Fund | Subsidiary |
| 14 | L&T Capital Markets (Middle East) Limited | Subsidiary |

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

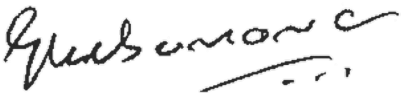
6. We draw attention to Note 9 to the consolidated financial results in which the Group describes the uncertainties arising from the COVID 19 pandemic.

   Our conclusion on the Statement is not modified in respect of this matter.

7. We did not review the interim financial information/financial results of six subsidiaries included in the Statement, whose interim financial information/financial results reflect total assets of ₹1,294.50 crore as at September 30, 2020, total revenues of ₹117.44 crore and ₹216.36 crore for the quarter and six months ended September 30, 2020 respectively, total net profit after tax of ₹56.33 crore and ₹101.39 crore for the quarter and six months ended September 30, 2020 respectively, total comprehensive income of ₹56.78 crore and ₹102.37 crore for the quarter and six months ended September 30, 2020 respectively and net cash flows of ₹80.10 crore for the six months ended September 30, 2020, as considered in the Statement. These interim financial information/ financial results have been reviewed by the other auditors whose reports have been furnished to us by the Management, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

   Our conclusion on the Statement is not modified in respect of this matter.

**For DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



G.K. Subramaniam
(Partner)
(Membership No. 109839)
(UDIN: 20109839AAAAVV1352)

Mumbai, October 22, 2020

**For B. K. KHARE & CO.**
Chartered Accountants
(Firm's Registration No. 105102W)

Shirish Rahalkar
(Partner)
(Membership No. 111212)
(UDIN:20111212AAAAOC4646)

Mumbai, October 22, 2020

**L&T FINANCE HOLDINGS LIMITED**

**CIN. L67120MH2008PLC181833**

**Regd. Office : Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India**

**Website: www.ltfs.com Email: igrc@ltfs.com Phone: +91 22 6212 5000 Fax: +91 22 6212 5553**

(₹ in Crore)

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020**

| Sr. No. | Particulars | Quarter ended | | | Six months ended | | Year ended |
|---|---|---|---|---|---|---|---|
| | | September 30, 2020 | June 30, 2020 | September 30, 2019 | September 30, 2020 | September 30, 2019 | March 31, 2020 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| | **Revenue from operations** | | | | | | |
| (i) | Interest income | 3,281.56 | 3,295.24 | 3,294.38 | 6,576.80 | 6,607.15 | 13,244.74 |
| (ii) | Dividend income | 0.01 | 0.01 | 0.05 | 0.02 | 0.08 | 0.12 |
| (iii) | Rental income | 1.17 | 1.51 | 2.51 | 2.68 | 6.28 | 9.03 |
| (iv) | Fees and commission income | 121.55 | 81.23 | 210.36 | 202.78 | 435.39 | 812.39 |
| (v) | Net gain on fair value changes | 2.61 | 9.07 | 89.52 | 11.68 | 142.46 | 109.22 |
| (vi) | Net gain on derecognition of financial instruments under amortised cost category | 1.20 | - | 14.49 | 1.20 | 14.49 | - |
| **(I)** | **Total revenue from operations** | **3,408.10** | **3,387.06** | **3,611.31** | **6,795.16** | **7,205.85** | **14,175.50** |
| **(II)** | Other income | 100.81 | 10.47 | 100.54 | 111.28 | 195.50 | 372.63 |
| **(III)** | **Total income (I+II)** | **3,508.91** | **3,397.53** | **3,711.85** | **6,906.44** | **7,401.35** | **14,548.13** |
| | **Expenses** | | | | | | |
| (i) | Finance costs | 1,888.78 | 1,978.20 | 1,897.95 | 3,866.98 | 3,820.89 | 7,513.60 |
| (ii) | Fees and commission expenses | - | - | - | - | 3.22 | 17.51 |
| (iii) | Net loss on fair value changes | 164.39 | 138.81 | 67.81 | 303.20 | 67.81 | 107.53 |
| (iv) | Net loss on derecognition of financial instruments under amortised cost category | 63.89 | 45.87 | 30.19 | 109.76 | 80.10 | 274.22 |
| (v) | Impairment on financial instruments | 604.52 | 943.52 | 480.56 | 1,548.04 | 1,011.08 | 1,994.19 |
| (vi) | Employee benefits expense | 236.20 | 241.59 | 263.53 | 477.79 | 509.30 | 1,062.32 |
| (vii) | Depreciation, amortisation and impairment | 25.16 | 18.59 | 15.89 | 43.75 | 31.66 | 81.59 |
| (viii) | Other expenses | 196.94 | 157.30 | 199.63 | 354.24 | 378.37 | 817.09 |
| **(IV)** | **Total expenses** | **3,179.88** | **3,523.88** | **2,955.56** | **6,703.76** | **5,902.43** | **11,868.05** |
| **(V)** | **Profit/(loss) before exceptional items and tax (III-IV)** | **329.03** | **(126.35)** | **756.29** | **202.68** | **1,498.92** | **2,680.08** |
| **(VI)** | Exceptional items (refer note 6) | - | 225.61 | - | 225.61 | - | - |
| **(VII)** | **Profit before tax (V+VI)** | **329.03** | **99.26** | **756.29** | **428.29** | **1,498.92** | **2,680.08** |
| **(VIII)** | Tax expense: | | | | | | |
| | (1) Current tax (refer note 11) | 242.81 | 250.18 | 240.59 | 492.99 | 377.70 | 632.50 |
| | (2) Deferred tax | (161.50) | (298.36) | (132.19) | (459.86) | (76.09) | (126.06) |
| **(IX)** | **Profit before impact of change in the rate on opening deferred tax (VII-VIII)** | **247.72** | **147.44** | **647.89** | **395.16** | **1,197.31** | **2,173.64** |
| **(X)** | Impact of change in the rate on opening deferred tax | - | - | 473.38 | - | 473.38 | 473.38 |
| **(XI)** | **Profit after tax (IX-X)** | **247.72** | **147.44** | **174.51** | **395.16** | **723.93** | **1,700.26** |
| **(XII)** | Add: Share in profit of associate company | - | - | - | - | - | - |
| **(XIII)** | **Profit after tax and share in profit of associate company (XI+XII)** | **247.72** | **147.44** | **174.51** | **395.16** | **723.93** | **1,700.26** |
| | **Profit for the period/ year attributable to:** | | | | | | |
| | Owners of the company | 265.12 | 148.31 | 174.20 | 413.43 | 722.99 | 1,700.17 |
| | Non-controlling interest | (17.40) | (0.87) | 0.31 | (18.27) | 0.94 | 0.09 |
| **(XIV)** | **Other comprehensive income** | (6.87) | 24.42 | (14.34) | 17.55 | (44.03) | (159.36) |
| | **A (i) Items that will not be reclassified to profit or loss** | | | | | | |
| | (a) Remeasurements of the defined benefit plans (net of tax) | 2.96 | 0.82 | (1.70) | 3.78 | (2.02) | (4.59) |
| | (b) Equity instruments through other comprehensive income | 33.14 | 21.91 | - | 55.05 | - | (56.16) |
| | **B (i) Items that may be reclassified to profit or loss** | | | | | | |
| | (a) Debt instruments through other comprehensive income (net of tax) | (18.50) | 13.22 | 12.93 | (5.28) | (7.10) | 0.16 |
| | (b) The effective portion of gains and loss on hedging instruments in a cash flow hedge | (24.26) | (11.50) | (25.71) | (35.76) | (35.00) | (99.54) |
| | (c) Exchange differences in translating the financial statements of foreign operations (net) | (0.21) | (0.03) | 0.14 | (0.24) | 0.09 | 0.77 |
| | **Other comprehensive income for the period/ year attributable to:** | | | | | | |
| | Owners of the company | (6.87) | 24.42 | (14.34) | 17.55 | (44.03) | (159.36) |
| | Non-controlling interest | - | - | - | - | - | - |
| **(XV)** | **Total comprehensive income (XIII+XIV)** | **240.85** | **171.86** | **160.17** | **412.71** | **679.90** | **1,540.90** |
| | **Total comprehensive income for the period/ year attributable to:** | | | | | | |
| | Owners of the company | 258.25 | 172.73 | 159.86 | 430.98 | 678.96 | 1,540.81 |
| | Non-controlling interest | (17.40) | (0.87) | 0.31 | (18.27) | 0.94 | 0.09 |
| **(XVI)** | Paid-up equity share capital (face value of ₹ 10 each) (refer note 12) | 2,006.53 | 2,004.85 | 2,000.48 | 2,006.53 | 2,000.48 | 2,004.83 |
| **(XVII)** | Other equity | | | | | | 12,687.59 |
| **(XVIII)** | **Earnings per share (*not annualised):** | | | | | | |
| | (a) Basic (₹) | * 1.32 | * 0.74 | * 0.87 | * 2.06 | * 3.62 | 8.50 |
| | (b) Diluted (₹) | * 1.32 | * 0.74 | * 0.87 | * 2.06 | * 3.60 | 8.46 |

**Notes:**

1 **Consolidated statement of assets and liabilities as at September 30, 2020**

(₹ in Crore)

| | Particulars | As at September 30, 2020 | As at March 31, 2020 |
|---|---|---|---|
| | | (Unaudited) | (Audited) |
| | **ASSETS:** | | |
| **(1)** | **Financial assets** | | |
| (a) | Cash and cash equivalents | 3,894.20 | 5,598.69 |
| (b) | Bank balance other than (a) above | 1,995.09 | 2,205.71 |
| (c) | Derivative financial instruments | 23.61 | 155.06 |
| (d) | Receivables | | |
| | (i) Trade receivables | 27.69 | 64.74 |
| | (ii) Other receivables | 44.72 | 19.31 |
| (e) | Loans | 90,458.07 | 91,462.50 |
| (f) | Investments | 6,453.16 | 5,979.27 |
| (g) | Other financial assets | 1,956.49 | 91.97 |
| **(2)** | **Non-financial assets** | | |
| (a) | Current tax assets (net) | 813.04 | 901.24 |
| (b) | Deferred tax Assets (net) | 1,924.29 | 1,452.97 |
| (c) | Investment property | 308.75 | 311.01 |
| (d) | Property, plant and equipment | 38.52 | 47.91 |
| (e) | Intangible assets under development | 60.09 | 62.04 |
| (f) | Goodwill | 636.71 | 636.71 |
| (g) | Other intangible assets | 89.90 | 70.44 |
| (h) | Right of use asset | 34.49 | 34.00 |
| (i) | Other non-financial assets | 672.37 | 340.95 |
| **(3)** | **Group of asset classified as held for sale** | - | 94.50 |
| | **TOTAL - ASSETS** | **1,09,431.19** | **1,09,529.02** |

(₹ in Crore)

| | Particulars | As at September 30, 2020 (Unaudited) | As at March 31, 2020 (Audited) |
|---|---|---|---|
| | **LIABILITIES** | | |
| (1) | **Financial liabilities** | | |
| (a) | Derivative financial instruments | 4.76 | - |
| (b) | Trade payables | | |
| | (i) Total outstanding dues of micro enterprises and small enterprises | - | - |
| | (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 37.67 | 64.84 |
| (c) | Other payables | | |
| | (i) Total outstanding dues of micro enterprises and small enterprises | - | - |
| | (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 8.31 | 0.80 |
| (d) | Debt securities | 48,151.96 | 43,992.31 |
| (e) | Borrowings (other than debt securities) | 39,709.51 | 44,523.00 |
| (f) | Subordinated liabilities | 5,064.44 | 5,379.18 |
| (g) | Lease liability | 40.32 | 39.58 |
| (h) | Other financial liabilities | 577.39 | 444.07 |
| (2) | **Non financial liabilities** | | |
| (a) | Current tax liabilities (net) | 402.66 | 107.89 |
| (b) | Provisions | 49.22 | 41.27 |
| (c) | Deferred tax liabilities (net) | 0.62 | 0.46 |
| (d) | Other non-financial liabilities | 30.14 | 13.03 |
| (3) | **Group of liabilities classified as held for sale** | - | 9.96 |
| (4) | **EQUITY** | | |
| (a) | Equity share capital | 2,006.53 | 2,004.83 |
| (b) | Other equity | 13,148.44 | 12,687.59 |
| (5) | **Non-controlling interest** | 199.22 | 220.21 |
| | **TOTAL - LIABILITIES AND EQUITY** | **1,09,431.19** | **1,09,529.02** |

2 **Statement of consolidated cash flows for the six months ended September 30, 2020**

(₹ in Crore)

| Particulars | Six months ended September 30, 2020 (Unaudited) | Six months ended September 30, 2019 (Unaudited) |
|---|---|---|
| **A. Cash flow from operating activities** | | |
| **Profit before tax** | 428.29 | 1,498.92 |
| **Adjustment for:** | | |
| Depreciation, amortisation and impairment | 43.75 | 31.66 |
| Loss on sale of property, plant and equipment (net) | 0.42 | 0.77 |
| Net fair value loss on loan asset | 178.04 | 63.12 |
| Net fair value loss/ (gain) on financial instruments | 113.48 | (130.27) |
| Net loss on derecognition of financial instruments under amortised cost category | 108.56 | 80.10 |
| Impairment on financial instruments | 1,548.04 | 1,003.58 |
| Gain from sale of investment in subsidiary | (225.61) | - |
| Share based payment to employees | 28.77 | 51.37 |
| **Operating profit before working capital changes** | 2,223.74 | 2,599.25 |
| **Changes in working capital** | | |
| Decrease in financial and non-financial assets | 145.01 | 126.82 |
| Increase in financial and non-financial liabilities | 548.28 | 149.62 |
| **Cash generated from operations** | | |
| Direct taxes paid | (110.02) | (314.14) |
| Loans disbursed (net of repayments) | (1,163.08) | (2,945.78) |
| **Net cash flow generated from/(used) in operating activities (A)** | **1,643.93** | **(384.23)** |
| **B. Cash flows from investing activities** | | |
| **Add: Inflow from investing activities** | | |
| Proceeds from sale of property, plant and equipment | 3.84 | 9.13 |
| Investment in other bank balances | 208.14 | - |
| Proceed from sale of investments | 954.31 | 4,272.60 |
| **Less: Outflow from investing activities** | | |
| Purchase of property, plant and equipment | (35.90) | (30.89) |
| Investment in other bank balances | - | (541.77) |
| Purchase of investments | (3,183.00) | (380.20) |
| **Net cash flow (used in)/generated from investing activities (B)** | **(2,052.61)** | **3,328.87** |
| **C. Cash flows from financing activities** | | |
| **Add: Inflow from financing activities** | | |
| Proceeds from issue of share capital including security premium on account of employee stock options | 2.81 | 11.27 |
| Proceeds from issue of preference share capital | - | 609.10 |
| Proceeds from borrowings | 12,058.72 | 19,659.46 |
| **Less: Outflow from financing activities** | | |
| Payment to non-controlling interests | (2.72) | (2.15) |
| Share issue expenses | - | (0.01) |
| Dividend paid (including dividend distribution tax) | - | (202.20) |
| Repayment of borrowing | (12,754.64) | (21,877.48) |
| Redemption of preference shares | (600.00) | (184.40) |
| **Net cash used in financing activities (C)** | **(1,295.83)** | **(1,986.41)** |
| **Net (decrease)/increase in cash and cash equivalents (A+B+C)** | **(1,704.51)** | **958.23** |
| Cash and cash equivalents as at beginning of the period | 5,598.69 | 1,826.65 |
| Exchange difference on translation of foreign currency cash and cash equivalents | 0.02 | (0.05) |
| **Cash and cash equivalents as at end of the period** | **3,894.20** | **2,784.83** |

3 These consolidated financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

4 These consolidated financials results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 22, 2020. The Joint Statutory Auditors of the Company have carried out a limited review of the aforesaid results.

5 The Company reports quarterly financial results of the group on a consolidated basis, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with circular dated July 5, 2016. The standalone financial results are available on the website of the Company at www.ltfs.com, the website of BSE Limited ("BSE") at www.bseindia.com and on the website of National Stock Exchange of India Limited ("NSE") at www.nseindia.com. The specified items of the standalone financial results of the Company for the quarter and six months ended September 30, 2020 are given below.

(₹ in Crore)

| Particulars | Quarter ended | | | Six months ended | | Year ended |
|---|---|---|---|---|---|---|
| | September 30, 2020 | June 30, 2020 | September 30, 2019 | September 30, 2020 | September 30, 2019 | March 31, 2020 |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| Total income from operations | 20.61 | 24.68 | 41.51 | 45.29 | 66.69 | 522.38 |
| Profit/(loss) before tax | (34.59) | 174.30 | (13.34) | 139.71 | (38.69) | 283.74 |
| Profit/(loss) after tax | (41.10) | 125.91 | (17.62) | 84.81 | (47.57) | 266.81 |
| Total comprehensive income | (40.98) | 125.92 | (17.67) | 84.94 | (47.65) | 266.70 |

6 Exceptional item during the six months ended September 30, 2020 represents net gain of ₹ 225.61 crore on the divestment of entire stake in the subsidiary company, L&T Capital Markets Limited. The transaction was concluded on April 24, 2020.

7 During the six months ended September 30, 2020, 8.15% Cumulative Compulsorily Redeemable Preference Shares (CRPS) amounting to ₹ 600.00 crore have been redeemed. The Company has paid dividend of ₹ 5.03 crore on redeemed Preference Shares.

8 Moratorium in accordance with the Reserve Bank of India (RBI) guidelines:
The outbreak of Covid-19 pandemic across the globe & India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Pursuant to the guidelines issued by RBI dated, March 27, 2020, April 17, 2020 and May 23, 2020 relating to COVID-19 Regulatory Package, the Company has granted moratorium on the payment of instalments falling due between March 1, 2020 and August 31, 2020 to the eligible borrowers. For the purpose of asset classification on all such accounts, the number of days past due as on September 30, 2020 excludes the moratorium period to the respective borrower, as per the Group's policy.

9 Estimation of uncertainty relating to COVID-19 global health pandemic:
In assessing the recoverability of loans, receivables, intangible assets (including Goodwill) and investments, the L&T Financial Services Group has considered internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of approval of these consolidated financial results. The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The Group has developed estimates and applied management overlays for the purpose of determination of the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic condition and external developments including the final decision of the Honourable Supreme Court of India in relation to moratorium and other related matters, the eventual outcome of impact of the aforesaid factors may be different from those estimated as on the date of approval of these consolidated financial results and the Group will continue to monitor any material changes to the future economic conditions, which will be given effect to in the respective future period.

The Honourable Supreme Court of India (Hon'ble SC), in a public interest litigation (Gajendra Sharma vs. Union of India & Anr), vide an interim order dated September 3, 2020 ('interim order), directed that borrowers who were not declared Non Performing Assets (NPA) till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the lending entities of the Group have not classified any borrowers as NPA from August 31, 2020 as per RBI Prudential norms. However, provision for such borrowers have been made appropriately considering them as Stage 3 assets in accordance with Company's Expected Credit Loss Policy.

10 The Code on Social Security, 2020 (the "Code") has been enacted. The date of coming into force of the various provisions of the Code is to be notified and the rules thereunder are yet to be announced. The potential impact of the change will be estimated and accounted in the period of notification.

11 During the quarter ended September 30, 2020, the Central Board of Direct Taxes ("CBDT") notified L&T Infra Debt Fund Limited as an Infrastructure Debt Fund under section 10(47) of the Income Tax Act, 1961 for the assessment year 2018-19 and subsequent assessment years. This notification entitles the Company to exemption of its income from income tax on and from the assessment year 2018-19. The Company has also applied to the CBDT to give effect to the notification under section 10(47) retrospectively from the financial year 2013-14 (i.e. the year in which it received RBI registration as NBFC-IDF) on the basis that it had complied with the applicable guidelines during that period as well. Pending approval, a provision of ₹ 23.32 crore has been held for earlier assessment years. The contingent liability in respect of the earlier years is ₹ 35.65 crore.

12 The Company, during the quarter and six months ended September 30, 2020 has allotted 1,680,992 and 1,698,992 equity shares respectively of ₹10 each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).

13 Consolidated segment wise revenue, result, total assets and total liabilities in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

(₹ in Crore)

| Sr. No. | Particulars | Quarter ended | | | Six months ended | | Year ended |
|---|---|---|---|---|---|---|---|
| | | September 30, 2020 | June 30, 2020 | September 30, 2019 | September 30, 2020 | September 30, 2019 | March 31, 2020 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| | **Gross segment revenue from continuing operations** | | | | | | |
| (a) | Rural finance | 1,320.78 | 1,337.58 | 1,272.22 | 2,658.36 | 2,512.10 | 5,308.80 |
| (b) | Housing finance | 866.36 | 858.37 | 848.70 | 1,724.73 | 1,728.42 | 3,366.42 |
| (c) | Infrastructure finance | 1,009.82 | 997.20 | 1,175.60 | 2,007.02 | 2,288.34 | 4,385.01 |
| (d) | Defocused business | 108.80 | 119.45 | 186.49 | 228.25 | 436.28 | 665.70 |
| (e) | Others | 142.47 | 120.65 | 176.74 | 263.12 | 326.73 | 1,027.24 |
| | **Segment revenue from continuing operations** | **3,448.23** | **3,433.25** | **3,659.75** | **6,881.48** | **7,291.87** | **14,753.17** |
| | Less: Inter segment revenue | (40.13) | (46.19) | (48.44) | (86.32) | (86.02) | (577.67) |
| | **Revenue as per the statement of profit and loss** | **3,408.10** | **3,387.06** | **3,611.31** | **6,795.16** | **7,205.85** | **14,175.50** |
| | | - | | - | | | |
| | **Segment result (Profit/(loss) before tax)** | | | | | | |
| (a) | Rural finance | 51.33 | 123.19 | 344.68 | 174.52 | 689.00 | 1,225.87 |
| (b) | Housing finance | 132.80 | 12.85 | 257.23 | 145.65 | 537.45 | 871.13 |
| (c) | Infrastructure finance | 93.95 | 22.68 | 201.63 | 116.63 | 533.06 | 919.45 |
| (d) | Defocused business | 19.54 | (304.10) | (95.75) | (284.56) | (354.18) | (554.87) |
| (e) | Others | 31.41 | 244.64 | 48.50 | 276.05 | 93.59 | 218.50 |
| | **Profit before tax** | **329.03** | **99.26** | **756.29** | **428.29** | **1,498.92** | **2,680.08** |
| | | | | | | | |
| | **Segment assets** | | | | | | |
| (a) | Rural finance | 28,741.17 | 28,442.49 | 27,041.06 | 28,741.17 | 27,041.06 | 28,491.28 |
| (b) | Housing finance | 30,642.50 | 30,693.14 | 28,580.65 | 30,642.50 | 28,580.65 | 30,410.87 |
| (c) | Infrastructure finance | 41,465.60 | 42,617.05 | 39,300.41 | 41,465.60 | 39,300.41 | 41,705.39 |
| (d) | Defocused business | 4,278.10 | 4,946.19 | 7,066.24 | 4,278.10 | 7,066.24 | 5,230.76 |
| (e) | Others * | 12,694.77 | 12,484.26 | 11,927.54 | 12,694.77 | 11,927.54 | 12,878.62 |
| | **Sub total** | **1,17,822.14** | **1,19,183.13** | **1,13,915.90** | **1,17,822.14** | **1,13,915.90** | **1,18,716.92** |
| | Less: Inter segment assets | (11,128.28) | (11,703.70) | (10,874.66) | (11,128.28) | (10,874.66) | (11,548.39) |
| | **Segment assets** | **1,06,693.86** | **1,07,479.43** | **1,03,041.24** | **1,06,693.86** | **1,03,041.24** | **1,07,168.53** |
| (f) | Unallocated | 2,737.33 | 2,493.75 | 1,964.92 | 2,737.33 | 1,964.92 | 2,360.49 |
| | **Total assets** | **1,09,431.19** | **1,09,973.18** | **1,05,006.16** | **1,09,431.19** | **1,05,006.16** | **1,09,529.02** |

(₹ in Crore)

| Sr. No. | Particulars | Quarter ended | | | Six months ended | | Year ended |
|---|---|---|---|---|---|---|---|
| | | September 30, 2020 (Unaudited) | June 30, 2020 (Unaudited) | September 30, 2019 (Unaudited) | September 30, 2020 (Unaudited) | September 30, 2019 (Unaudited) | March 31, 2020 (Audited) |
| | **Segment liabilities **** | | | | | | |
| (a) | Rural finance | 24,861.98 | 24,580.34 | 23,269.27 | 24,861.98 | 23,269.27 | 24,613.00 |
| (b) | Housing finance | 26,797.53 | 26,948.52 | 24,886.16 | 26,797.53 | 24,886.16 | 26,631.96 |
| (c) | Infrastructure finance | 36,011.50 | 37,289.37 | 35,371.12 | 36,011.50 | 35,371.12 | 36,435.59 |
| (d) | Defocused business | 3,696.19 | 4,389.37 | 6,009.54 | 3,696.19 | 6,009.54 | 4,489.67 |
| (e) | Others * | 3,596.43 | 3,368.69 | 3,163.88 | 3,596.43 | 3,163.88 | 3,987.22 |
| | **Sub total** | **94,963.63** | **96,576.29** | **92,699.97** | **94,963.63** | **92,699.97** | **96,157.44** |
| | Less: Inter segment liabilities | (1,090.70) | (1,607.86) | (1,706.49) | (1,090.70) | (1,706.49) | (1,429.19) |
| | **Segment liabilities** | **93,872.93** | **94,968.43** | **90,993.48** | **93,872.93** | **90,993.48** | **94,728.25** |
| (f) | Unallocated | 403.29 | 123.91 | 31.84 | 403.29 | 31.84 | 108.35 |
| | **Total liabilities** | **94,276.22** | **95,092.34** | **91,025.32** | **94,276.22** | **91,025.32** | **94,836.60** |

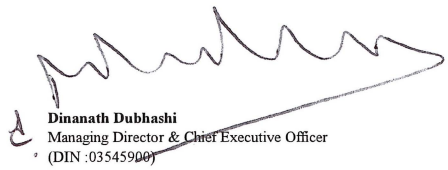
* Includes group of assets and liabilities classfied as held for sale
** Including non controlling interest

(i) The Group has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI circular dated July 5, 2016. The identification of operating segments is consistent with performance assessment and resource allocation by the management.

(ii) Segment composition :
**Rural finance** comprises of Farm Equipment Finance, Two Wheeler Finance, Micro Loans and Consumer Finance.
**Housing finance** comprises of Home Loans, Loan against Property and Real Estate Finance.
**Infrastructure finance** comprises of Infrastructure business.
**Defocused Business** comprises of Structured Corporate Loans, Debt Capital Market, Commercial Vehicle Finance, Construction Equipment Finance, SME term loans and Leases.
**Others** comprises of Asset Management, Wealth Management etc.
**Unallocated** represents tax assets and tax liabilities

14 Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period.

For and on behalf of the Board of Directors
**L&T Finance Holdings Limited**



**Dinanath Dubhashi**
Managing Director & Chief Executive Officer
(DIN :03545900)

Place : Mumbai
Date : October 22, 2020

# PRESS RELEASE

## L&T Finance Holdings Ltd. announces financial results for Q2FY21

- **Excellent revival seen in rural and renewable sector; gained market share to become No.1 Farm Equipment financier for Q2FY21**
- **Significant business momentum in Farm Equipment, Two-Wheeler and Renewable Finance. Moderate pick-up of disbursements in Micro Loan and Home Loan**
- **PAT at Rs. 265 Cr. (after creating additional provision of Rs. 512 Cr in Q2FY21 for further strengthening of balance sheet), up from Rs. 148 Cr. in Q1FY21**
- **Reduction in GS3 from 5.98% to 5.19% YoY; NS3 reduced from 2.83% to 1.67% YoY, (Increase in PCR from 54% to 69%)**
- **Structural liquidity remains comfortable at Rs. 17,449 Cr; with liquidity conditions remaining comfortable the focus is on further reducing cost of borrowing**
- **AAA rating reaffirmed by CRISIL, ICRA, CARE and India Ratings**

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***Mumbai, 22 October 2020****:* The Board of L&T Finance Holdings (LTFH), a well-diversified Non-Banking Financial Company (NBFC), present in key lending businesses such as Rural, Housing and Infrastructure finance, today announced the financial results for the quarter ended September 30, 2020.

LTFH is a market leader in Farm Equipment finance and Infrastructure finance, with a dominant position in Two-Wheeler finance and Micro Loans. With a robust business model, data analytics led collection and disbursements prioritization, and a sharp focus on asset quality, the company remains committed to building a stable and sustainable organization for its consumers and other stakeholders.

**Commenting on the financial results Mr. Dinanath Dubhashi, Managing Director & CEO, LTFH, said,** "As anticipated, Q2 saw a revival in the rural economy, which we believe will also drive the economic growth of the country for the next few quarters. In Q2, our Rural business witnessed significant growth momentum backed by our market leading position and strong digital and data analytics infrastructure for the lending business. The performance was also boosted by excellent pick up in disbursements in our renewable energy portfolio.

Furthermore, with the incremental macro prudential provisions made in the quarter we have a well provided for balance sheet. AAA rated NBFCs like LTFH are seeing a gradual easing out of liquidity conditions and our focus now would be to reduce excess liquidity and bring down the cost of borrowing."

### Key Highlights of Q2FY21:

The quarter saw a significant up-take in rural and infrastructure finance, led by a revival in the economy, leading to significant MoM improvement in collections. LTFH took full advantage of the faster than expected recovery in Rural and Infrastructure segments and is well positioned for the upcoming festive season.

A. **Disbursements:** The company witnessed excellent pick-up in disbursements across the various retail businesses and Infrastructure finance.

- **Rural Finance**: witnessed steady MoM improvements in disbursements with highest ever 'September' disbursement.
  a) Farm Equipment Finance: focus on new tractor business and increased refinance helped us gain market share to become No.1 Farm Equipment financer for Q2FY21; **59%** YoY increase in disbursements
  b) Two-wheeler Finance: witnessed increased momentum; among top 3 financiers in August & September
  c) Micro Loans: substantially ramped up disbursements on the back of improved collection efficiency MoM, with additional provisions to address any moratorium related risk

- **Housing Finance:**
  a) Witnessed moderate pick-up in Home Loan & Loan Against Property (LAP), led by slower pick up in Industry fundamentals. 87% of Home Loans disbursed were to the salaried segment. Furthermore, salaried home loan disbursements reached 88% in September 2020 vs September 2019
  b) No new real estate projects were sanctioned, and we continued to support developers in fast tracking existing construction progress leading to improved collections and sales as the economy gradually opened up

- **Infrastructure Finance**: strong pick up in disbursements, especially in renewables, with the highest ever quarterly sell down of **Rs. 4,073 Cr**. Our continued focus on projects with strong sponsors and off-takers with proven track record helped us maintain market leadership position in identified sectors.

B. **Liquidity:** With availability of ample liquidity in the system for AAA rated NBFCs with good parentage, LTFH's focus will be on reducing excess liquidity and cost of borrowing.

As of September 2020, we maintained **Rs. 17,449 Cr** of liquidity through the following:
  a. Liquid Assets in the form of cash, FDs and other liquid investments of **Rs. 8,660 Cr**
  b. Undrawn bank lines of **Rs. 6,789 Cr** and back up line from L&T of **Rs. 2,000 Cr**
  c. Received the first tranche of **$50 million** of the total **$100 million** ECB loan from Asian Infrastructure Investment Bank (AIIB); AIIB's first loan to a non-banking financial company (NBFC) in India

With easing of market condition our focus now would be to reduce excess liquidity and bring down the cost of borrowing

C. **Highest Credit Ratings:** A diversified business presence, improving asset quality, prudent ALM and strategic importance to the parent L&T has led to LTFH's AAA rating being reaffirmed.

- CRISIL assigned in October 2019 and reaffirmed in May 2020
- India Ratings reaffirmed in September 2019 and April 2020
- ICRA reaffirmed in August 2019 and September 2020
- CARE reaffirmed in August 2019 and October 2020

D. **Balance Sheet:** The focus on further strengthening the balance sheet remains even though there is a strong on-ground recovery in the rural economy. LTFH continues to maintain strong capital adequacy of **21.37%.**

The Gross Stage 3 assets of the company stood at **5.19%** of its book, showing a reduction of **79bps** YoY. The company also strengthened the PCR on stage 3 assets from **54%** in Q2FY20 to **69%** in Q2FY21.

| Period | Q2FY20 | Q1FY21 | Q2FY21 |
|---|---|---|---|
| Gross Stage 3 | 5,745 | 4,939 | 4,921 |
| Net Stage 3 | 2,632 | 1,553 | 1,530 |
| Gross Stage 3% | 5.98 | 5.24 | 5.19 |
| Net Stage 3% | 2.83 | 1.71 | 1.67 |
| Provision Coverage % | 54 | 69 | 69 |

As a prudent measure, we have made additional provisions of **Rs. 512 Cr** in Q2FY21 to strengthen the balance sheet, even though there is strong on-ground recovery. LTFH, resultantly, carries **Rs. 1,757 Cr** of provisions on account of macro prudential provisions, COVID-19 and accelerated Expected Credit Losses (ECL) provisions on stage 1 & 2 assets, which are over and above the ECL model on GS3 and Stage 1 & 2 assets. The additional provisions of **Rs. 1, 757 Cr** translate to **1.95%** of the standard book. Out of this, **Rs 1,079 Cr** of provisions are towards Micro Loan book (9.2% of standard Micro Loan book). Moratorium related risks have been largely addressed through these additional provisioning.

E. **Focused Lending Book**: The focused lending book improved marginally, owing to the increase in disbursements in the quarter. Within the focused lending book, the Rural Finance book grew by **7%** YoY, suitably aided by growth in Farm Equipment Finance book by **19%** and the Two-Wheeler Finance book by **12%**. The Home Loan book grew by **11%**, YoY.

| (Rs. Cr) | Q2FY20 | Q2FY21 | Book Growth (%) |
|---|---|---|---|
| **Focused Lending Businesses** | | | |
| Rural Finance | 26,597 | 28,371 | 7 |
| Housing Finance | 26,986 | 27,241 | 1 |
| Infrastructure Finance | 39,472 | 38,560 | (2) |
| **Total Focused Book** | 93,055 | 94,172 | 1 |
| Defocused Businesses | 7,203 | 4,651 | (35) |
| **Total Lending Book** | **1,00, 258** | **98,823** | **(1)** |

The Average Assets under Management (AAUM) of the Investment Management business stood at **Rs.63,057 Cr** in Q2FY21. The AUM for Equity and High-Quality Fixed income asset classes as on 30th September 2020 stood at **Rs. 35,635 Cr** and **Rs.13,783 Cr**, with a growth of **7%** and **11%** respectively on QoQ basis.

**Financial Performance:**

LTFH is focused on leveraging the power of data and analytics to build a 'collection led disbursement' model, which along with economic recovery in the rural segment has led to a significant improvement in collection efficiency.

- The company posted a consolidated **PAT of Rs. 265 Cr** in Q2FY21, a **52%** increase YoY, up from Rs**. 174 Cr** in Q2FY20*
- PAT in Q2FY21 saw a **79%** increase over Q1FY21, which stood at **Rs. 148 Cr.**
- **NIMs+Fees** at **6.49%** (Q2FY21) vs **6.86%** (Q2FY20). With normalcy returning, NIMs+Fees have reached the desired range of 6.5%-7% despite carrying a negative carry of **Rs. 64 Cr** on additional liquidity
- Reduction in GS3 from **5.98%** to **5.19%** YoY, NS3 reduced from **2.83%** to **1.67%** YoY, Increase in PCR from **54%** to **69%** YoY
- Furthermore, we made incremental macro prudential provisions of **Rs. 512 Cr** in Q2FY21 to strengthen our balance sheet.

**PAT in Q2FY20, before impact of DTA was Rs. 647 Cr.*

Sharing an outlook for Q3FY21, **Mr. Dubhashi** further added, "The rural revival led by higher reservoir levels, better water management systems, solid monsoons as well as the farm bill reform, points towards the beginning of an upward swing for companies with robust rural business models."

**About L&T Finance Holdings**: LTFH (www.ltfs.com) is a financial holding company offering a focused range of financial products and services across rural, housing and infrastructure finance sectors, as well as in mutual fund products, through its wholly-owned subsidiaries, viz., L&T Finance Ltd., L&T Housing Finance Ltd., L&T Infrastructure Finance Company Ltd., L&T Infra Debt Fund Limited and L&T Investment Management Ltd. LTFH is registered with RBI as a CIC-ND-SI [1]. L&T Infrastructure Debt Fund is indirectly wholly-owned subsidiary of LTFH with 100% of its shareholding held by LTFH, along with its wholly-owned subsidiaries.

LTFH is promoted by Larsen & Toubro Ltd. (L&T) (www.larsentoubro.com), one of the leading companies in India, with interests in engineering, construction, electrical & electronics manufacturing & services, IT and financial services.

@LnTFS @LnTFSonline LTFinance L&TFinancialServices

**For further information, please contact:**


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|---|---|
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| **Girish Dikey**<br>girish.dikey@ketchumsampark.com<br>Ph: +91 98922 00260 | **Khushal Devera**<br>khushal.devera@ketchumsampark.com<br>Ph: +91 98196 66376 |


[1] Systemically Important Core Investment Company, a classification of Non-Banking Financial Company (NBFC) by RBI

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Mumbai 400013.

**B. K. KHARE & CO.**
Chartered Accountants
706/708, Sharda Chambers
New Marine Lines
Mumbai 400004.

## INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

## TO THE BOARD OF DIRECTORS OF L&T FINANCE HOLDINGS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **L&T FINANCE HOLDINGS LIMITED** (the "Company"), for the quarter and six months ended September 30, 2020 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India ("ICAI"). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We draw attention to Note 6 to the standalone financial results in which the Company describes the uncertainties arising from the COVID 19 pandemic.

   Our conclusion on the Statement is not modified in respect of this matter.

**For DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

G.K. Subramaniam
(Partner)
(Membership No. 109839)
(UDIN:20109839AAAAVU3914)

Mumbai, October 22, 2020

**For B. K. KHARE & CO.**
Chartered Accountants
(Firm's Registration No. 105102W)

Shirish Rahalkar
(Partner)
(Membership No. 111212)
(UDIN:20111212AAAAOB4839)

Mumbai, October 22, 2020

**L&T FINANCE HOLDINGS LIMITED**
**CIN. L67120MH2008PLC181833**
**Regd. Office : Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India**
**Website: www.ltfs.com Email: igrc@ltfs.com Phone: +91 22 6212 5000 Fax: +91 22 6212 5553**

(₹ in Crore)

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020**

| Sr. No. | Particulars | Quarter ended | | | Six months ended | | Year ended |
|---|---|---|---|---|---|---|---|
| | | September 30, 2020 | June 30, 2020 | September 30, 2019 | September 30, 2020 | September 30, 2019 | March 31, 2020 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| | **Revenue from operations** | | | | | | |
| (i) | Interest income | 16.27 | 19.76 | 18.72 | 36.03 | 35.28 | 88.91 |
| (ii) | Dividend income | - | - | 10.46 | - | 10.46 | 386.37 |
| (iii) | Net gain on fair value changes | - | - | - | - | - | 0.16 |
| **(I)** | **Total revenue from operations** | **16.27** | **19.76** | **29.18** | **36.03** | **45.74** | **475.44** |
| **(II)** | Other income | 4.34 | 4.92 | 12.33 | 9.26 | 20.95 | 46.94 |
| **(III)** | **Total income (I+II)** | **20.61** | **24.68** | **41.51** | **45.29** | **66.69** | **522.38** |
| | **Expenses** | | | | | | |
| (i) | Finance costs | 49.56 | 58.49 | 43.29 | 108.05 | 87.15 | 200.75 |
| (ii) | Impairment on financial instruments | 2.41 | 4.92 | 0.07 | 7.33 | 0.09 | 0.12 |
| (iii) | Employee benefits expenses (refer note 9) | 4.27 | 0.70 | 8.45 | 4.97 | 12.08 | 26.72 |
| (iv) | Depreciation, amortization and impairment | 0.12 | 0.12 | 0.12 | 0.24 | 0.24 | 0.48 |
| (v) | Other expenses | (1.16) | 10.83 | 2.92 | 9.67 | 5.82 | 10.57 |
| **(IV)** | **Total expenses** | **55.20** | **75.06** | **54.85** | **130.26** | **105.38** | **238.64** |
| **(V)** | **(Loss) / Profit before exceptional items and tax (III-IV)** | **(34.59)** | **(50.38)** | **(13.34)** | **(84.97)** | **(38.69)** | **283.74** |
| **(VI)** | Exceptional items (refer note 10) | - | 224.68 | - | 224.68 | - | - |
| **(VII)** | **Profit/(loss) before tax (V+VI)** | **(34.59)** | **174.30** | **(13.34)** | **139.71** | **(38.69)** | **283.74** |
| **(VIII)** | **Tax expense:** | | | | | | |
| | (1) Current tax | 6.50 | 48.44 | - | 54.94 | - | 16.35 |
| | (2) Deferred tax | 0.01 | (0.05) | 4.04 | (0.04) | 8.64 | 33.14 |
| | (3) Current tax relating to earlier years | - | - | - | - | - | (32.80) |
| **(IX)** | **Profit/ (loss) before impact of change in the rate on opening deferred tax (VII-VIII)** | **(41.10)** | **125.91** | **(17.38)** | **84.81** | **(47.33)** | **267.05** |
| **(X)** | Impact of change in the rate on opening deferred tax | - | - | 0.24 | - | 0.24 | 0.24 |
| **(XI)** | **Profit/(loss) for the period/year (IX-X)** | **(41.10)** | **125.91** | **(17.62)** | **84.81** | **(47.57)** | **266.81** |
| **(XII)** | **Other comprehensive income** | | | | | | |
| | (A) (i) Items that will not be reclassified to profit or loss | | | | | | |
| | Remeasurements of the defined benefit plans (net of tax) | 0.12 | 0.01 | (0.05) | 0.13 | (0.08) | (0.11) |
| **(XIII)** | **Total comprehensive income (XI+XII)** | **(40.98)** | **125.92** | **(17.67)** | **84.94** | **(47.65)** | **266.70** |
| **(XIV)** | Paid-up equity share capital (Face value of ₹ 10/- each) (refer note 5) | 2,006.53 | 2,004.85 | 2,000.48 | 2,006.53 | 2,000.48 | 2,004.83 |
| **(XV)** | **Other equity** | | | | | | **5,840.02** |
| **(XVI)** | **Earnings per equity share (*not annualised):** | | | | | | |
| | (a) Basic (₹) | *(0.20) | * 0.63 | *(0.09) | * 0.42 | *(0.24) | 1.33 |
| | (b) Diluted (₹) | *(0.20) | * 0.63 | *(0.09) | * 0.42 | *(0.24) | 1.33 |

**Notes:**

1 **Statement of Assets and Liabilities as at September 30, 2020**

(₹ in Crore)

| | Particulars | As at September 30, 2020 | As at March 31, 2020 |
|---|---|---|---|
| | | (Unaudited) | (Audited) |
| | **ASSETS** | | |
| **(1)** | **Financial assets** | | |
| (a) | Cash and cash equivalents | 0.54 | 0.58 |
| (b) | Bank balance other than (a) above | 3.97 | 2.64 |
| (c) | Receivables | | |
| | (i) Trade receivables | - | - |
| | (ii) Other receivables | 15.51 | - |
| (d) | Loans | 965.10 | 1,142.58 |
| (e) | Investments | 10,076.64 | 10,069.68 |
| (f) | Other financial assets | 1.01 | 6.57 |
| **(2)** | **Non-financial assets** | | |
| (a) | Current tax assets (net) | 31.24 | 30.45 |
| (b) | Deferred tax assets (net) | 0.33 | 0.29 |
| (c) | Property, plant and equipment | 0.47 | 0.58 |
| (d) | Right to use asset | 0.24 | 0.38 |
| (e) | Other non-financial assets | 1.72 | 1.17 |
| **(3)** | **Group(s) of assets classified as held for sale** | - | 82.90 |
| | **TOTAL - ASSETS** | **11,096.77** | **11,337.82** |
| | **LIABILITIES AND EQUITY** | | |
| | **LIABILITIES** | | |
| **(1)** | **Financial liabilities** | | |
| (a) | Payables | | |
| | (i) Trade payables | | |
| | (i) Total outstanding dues of micro enterprises and small enterprises | - | - |
| | (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | - | 7.51 |
| | (ii) Other payables | | |
| | (i) Total outstanding dues of micro enterprises and small enterprises | - | - |
| | (ii) Total outstanding dues of creditors other than micro enterprises and small enterprises | 4.61 | - |
| (b) | Debt securities | 1,915.91 | 1,462.68 |
| (c) | Borrowings (other than debt securities) | 5.00 | 280.11 |
| (d) | Subordinated liabilities | 1,164.65 | 1,717.84 |
| (e) | Lease liability | 0.28 | 0.42 |
| (f) | Other financial liabilities | 8.56 | 11.83 |
| **(2)** | **Non financial liabilities** | | |
| (a) | Current tax liabilities (net) | 33.68 | 8.49 |
| (b) | Provisions | 1.04 | 1.55 |
| (c) | Other non-financial liabilities | 1.67 | 2.54 |
| **(3)** | **EQUITY** | | |
| (a) | Equity share capital | 2,006.53 | 2,004.83 |
| (b) | Other equity | 5,954.84 | 5,840.02 |
| | **TOTAL - LIABILITIES AND EQUITY** | **11,096.77** | **11,337.82** |

2 **Statement of cash flows for the six months ended September 30, 2020**

(₹ in Crore)

| Particulars | Six months ended September 30, 2020 (Unaudited) | Six months ended September 30, 2019 (Unaudited) |
|---|---|---|
| **Cash flow from operating activities** | | |
| Profit / (loss) before tax | 139.71 | (38.69) |
| **Adjustments for:** | | |
| Depreciation, amortization and impairment | 0.24 | 0.24 |
| Impairment on financial instruments | 7.33 | 0.09 |
| Share based payment to employees | 1.90 | 6.11 |
| Contribution to gratuity | 0.07 | 0.06 |
| Contribution to superannuation fund | 0.13 | 0.12 |
| Gain from sale of investment in subsidiary | (224.68) | - |
| **Operating profit before working capital changes** | **(75.30)** | **(32.07)** |
| **Changes in working capital:** | | |
| Decrease / (increase) in financial assets | 167.56 | (195.80) |
| Increase in non-financial assets | (0.54) | (1.15) |
| Increase in financial liabilities | 39.17 | 43.13 |
| Increase in non-financial liabilities | 25.42 | 40.82 |
| **Cash generated from / (used in) operations** | **156.31** | **(145.07)** |
| Net income tax paid | (30.54) | (4.96) |
| **Net cash generated from / (used in) operating activities (A)** | **125.77** | **(150.03)** |
| **Cash flow from investing activities** | | |
| Investment in subsidiaries | (2.52) | (6.39) |
| Net proceeds from sale of investments | 295.78 | - |
| **Net cash generated from / (used in) investing activities (B)** | **293.26** | **(6.39)** |
| **Cash flow from financing activities** | | |
| Proceeds from issue of equity shares including securities premium | 2.81 | 11.27 |
| Proceeds from issue of preference shares | - | 609.10 |
| Payment on redemption of preference shares | (600.00) | (184.40) |
| Share issue expenses | - | (0.01) |
| Dividend paid | - | (200.05) |
| Repayment of borrowings | (275.11) | (70.19) |
| Proceeds from borrowings | 453.23 | 0.01 |
| **Net cash (used in) / generated from financing activities (C)** | **(419.07)** | **165.73** |
| **Net (decrease) / increase in cash and cash equivalents (A+B+C)** | **(0.04)** | **9.31** |
| Cash and cash equivalent at the beginning of the period | **0.58** | **0.49** |
| **Cash and cash equivalents at the end of the period** | **0.54** | **9.80** |

3 These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

4 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 22, 2020. The Joint Statutory Auditors of the Company have carried out limited review of the aforesaid results.

5 The Company, during the quarter and six months ended September 30, 2020 has allotted 1,680,992 and 1,698,992 equity shares respectively of ₹ 10 each, fully paid up, on exercise of options by employees, in accordance with the Company's Employee Stock Option Scheme(s).

6 Estimation uncertainty relating to COVID-19 global health pandemic:
In assessing the recoverability of loans, receivables, and investments, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports upto the date of approval of these standalone financial results. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these standalone financial results and the Company will continue to monitor any material changes to the future economic conditions.

7 The Code on Social Security, 2020 (the "Code") has been enacted. The date of coming into force of the various provisions of the Code is to be notified and the rules thereunder are yet to be announced. The potential impact of the change will be estimated and accounted in the period of notification.

8 During the six months ended September 30, 2020, 8.15% Cumulative Compulsorily Redeemable Preference Shares (CRPS) amounting to ₹ 600.00 crore have been redeemed. The Company has paid dividend of ₹ 5.03 crore on redeemed Preference Shares.

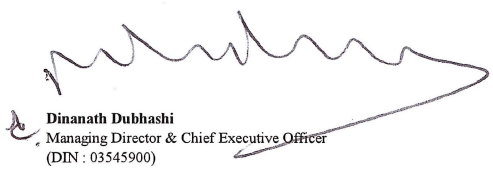
9 Employee benefit expenses includes reversal of employee stock options expenses on account of unvested lapses amounting to ₹ 4.35 crore during the six months ended September 30, 2020.

10 Exceptional items during the six months ended September 30, 2020 represents net gain of ₹ 224.68 crore on the divestment of entire stake in the subsidiary company, L&T Capital Markets Limited. The transaction was concluded on April 24, 2020.

11 The main business of the Company is investment activity. As such, there are no separate reportable segments as per the Ind AS 108 on Operating Segment.

12 Previous period/year figures have been regrouped/reclassified to make them comparable with those of current period.

For and on behalf of the Board of Directors
**L&T FINANCE HOLDINGS LIMITED**



**Dinanath Dubhashi**
Managing Director & Chief Executive Officer
(DIN : 03545900)

Place : Mumbai
Date : October 22, 2020

**A. Pursuant to Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we submit herewith the following information pertaining to the Cumulative Compulsorily Redeemable Non-Convertible Preference Shares ("Preference Shares"), Commercial Paper and Non-Convertible Debentures ("NCDs"):**

**1) Details of outstanding Redeemable Preference Shares:**

| Sr. No. | ISIN | No. of Preference Shares | Amt. of Issue (Rs.) | Credit Rating |
|---|---|---|---|---|
| 1. | **INE498L04092** | 2,50,00,000 | 2,50,00,00,000 | CARE AAA (RPS)/Stable |
| 2. | **INE498L04100** | 1,45,40,000 | 1,45,40,00,000 | CARE AAA (RPS)/Stable |
| 3. | **INE498L04118** | 63,70,000 | 63,70,00,000 | CARE AAA (RPS)/Stable |
| 4. | **INE498L04126** | 1,00,00,000 | 1,00,00,00,000 | CARE AAA (RPS)/Stable |
| 5. | **INE498L04134** | 1,50,00,000 | 1,50,00,00,000 | CARE AAA (RPS)/Stable |
| 6. | **INE498L04142** | 1,50,00,000 | 1,50,00,00,000 | CARE AAA (RPS)/Stable |
| 7. | **INE498L04159** | 60,00,000 | 60,00,00,000 | CRISIL AAA/Stable |
| 8. | **INE498L04167** | 2,05,00,000 | 2,05,00,00,000 | CRISIL AAA/Stable |

**Details of outstanding NCDs:**

| Sr. No. | ISIN | No. of NCDs | Amt. of Issue (Rs.) | Credit Rating |
|---|---|---|---|---|
| 1. | **INE498L08044** | 1,950 | 1,95,00,00,000 | CRISIL AAA/Stable |

**Details of outstanding Commercial Papers:**

| Sr. No. | ISIN | No. of Commercial papers | Amt. of Issue (Rs.) |
|---|---|---|---|
| **1** | **INE498L14AG5** | 6,000 | 3,00,00,00,000 |
| **2** | **INE498L14AH3** | 8,000 | 4,00,00,00,000 |
| **3** | **INE498L14AK7** | 10,700 | 5,35,00,00,000 |
| **4** | **INE498L14AL5** | 5,000 | 2,50,00,00,000 |
| **5** | **INE498L14AM3** | 5,000 | 2,50,00,00,000 |

**2) Credit Rating and change in Credit Rating (if any):**

Preference Shares – 'CRISIL AAA/Stable' by CRISIL Limited and CARE AAA (RPS) / Stable by CARE Ratings Limited.

Commercial Paper – 'CRISIL A1+' by CRISIL Limited, '[ICRA] A1+' by ICRA Limited, 'CARE A1+' by CARE Ratings Limited and 'IND A1+' by India Ratings and Research Private Limited.

NCDs – 'CRISIL AAA/Stable' by CRISIL Limited

**3) Asset Cover available, in case of Non-Convertible Debt Securities:** Not applicable as NCDs are unsecured

**4) Debt-Equity Ratio (As at September 30, 2020):** 0.39

**5) Previous due dates for payment of dividend and repayment of principal amount for Preference Shares / NCDs / Commercial Papers:**

The due dates for payment of dividend and repayment of principal amount and the actual date of payment for the half year ended September 30, 2020 are as under:

| Sr. No. | ISIN | Type (Principal / Dividend / Interest) | Due date of payment | Status Paid ~~/ Unpaid~~ |
|---|---|---|---|---|
| **Preference Shares** | | | | |
| 1. | **INE498L04084** | Dividend & Principal | May 6, 2020 | May 6, 2020 |
| **Commercial Papers** | | | | |
| 1. | **INE498L14AF7** | Principal | April 29, 2020 | April 29, 2020 |
| 2. | **INE498L14AE0** | Principal | May 11, 2020 | May 11, 2020 |
| 3. | **INE498L14AI1** | Principal | July 20,2020 | July 20,2020 |
| 4. | **INE498L14AJ9** | Principal | August 13, 2020 | August 13, 2020 |

**6) Next due dates for payment of dividend and repayment of principal amount:**

The next due dates for payment of dividend and repayment of principal amount of the Preference Shares are as under:

| Sr. No. | Series / Tranche | Type (Principal / Dividend) | Amount (In Rs.) | Due date of payment |
|---|---|---|---|---|
| 1. | **INE498L04092** | Dividend | 22,37,50,000 | March 26, 2021 |
| | | Dividend | 11,89,25,000 | October 12, 2021 |
| | | Principal | 250,00,00,000 | October 12, 2021 |
| 2. | **INE498L04100** | Dividend | 11,63,20,000 | March 26, 2021 |
| | | Dividend | 11,63,20,000 | March 26, 2022 |
| | | Dividend | 7,32,97,594 | November 17, 2022 |
| | | Principal | 1,45,40,00,000 | November 17, 2022 |
| 3. | **INE498L04118** | Dividend | 5,06,41,500 | March 26, 2021 |
| | | Dividend | 5,06,41,500 | March 26, 2022 |
| | | Dividend | 3,39,92,231 | December 2, 2022 |
| | | Principal | 63,70,00,000 | December 2, 2022 |
| 4. | **INE498L04126** | Dividend | 7,95,00,000 | March 26, 2021 |
| | | Dividend | 7,95,00,000 | March 26, 2022 |
| | | Dividend | 5,64,12,000 | December 16, 2022 |
| | | Principal | 1,00,00,00,000 | December 16, 2022 |
| 5. | **INE498L04134** | Dividend | 11,92,50,000 | March 26, 2021 |
| | | Dividend | 11,92,50,000 | March 26, 2022 |
| | | Dividend | 9,60,54,000 | January 20, 2023 |
| | | Principal | 1,50,00,00,000 | January 20, 2023 |
| 6. | **INE498L04142** | Dividend | 11,92,50,000 | March 26, 2021 |
| | | Dividend | 11,92,50,000 | March 26, 2022 |
| | | Dividend | 10,29,15,000 | February 10, 2023 |
| | | Principal | 1,50,00,00,000 | February 10, 2023 |
| 7. | **INE498L04159** | Dividend | 4,56,00,000 | March 26, 2021 |
| | | Dividend | 4,56,00,000 | March 28, 2022 |
| | | Dividend | 3,09,82,800 | December 5, 2022 |
| | | Principal | 60,00,00,000 | December 5, 2022 |
| 8. | **INE498L04167** | Dividend | 15,37,50,000 | March 26, 2021 |
| | | Dividend | 15,37,50,000 | March 28, 2022 |

| Sr. No. | Series / Tranche | Type (Principal / Dividend) | Amount (In Rs.) | Due date of payment |
|---|---|---|---|---|
| | | Dividend | 15,37,50,000 | March 27, 2023 |
| | **INE498L04167 – Option I** | Dividend | 1,39,85,100 | June 23, 2023 |
| | | Principal | 82,00,00,000 | June 23, 2023 |
| | **INE498L04167 – Option II** | Dividend | 6,69,75,550 | December 22, 2023 |
| | | Principal | 1,23,00,00,000 | December 22, 2023 |

The next due dates for payment of interest and repayment of principal amount of the NCDs are as under:

| Sr. No. | Series / Tranche | Type (Principal / Interest) | Amount (In Rs.) | Due date of payment |
|---|---|---|---|---|
| 1. | **SR A 20-21 INE498L08044** | Interest | 156,000,000 | August 30, 2021 |
| | | Interest | 156,000,000 | August 29, 2022 |
| | | Interest | 156,000,000 | August 28, 2023 |
| | | Principal | 1,950,000,000 | August 28, 2023 |

The Company does not expect default in payment of principal / interest due in next half year.

The next due dates for payment of interest and repayment of principal amount of the Commercial Papers are as under:

| Sr. No. | Series / Tranche | Type (Principal / Interest) | Amount (In Rs.) | Due date of payment |
|---|---|---|---|---|
| 1. | **INE498L14AG5** | Principal | 3,000,000,000 | December 23, 2020 |
| 2 | **INE498L14AH3** | Principal | 4,000,000,000 | November 27, 2020 |
| 3 | **INE498L14AK7** | Principal | 5,350,000,000 | October 19, 2020 |
| 4 | **INE498L14AL5** | Principal | 2,500,000,000 | November 11, 2020 |
| 5 | **INE498L14AM3** | Principal | 2,500,000,000 | February 23, 2021 |

The Company does not expect default in payment of principal / interest due in next half year.

7) **Debt Service Coverage Ratio:** Not Applicable

8) **Interest Service Coverage Ratio:** Not Applicable

9) **Capital Redemption reserve:** NIL

10) **Net worth:** Rs. 7,961.37 crore

11) **Net profit after tax:** Rs. 84.81 crore

12) **Earnings per share:** Rs. 0.42

**B. Information pursuant to Regulation 52(6) of the Listing Regulations are given below:**

| Sr. No. | Particulars | Remarks |
|---|---|---|
| a. | Profit for the half year | Profit for the half year ended September 30, 2020 is Rs.84.81 crore. |

| Sr. No. | Particulars | Remarks |
|---|---|---|
| b. | Free Reserves as on the end of half year | Rs. 122.81 crore |
| c. | Securities Premium account balance (if redemption of redeemable preference shares is to be done at premium, such premium may be appropriated from securities premium account)<br><br>Provided that disclosure on securities premium account balance may be provided only in a year in which non - convertible redeemable preference shares are due for redemption | Not applicable. |
| d. | Track record of dividend payment on non - convertible redeemable preference shares<br><br>Provided that in case the dividend has been deferred at any time, then the actual date of payment shall be disclosed | Dividend on the Non-Convertible Redeemable Preference Shares is paid within the prescribed timeline. |
| e. | Breach of any covenants under the terms of the non - convertible redeemable preference shares<br><br>Provided that in case of listed entity is planning a fresh issuance of shares whose end use is servicing of the non - convertible redeemable preference shares (whether dividend or principle redemption), then the same shall be disclosed whenever the listed entity decided on such issuances | There has been no breach of covenants under the terms of the Non-Convertible Redeemable Preference Shares. |

**For L&T Finance Holdings Limited**

**Apurva Rathod**
**Company Secretary and Compliance Officer**

# CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, **Catalyst Trusteeship Limited** (**"Debenture Trustee"**) hereby confirm that we have received and noted (without independent verification thereof) the information, as specified under regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"Regulations"**), provided to us by **L & T Finance Holdings Limited** (**"the Company"**) for the Half year ended on September 30th, 2020.

This Certificate is being issued pursuant to the requirements of Regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

**For Catalyst Trusteeship Limited**

**Authorized Signatory**

Date: 22.10.2020