L&T Finance Limited
October 08, 2020

Ratings

Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
Long Term Facilities	26,000 (Rupees Twenty Six Thousand Crore only)	CARE AAA; Stable [Triple A ; Outlook: Stable]	Reaffirmed
Non-Convertible Debentures	15,500 (Rupees Fifteen Thousand and Five Hundred Crore only)	CARE AAA; Stable [Triple A; Outlook: Stable]	Reaffirmed
Non-Convertible Debentures (Public Issue)	600 (Rupees Six Hundred Crore only)	CARE AAA; Stable [Triple A; Outlook: Stable]	Reaffirmed
Public Issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible Debentures	5,000 (Rupees Five Thousand Crore only)	CARE AAA; Stable [Triple A ; Outlook: Stable]	Reaffirmed
Subordinate Debt	1,300 (Rupees One Thousand and Three Hundred Crore only)	CARE AAA; Stable [Triple A ; Outlook: Stable]	Reaffirmed
Perpetual Debt	500 (Rupees Five Hundred Crore only)	CARE AA+; Stable [Double A Plus ; Outlook: Stable]	Reaffirmed
Market linked Debenture	1,500 (Rupees One Thousand and Five Hundred Crore only)	CARE PP-MLD AAA; Stable [PP-MLD Triple A ; Outlook: Stable]	Reaffirmed
Public Issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible Debentures	5,000 (Rupees Five Thousand Crore only)	CARE AAA; Stable [Triple A ; Outlook: Stable]	Reaffirmed
Commercial Paper	18,500 (Rupees Eighteen Thousand and Five Hundred Crore only)	CARE A1+ [A One Plus]	Reaffirmed

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings continue to factor in the strategic importance of L&T Finance Holdings Limited (LTFHL) to the L&T Group as the flagship holding company of the Group's financial services business. The same is reflected through maintaining of ownership, sharing of the L&T brand name along with continued financial and management support.

Furthermore, the ratings continue to draw comfort from experienced management and LTFHL's strong resource raising ability coupled with comfortable liquidity position. CARE has also taken into account the diversified revenue streams through various subsidiaries in the wholesale and retail lending segment, with increasing proportion of retail portfolio, though at present the wholesale portfolio constitutes a larger share.

The ratings further take into account moderate but improving asset quality and growth trend in lending portfolio and profitability albeit some moderation in FY20. On a consolidated basis, the high concentration in the wholesale portfolio along with the exposure in the relatively riskier asset classes including micro loans, two wheelers and real estate, will remain a key rating monitorable. The ratings also take into account relatively high gearing levels on a consolidated basis, which have shown an improvement during FY20. Lockdown/restrictions imposed by the Government to contain spread of COVID-19 have impacted collections and disbursements of banks and NBFCs including LTFHL. Company's ability to maintain asset quality at

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

reasonable levels during this period of lockdown/restriction and weak macroeconomic environment will remain key rating monitorable.
CARE takes note of the recent announcement of the Scheme of Amalgamation by way of merger by absorption involving amalgamation of L&T Housing Finance Limited (LTHF) and L&T Infrastructure Finance Company Limited (L&T Infra) with L&T Finance Limited (LTFL) (Scheme of Amalgamation). This Scheme of Amalgamation is subject to approval from NCLT and other approvals, as may be required. CARE's analytical approach on the LTFHL Group is on a consolidated basis, however, it will still monitor the progress of the said merger in terms of LTFHL Group's expectation of creating a single unified entity to achieve operational efficiencies and have a simplified organizational structure. As per the LTFHL's management, there will be no change in the LTFHL Group's business approach; none of the business lines will be discontinued on account of this Scheme of Amalgamation.
Continued support from L&T, maintaining profitability and asset quality considering the change in the product-mix are the key rating sensitivities.

Rating sensitivities
Negative Factors: Factors that could lead to negative rating action/downgrade:
- Weakening of parent's credit profile
- Material deterioration in asset quality for LTFHL Group
- Increase in gearing (Debt/Net-worth) beyond 9x levels at LTFHL Group level

Detailed description of the key rating drivers
Key Rating Strengths
Strong parentage and strategic importance for the parent company/Group
L&T is a major technology, engineering, construction, manufacturing and financial services conglomerate, with global operations. L&T operates in sectors like hydrocarbon, infrastructure, power, process industries and defence for customers in over 30 Countries around the World. L&T's total consolidated debt stands at Rs.1,410 billion as on March 31, 2020 with a market capitalization of approx. Rs.1,135 billion. LTFHL is in the financial service space and Group's flagship holding company. L&T Group considers LTFHL Group strategically important, which is reflected through brand linkages and financial and managerial support. Besides LTFHL also benefits from the expertise of L&T Limited in infrastructure segment, however LTFHL does not lend against any infrastructure projects of L&T. In terms of representation from L&T, Mr. R. Shankar Raman (currently serving a whole-time director and CFO at L&T Limited) is on LTFHL board as a non-executive director and he is also a member of Nomination and Remuneration Committee, Audit Committee, CSR Committee and Risk Management Committee. Further there has been instances of equity infusion in the past & extension of credit line of Rs. 2,000 crore which indicate continuous support from the parent. L&T Limited had infused equity capital of Rs. 2,000 crore in FY18. CARE believes continued capital support from L&T is expected to keep capitalisation of LTFHL at comfortable level.

Growth trend in lending portfolio and profitability albeit some moderation in FY20
The lending portfolio has grown at a 3 year CAGR of 15% as on March 31, 2020. The lending portfolio remained at similar level at Rs.96,308 crore as on March 31, 2020 (PY: Rs.96,076 crore). Overall disbursements during FY20 at Rs.37,160 crore were lower compared to Rs.58,224 crore in previous year. Company has maintained similar level of disbursements in rural finance segment compared to previous year; whereas disbursements in the real estate and infrastructure sector were lower. During FY20, the LTFHL consolidated PAT stood at Rs. 1,700 crore as against Rs. 2,232 crore compared to FY19. Post adjusting for DTA impact of Rs.473 crore, PAT stood at Rs.2,174 crore for FY20. For FY20, NIM (Net Interest Income to Average advances) stood at 6.13% as against 5.67% for FY19. Operating expenses as a percentage of total assets has reduced from 1.93% in FY19 to 1.78% in FY20. During FY20, LTFHL has done incremental provisions and macro-prudential provisions to take care of any additional volatility in asset performance going forward. Credit cost (provisions and write offs/average total assets) has increased to 1.87% during FY20 compared to 0.83% during FY19. For FY20, ROTA and RONW stood at 1.59% and 13.57% respectively, as against 2.29% and 21.01% in FY19. ROTA if adjusted for the one time impact of DTA will be at 2.04% for FY20. For QFY21, consolidated PAT stood at Rs.147 crore on total income of Rs.3,398 crore compared to PAT of Rs.549 crore on total income of Rs.3,690 crore a year ago. The company has made incremental macro prudential and COVID-19 provisions aggregating to Rs.577 crore during the quarter. Further, PAT take into account consideration of Rs.226 crore from 100% stake sale in L&T Capital Markets during Q1FY21.

Strong resource raising ability and capital position
The consolidated capital adequacy ratio (CAR) and tier I CAR stands at 21.60% and 17.70% respectively as on March 31, 2020 compared to 17.85% and 14.56% respectively as on March 31, 2019. Thus, there is sufficient headroom to raise Tier II capital. As on March 31, 2020, Tangible networth stood at Rs. 12,532 crore. In terms of resource mobilization, company has been able to raise Rs. 3,908 crore through retail NCD's in three tranches during the FY20. It has also raised Rs. 1,152 crore from IFC. The company has demonstrated its ability to raise long-term funding from broad based sources. Going forward, it has plans

to further diversify its borrowings.The standalone CAR and tier I CAR of LTFL as on March 31, 2020 stood at 18.31% and 15.87% respectively against the regulatory requirement of 15% and 10% respectively.

Comfortable liquidity profile
The consolidated ALM profile as on June 30, 2020 had cumulative positive mismatches upto 1 year bucket. It includes liquid assets in the form of cash, FD's and liquid investments of Rs. 9,082 crore as at June 30, 2020. Apart from the above, company has undrawn bank lines of Rs. 5,587 crore and backup line of Rs. 2,000 crore from L&T.

Diversified revenue streams with presence in the high yielding segments and relatively riskier asset class
LTFHL has presence across various financial services like corporate and retail finance and infrastructure through its subsidiaries and investment management services. In retail finance, company primarily deals in two wheeler, micro loans, farm equipment and housing loans, whereas in wholesale, it primarily does infrastructure finance and real estate finance. The remaining wholesale book (DCM and Structured Corporate Finance book) has been classified as defocused book which stands at Rs. 5,230 crore as on March 31, 2020 compared to Rs.9,403 crore as on June 30, 2019. As on March 31, 2020, total loan portfolio comprises of two wheeler (6%), micro loans (13%), farm equipment (8%), housing loans/LAP (12%), real estate (15%), infrastructure finance (40%) and defocused book (5%). Disbursements for FY20 stood at Rs.37,162 crore, out of which 50% were in rural finance followed by 28% in infrastructure segment, 13% in real estate and 9% in home loans/LAP.
In the micro loans, the customer profile is from lower socio-economic background; hence this segment is prone to event risks such as political, socio-economic and natural calamities. The asset quality is highly volatile during occurrence of such event risks. In the farm equipment financing, cashflows are subjected to volatilities in the rainfall conditions in any geographies. The real estate sector is witnessing slowdown and experiencing heightened refinancing risk, and therefore the asset quality in this segment is a key monitorable. To mitigate, the risks in the real estate book, exposure are taken on the basis of evaluation of the project, developer, location and stage of construction, sales velocity etc. Further it has control over cashflows through creation of escrow accounts, control over vendor payment and focussed & continuous monitoring of the project. The group uses its parent's expertise in infrastructure space to underwrite loans and follows sanction, churn and sell down model for operational projects. However, over past couple of quarters, the sell-down market has witnessed slow down.

Key Rating Weaknesses
Moderate but improving overall asset quality
From FY19 onwards, company adopted Expected Credit Loss (ECL) model for classification of advances in Stage I, Stage II and Stage III and consequent provisioning on the same. Gross stage 3 and Net Stage 3 stood at 5.36% and 2.28% respectively as on March 31, 2020 compared to 5.90% and 2.40% respectively as on March 31, 2019. The provision coverage ratio has stood at 59% as on March 31, 2020 compared to 61% as on March 31, 2019. While there has been an increase in slippages during FY20, the gross stage 3 has witnessed an improvement on account of reductions and resolutions. Investment in security receipts (SRs) increased to Rs.2,499 crore as on March 31, 2020 from Rs.791 crore as on March 31, 2019. As on June 30, 2020, Gross Stage 3 and Net Stage 3 stood at 5.24% and 1.71% respectively, witnessing further improvement compared with March 31, 2020. Further, the provision coverage ratio stood at 69% as on June 30, 2020.

Relatively high gearing but capitalization is supported by timely equity infusion from parent
As on March 31, 2020, gearing (debt to tangible net worth) at consolidated levels stood at 7.49x compared to 7.87x as on March 31, 2019. As per the LTFHL management, the gearing levels are not expected to significantly increase from the existing levels on account of healthy internal accruals and lower growth in the loan portfolio.

Concentration in wholesale book
The lending activity of LTFHL Group can be divided primarily into 2 broad classes:

- Retail Finance which comprises of Rural Finance (farm equipment, two wheelers, micro loans and consumer loans) and Housing Finance (Home loans and Loan against Property); and
- Wholesale book which comprises of Real Estate and Infrastructure Finance.

The company classified DCM and Structured Corporate Finance as a defocused book in Q1FY20, which constituted ~5% of the outstanding lending business as on March 31, 2020. The proportion of wholesale book (including defocused book) in the lending portfolio stood at 60% as on June 30, 2020 compared with 63% as on June 30, 2019. Given the company's plans to increase its retail book going forward, the proportion of wholesale book continues to decline but still remains a larger part of the outstanding portfolio.

Liquidity Profile- Strong: The consolidated ALM profile as on June 30, 2020 had cumulative positive mismatches upto 1 year bucket. It includes liquid assets in the form of cash, FD's and liquid investments of Rs. 9,082 crore as at June 30, 2020. Apart from the above, company has undrawn bank lines of Rs. 5,587 crore and backup line of Rs. 2,000 crore from L&T. RBI has permitted lenders to grant moratorium (as a part of regulatory measures under the Covid-19 Regulatory Package) till August

31, 2020. 44% of customers on retail side and 40% on wholesale side are under moratorium as on June 30, 2020. However, the Group has not sought moratorium from its lenders. The Group's resource raising capability through integrated treasury also provides comfort.

Analytical approach:
L&T Finance Holdings Limited (LTFHL), the flagship holding company for the financial services business of L&T Group, which owns (directly and indirectly) 100% in all of its subsidiaries and the management/line functions for these businesses is common with significant operational and financial integration among them. Accordingly, CARE has considered a consolidated view for arriving at the rating. The list of the subsidiaries considered for consolidation is as per Annexure 3.

Applicable Criteria
Criteria on assigning Outlook to Credit Ratings
CARE's Policy on Default Recognition
Financial ratios – Financial sector
CARE's criteria for Housing Finance Companies
Consolidation and Factor Linkages in Ratings
CARE's Criteria for Market Linked Notes/Debentures
Rating Methodology- Non Banking Finance Companies

About L&T Finance Holdings Limited
LTFHL is RBI registered Non-Banking Finance Company - Core Investment Company (NBFC – CIC) and holding company for the financial services entities of the L&T Group. As on June 30, 2020, L&T held 63.72% equity stake in LTFHL. The Group has three key business segments, namely rural finance (comprising farm equipment, two wheeler, micro loans and consumer loans), housing finance (comprising home loans and LAP) and wholesale lending (comprising infra finance and real estate finance).

Brief Financials* (Rs. crore) (Consolidated)	**FY19 (A)**	**FY20(A)**
Total income	13,302	14,548
PAT	2,232	1,700
Adjusted Gearing (times)#	7.87	7.49
Total Tangible Assets	1,03,586	1,07,369
Net Stage 3 (%)	2.40	2.28
ROTA (%) (PAT/Average Total Assets)	2.29	1.59

A: Audited **Financials as per Ind-AS #Adjusted Gearing is Total borrowings / Tangible Networth*

About L&T Finance Limited
L&T Finance Limited (LTFL) was originally incorporated as Apeejay Finance Group Ltd. in 1993. In September, 2006, Societe Generale Consumer Finance (SGCF), a division of Societe Generale Group, France, acquired 45% stake in the company and gradually increased its stake to 100% by October 2007. Subsequently, the company's name was changed to Family Credit Limited (FCL). In December 2012, LTFHL (rated CARE AAA; Stable); the flagship holding company for the financial services of the L&T Group acquired 100% shareholding in FCL. During March'17, L&T Finance Limited (pre-merger) and L&T FinCorp Limited amalgamated with Family Credit Limited. The amalgamated entity was renamed as L&T Finance Limited. As on March 31, 2020, LTFL had loan portfolio of Rs. 46,453 crores

Brief Financials* (Rs. crore)	**FY19(A)**	**FY20 (A)**
Total income	7,383	8,680
PAT	846	366
Overall Gearing (times)	6.74	5.90
Total Assets (adjusted for Intangible assets and Deferred Tax assets)	53,745	51,013
Gross Stage 3 (%)	3.60	5.50
ROTA (%) (PAT/Average Total Assets)	1.70	1.09

A: Audited *Financials as per IND AS

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

ISIN No.	Name of the instrument	Date of issuance	Coupon Rate	Maturity Date	Size of the issue (Rs crore)	Ratings assigned along with Rating Outlook
-	Bank Facilities- Long Term	-	-	-	23,195.3	CARE AAA; Stable
-	Bank Facilities- Long Term (Proposed)	-	-	-	2804.6	CARE AAA; Stable
INE759E07830	Non-convertible debentures	13-Jun-16	8.80%	11-Jun-21	10.0	CARE AAA; Stable
INE027E07493	Non-convertible debentures	21-Jun-17	7.81%	21-Jul-22	25.0	CARE AAA; Stable
INE027E07543	Non-convertible debentures	08-Aug-17	7.71%	08-Aug-22	465.0	CARE AAA; Stable
INE027E07550	Non-convertible debentures	06-Oct-17	7.70%	06-Oct-22	310.0	CARE AAA; Stable
INE027E07568	Non-convertible debentures	13-Oct-17	7.65%	13-Nov-20	500.0	CARE AAA; Stable
INE027E07576	Non-convertible debentures	17-Oct-17	7.68%	18-Dec-20	150.0	CARE AAA; Stable
INE027E07584	Non-convertible debentures	24-Nov-17	7.85%	11-Dec-20	305.0	CARE AAA; Stable
INE027E07600	Non-convertible debentures	06-Dec-17	7.84%	06-Jan-21	215.0	CARE AAA; Stable
INE027E07618	Non-convertible debentures	12-Dec-17	7.95%	12-Dec-22	85.0	CARE AAA; Stable
INE027E07626	Non-convertible debentures	29-Dec-17	8.00%	27-Nov-20	100.0	CARE AAA; Stable
INE027E07634	Non-convertible debentures	27-Mar-18	8.25%	08-Apr-21	82.5	CARE AAA; Stable
INE027E07642	Non-convertible debentures	28-Mar-18	8.25%	21-Jun-21	95.0	CARE AAA; Stable
INE027E07659	Non-convertible debentures	06-Jun-18	8.65%	28-Apr-22	55.0	CARE AAA; Stable
INE027E07675	Non-convertible debentures	06-Jul-18	8.95%	10-Jun-22	35.0	CARE AAA; Stable
INE027E07683	Non-convertible debentures	06-Jul-18	8.92%	06-Oct-21	127.0	CARE AAA; Stable
INE027E07691	Non-convertible debentures	20-Jul-18	8.92%	30-Jul-21	25.0	CARE AAA; Stable
INE027E07709	Non-convertible debentures	20-Jul-18	8.95%	16-Aug-21	360.0	CARE AAA; Stable
INE027E07642	Non-convertible debentures	27-Jul-18	8.25%	21-Jun-21	80.3	CARE AAA; Stable
INE027E07717	Non-convertible debentures	02-Aug-18	8.86%	02-Aug-23	35.0	CARE AAA; Stable
INE027E07642	Non-convertible debentures	09-Aug-18	8.25%	21-Jun-21	55.0	CARE AAA; Stable
INE027E07691	Non-convertible debentures	20-Aug-18	8.92%	30-Jul-21	10.8	CARE AAA; Stable
INE027E07709	Non-convertible debentures	20-Aug-18	8.95%	16-Aug-21	51.0	CARE AAA; Stable
INE027E07683	Non-convertible debentures	31-Aug-18	8.92%	06-Oct-21	50.0	CARE AAA; Stable
INE027E07758	Non-convertible debentures	12-Sep-18	8.82%	03-Sep-21	59.0	CARE AAA; Stable
INE027E07758	Non-convertible debentures	31-Oct-18	8.82%	03-Sep-21	5.0	CARE AAA; Stable
INE759E07897	Non-convertible debentures	31-Oct-18	9.48%	14-Mar-22	75.8	CARE AAA; Stable
INE027E07618	Non-convertible debentures	31-Oct-18	7.95%	12-Dec-22	16.5	CARE AAA; Stable
INE027E07659	Non-convertible debentures	14-Nov-18	8.65%	28-Apr-22	30.0	CARE AAA; Stable
INE027E07550	Non-convertible debentures	20-Nov-18	7.70%	06-Oct-22	65.0	CARE AAA; Stable
INE027E07774	Non-convertible debentures	04-Jan-19	9.00%	04-Jan-24	800.0	CARE AAA; Stable
INE027E07790	Non-convertible debentures	11-Jan-19	9.00%	09-Feb-24	25.0	CARE AAA; Stable
INE027E07857	Non-convertible debentures	24-Jan-19	8.93%	08-Aug-22	50.0	CARE AAA; Stable
INE027E07865	Non-convertible debentures	01-Feb-19	9.02%	11-Mar-24	25.0	CARE AAA; Stable
INE027E07AP2	Non-convertible debentures	28-May-19	8.80%	28-May-26	850.0	CARE AAA; Stable
INE027E07AQ0	Non-convertible debentures	31-Jul-19	8.55%	31-Jul-26	15.0	CARE AAA; Stable
INE027E07BD6	Non-convertible debentures	24-Jan-20	8.25%	24-Jan-23	405.0	CARE AAA; Stable
INE027E07BF1	Non-convertible debentures	28-Apr-20	7.80%	28-Apr-23	1,075.0	CARE AAA; Stable
-	Non-convertible debentures (Proposed)	-	-	-	8,777.2	CARE AAA; Stable

INE027E07881	Non- convertible debentures (Public Issue)	13-Mar-19	9.00%	13-Apr-22	176.9	CARE AAA; Stable
INE027E07899	Non- convertible debentures (Public Issue)	13-Mar-19	9.10%	13-Apr-22	688.4	CARE AAA; Stable
INE027E07907	Non- convertible debentures (Public Issue)	13-Mar-19	9.00%	13-Apr-22	5.1	CARE AAA; Stable
INE027E07915	Non- convertible debentures (Public Issue)	13-Mar-19	9.10%	13-Apr-22	80.4	CARE AAA; Stable
INE027E07923	Non- convertible debentures (Public Issue)	13-Mar-19	9.10%	13-Mar-24	30.3	CARE AAA; Stable
INE027E07931	Non- convertible debentures (Public Issue)	13-Mar-19	9.25%	13-Mar-24	235.6	CARE AAA; Stable
INE027E07949	Non- convertible debentures (Public Issue)	13-Mar-19	8.75%	13-Mar-24	1.8	CARE AAA; Stable
INE027E07956	Non- convertible debentures (Public Issue)	13-Mar-19	8.89%	13-Mar-24	60.1	CARE AAA; Stable
INE027E07964	Non- convertible debentures (Public Issue)	13-Mar-19	9.20%	13-Mar-29	8.0	CARE AAA; Stable
INE027E07972	Non- convertible debentures (Public Issue)	13-Mar-19	9.35%	13-Mar-29	110.9	CARE AAA; Stable
INE027E07980	Non- convertible debentures (Public Issue)	13-Mar-19	8.84%	13-Mar-29	0.7	CARE AAA; Stable
INE027E07998	Non- convertible debentures (Public Issue)	13-Mar-19	8.98%	13-Mar-29	101.7	CARE AAA; Stable
INE027E07AA4	Non- convertible debentures (Public Issue)	15-Apr-19	8.70%	15-Apr-22	110.9	CARE AAA; Stable
INE027E07AB2	Non- convertible debentures (Public Issue)	15-Apr-19	8.90%	15-Apr-22	188.2	CARE AAA; Stable
INE027E07AC0	Non- convertible debentures (Public Issue)	15-Apr-19	8.71%	15-Apr-22	3.5	CARE AAA; Stable
INE027E07AD8	Non- convertible debentures (Public Issue)	15-Apr-19	8.91%	15-Apr-22	16.1	CARE AAA; Stable
INE027E07AE6	Non- convertible debentures (Public Issue)	15-Apr-19	8.80%	15-Apr-24	72.9	CARE AAA; Stable
INE027E07AF3	Non- convertible debentures (Public Issue)	15-Apr-19	9.00%	15-Apr-24	186.0	CARE AAA; Stable
INE027E07AG1	Non- convertible debentures (Public Issue)	15-Apr-19	8.48%	15-Apr-24	1.6	CARE AAA; Stable
INE027E07AH9	Non- convertible debentures (Public Issue)	15-Apr-19	8.66%	15-Apr-24	21.9	CARE AAA; Stable
INE027E07AI7	Non- convertible debentures (Public Issue)	15-Apr-19	8.81%	15-Apr-24	0.2	CARE AAA; Stable
INE027E07AJ5	Non- convertible debentures (Public Issue)	15-Apr-19	9.01%	15-Apr-24	18.3	CARE AAA; Stable
INE027E07AK3	Non- convertible debentures (Public Issue)	15-Apr-19	8.85%	15-Apr-27	10.5	CARE AAA; Stable
INE027E07AL1	Non- convertible debentures (Public Issue)	15-Apr-19	9.05%	15-Apr-27	352.0	CARE AAA; Stable
INE027E07AM9	Non- convertible debentures (Public Issue)	15-Apr-19	8.52%	15-Apr-27	0.5	CARE AAA; Stable
INE027E07AN7	Non- convertible debentures (Public Issue)	15-Apr-19	8.70%	15-Apr-27	17.5	CARE AAA; Stable

INE027E07AR8	Non- convertible debentures (Public Issue)	23-Dec-19	8.25%	23-Dec-22	29.8	CARE AAA; Stable
INE027E07AS6	Non- convertible debentures (Public Issue)	23-Dec-19	8.45%	23-Dec-22	417.2	CARE AAA; Stable
INE027E07AV0	Non- convertible debentures (Public Issue)	23-Dec-19	7.96%	23-Dec-22	0.9	CARE AAA; Stable
INE027E07AW8	Non- convertible debentures (Public Issue)	23-Dec-19	8.15%	23-Dec-22	43.4	CARE AAA; Stable
INE027E07AX6	Non- convertible debentures (Public Issue)	23-Dec-19	8.45%	23-Dec-24	23.2	CARE AAA; Stable
INE027E07AY4	Non- convertible debentures (Public Issue)	23-Dec-19	8.60%	23-Dec-24	325.5	CARE AAA; Stable
INE027E07AZ1	Non- convertible debentures (Public Issue)	23-Dec-19	8.15%	23-Dec-24	0.8	CARE AAA; Stable
INE027E07BA2	Non- convertible debentures (Public Issue)	23-Dec-19	8.29%	23-Dec-24	75.3	CARE AAA; Stable
INE027E07BB0	Non- convertible debentures (Public Issue)	23-Dec-19	8.50%	23-Dec-26	25.0	CARE AAA; Stable
INE027E07BC8	Non- convertible debentures (Public Issue)	23-Dec-19	8.65%	23-Dec-26	398.2	CARE AAA; Stable
INE027E07AT4	Non- convertible debentures (Public Issue)	23-Dec-19	8.26%	23-Dec-22	6.3	CARE AAA; Stable
INE027E07AU2	Non- convertible debentures (Public Issue)	23-Dec-19	8.46%	23-Dec-22	62.3	CARE AAA; Stable
-	Non- convertible debentures (Public Issue) (Proposed)	-	-	-	6,692.1	CARE AAA; Stable
INE523E08NH8	Subordinate Debt	21-Dec-12	9.80%	21-Dec-22	275.0	CARE AAA; Stable
INE027E08012	Subordinate Debt	28-Feb-14	10.90%	28-Feb-24	25.0	CARE AAA; Stable
INE523E08NI6	Subordinate Debt	27-Mar-14	10.35%	27-Mar-24	50.0	CARE AAA; Stable
INE027E08020	Subordinate Debt	27-Mar-14	10.90%	27-Mar-24	50.0	CARE AAA; Stable
INE759E08028	Subordinate Debt	30-Mar-14	9.95%	28-Mar-25	50.0	CARE AAA; Stable
INE027E08038	Subordinate Debt	30-Jun-14	10.40%	28-Jun-24	40.0	CARE AAA; Stable
INE759E08010	Subordinate Debt	31-Dec-14	9.95%	31-Dec-24	50.0	CARE AAA; Stable
INE759E08036	Subordinate Debt	09-Sep-15	9.25%	09-Sep-25	100.0	CARE AAA; Stable
INE027E08046	Subordinate Debt	30-Jan-16	9.35%	29-Jan-26	32.0	CARE AAA; Stable
INE027E08053	Subordinate Debt	09-Feb-16	9.35%	09-Feb-26	18.0	CARE AAA; Stable
INE027E08061	Subordinate Debt	04-Mar-16	9.48%	04-Mar-26	50.0	CARE AAA; Stable
INE759E08044	Subordinate Debt	23-Mar-16	9.30%	23-Mar-26	100.0	CARE AAA; Stable
INE027E08087	Subordinate Debt	13-Sep-19	8.90%	13-Sep-29	26.0	CARE AAA; Stable
-	Subordinate Debt (Proposed)	-	-	-	434.0	CARE AAA; Stable
INE523E08NG0	Perpetual Debt	30-Dec-11	11.50%	30-Dec-21	200.0	CARE AA+; Stable
INE027E08079	Perpetual Debt	30-Mar-16	10.10%	30-Mar-26	50.0	CARE AA+; Stable
-	Perpetual Debt (Proposed)	-	-	-	250.0	CARE AA+; Stable
INE027E07832	Market linked debentures	18-Jan-19	-	18-Jan-21	29.5	CARE PP-MLD AAA; Stable
INE027E07AO5	Market linked debentures	24-Apr-19	-	22-Apr-22	79.0	CARE PP-MLD AAA; Stable
INE027E07BJ3	Market linked debentures	17-Aug-20	-	17-Aug-22	50.0	CARE PP-MLD AAA; Stable
-	Market linked debentures	-	-	-	1,341.5	CARE PP-MLD AAA;

	(Proposed)					Stable
-	Commercial Paper	-	-	-	18500.0	CARE A1+

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Debentures-Non Convertible Debentures	LT	300.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (16-Mar-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)
2.	Commercial Paper	ST	18500.00	CARE A1+	1)CARE A1+ (21-Aug-20)	1)CARE A1+ (21-Aug-19)	1)CARE A1+ (08-Oct-18)	1)CARE A1+ (26-Feb-18) 2)CARE A1+ (09-Oct-17) 3)CARE A1+ (07-Jul-17) 4)CARE A1+ (17-Apr-17)
3.	Borrowings-Secured Long Term Borrowings	LT	2300.00	CARE AAA; Stable	-	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18) 2)CARE AAA; Stable (08-Mar-19)	1)CARE AAA; Stable (30-Mar-18) 2)CARE AAA; Stable (26-Feb-18) 3)CARE AA+; Positive (09-Oct-17) 4)CARE AA+; Stable (17-Apr-17)

4.	Debt-Subordinate Debt	LT	100.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)
5.	Debentures-Non Convertible Debentures	LT	300.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)
6.	Debt-Subordinate Debt	LT	50.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)
7.	Debentures-Non Convertible Debentures	LT	400.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)
8.	Debentures-Non Convertible Debentures	LT	350.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)
9.	Debentures-Non Convertible Debentures	LT	750.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable

								(17-Apr-17)
10.	Debt-Subordinate Debt	LT	75.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)
11.	Debt-Subordinate Debt	LT	100.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)
12.	Debt-Perpetual Debt	LT	100.00	CARE AA+; Stable	1)CARE AA+; Stable (21-Aug-20)	1) CARE AA+; Stable (21-Aug-19)	1)CARE AA+; Stable (08-Oct-18)	1)CARE AA+; Stable (26-Feb-18) 2)CARE AA; Positive (09-Oct-17) 3)CARE AA; Stable (17-Apr-17)
13.	Debentures-Non Convertible Debentures	LT	4400.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (08-Mar-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)
14.	Debt-Subordinate Debt	LT	350.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)
15.	Debentures-Non Convertible Debentures	LT	600.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17)

								3)CARE AA+; Stable (17-Apr-17)
16.	Debt-Perpetual Debt	LT	250.00	CARE AA+; Stable	1)CARE AA+; Stable (21-Aug-20)	1) CARE AA+; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AA+; Stable (26-Feb-18) 2)CARE AA; Positive (09-Oct-17) 3)CARE AA; Stable (17-Apr-17)
17.	Fund-based - LT-Term Loan	LT	18450.00	CARE AAA; Stable	-	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18) 2)CARE AAA; Stable (08-Mar-19)	1)CARE AAA; Stable (30-Mar-18) 2)CARE AAA; Stable (26-Feb-18) 3)CARE AA+; Positive (09-Oct-17) 4)CARE AA+; Stable (17-Apr-17)
18.	Debt-Perpetual Debt	LT	150.00	CARE AA+; Stable	1)CARE AA+; Stable (21-Aug-20)	1) CARE AA+; Stable (21-Aug-19)	1)CARE AA+; Stable (08-Oct-18)	1)CARE AA+; Stable (26-Feb-18) 2)CARE AA; Positive (09-Oct-17) 3)CARE AA; Stable (17-Apr-17)
19.	Fund-based - LT-Term Loan	LT	5250.00	CARE AAA; Stable	-	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18) 2) CARE AAA; Stable (08-Mar-19)	1)CARE AAA; Stable (30-Mar-18) 2)CARE AAA; Stable (26-Feb-18) 3)CARE AA+; Positive (09-Oct-17) 4)CARE AA+; Stable (17-Apr-17)
20.	Debt-Subordinate Debt	LT	625.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable

								(17-Apr-17)
21.	Debentures-Non Convertible Debentures	LT	3625.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)
22.	Commercial Paper-Commercial Paper (IPO Financing)	ST	0.00	Withdrawn	-	-	1)CARE A1+ (25-Jul-18) 2)Withdrawn (23-Jul-18) 3)Withdrawn (21-Jun-18) 4)CARE A1+ (21-Jun-18)	1)CARE A1+ (30-Mar-18) 2)Withdrawn (08-Mar-18) 3)CARE A1+ (16-Jan-18) 4) Withdrawn (07-Dec-17) 5)CARE A1+ (09-Oct-17)
23.	Debentures-Market Linked Debentures	LT	500.00	CARE PP-MLD AAA; Stable	1)CARE PP-MLD AAA; Stable (21-Aug-20)	1) CARE PP-MLD AAA; Stable (21-Aug-19)	1)CARE PP-MLD AAA; Stable (08-Oct-18)	1)CARE PP-MLD AAA; Stable (26-Feb-18) 2)CARE PP-MLD AA+; Positive (05-Dec-17)
24	Debenture-Non-Convertible Debentures	LT	1000.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (05-Sept-18)	-
25	Debenture- Non-Convertible Debentures/ Subordinate Debt	LT	5000.00	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (31-Dec-18) 2)CARE AAA; Stable (25-Dec-18)	-
26	Debenture-Non-Convertible Debentures	LT	4375	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1) CARE AAA; Stable (21-Aug-19)	1) CARE AAA; Stable (08-Mar-19)	-
27	Debentures-Market Linked Debentures	LT	1000	CARE PP-MLD AAA; Stable	1)CARE PP-MLD AAA; Stable (21-Aug-20)	1) CARE PP-MLD AAA; Stable (21-Aug-19) 2)CARE PP-MLD AAA; Stable (23-May-19)	-	-
28	Debenture- Non-Convertible Debentures/ Subordinate Debt	LT	5000	CARE AAA; Stable	1)CARE AAA; Stable (21-Aug-20)	1)CARE AAA; Stable (19-Nov-2019)	-	-

Annexure 3: List of subsidiaries/associates considered for consolidation as on 31st March 2020

Sr. No	Name of Company
1	L&T Infrastructure Finance Company Limited
2	L&T Investment Management Limited
3	L&T Mutual Fund Trustee Limited
4	L&T Financial Consultants Limited
5	L&T Infra Investment Partners Advisory Private Limited
6	L&T Infra Investment Partners Trustee Private Limited
7	L&T Finance Limited
8	L&T Housing Finance Limited
9	L&T Capital Markets Limited (divestment of entire stake from April 24, 2020)
10	L&T Infra Debt Fund Limited
11	Mudit Cement Private Limited
12	L&T Infra Investment Partners Fund
13	L&T capital markets (middle east) Limited

Annexure 4: Complexity levels of the rated instrument

Sr. No	Name of Instrument	Complexity Level
1	Non-Convertible Debentures	Simple
2	Non-Convertible Debentures-public issue	Simple
3	Subordinate Debt	Complex
4	Perpetual Debt	Highly complex
5	Market Linked Debentures	Highly complex
6	Public Issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible Debentures	Simple
7	Commercial Paper	Simple

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

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