August 30, 2019 Revised

L&T Infrastructure Finance Company Limited: Ratings reaffirmed; Outlook revised to Negative

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Bank Lines- Unallocated	2,500.00	2,500.00	[ICRA]AAA (negative); reaffirmed; Outlook revised to Negative from Stable
Bank Lines- Long-Term Fund based	5200.00	5200.00	[ICRA]AAA (negative); reaffirmed; Outlook revised to Negative from Stable
Bank Lines-Non-Fund based	700.00	700.00	[ICRA]AAA (negative); reaffirmed; Outlook revised to Negative from Stable
Non-convertible Debenture Programme	7,400.00	7,400.00	[ICRA]AAA (negative); reaffirmed; Outlook revised to Negative from Stable
Non-convertible Debenture (Infra Bonds) Programme	1,665.03	1,665.03	[ICRA]AAA (negative); reaffirmed; Outlook revised to Negative from Stable
Subordinated Debt Programme	4,000.00	4,000.00	[ICRA]AAA (negative); reaffirmed; Outlook revised to Negative from Stable
Perpetual Debt Programme	400.00	400.00	[ICRA]AA+ (negative); reaffirmed; Outlook revised to Negative from Stable
Commercial Paper Programme	11,000.00	11,000.00	[ICRA]A1+; reaffirmed
Total	**32,865.03**	**32,865.03**	

**Instrument details are provided in Annexure-1*

Rationale

L&T Finance Holdings Limited (LTFHL) is a holding company with a diversified business profile in the financial services space. LTFHL's wholly-owned subsidiaries operate in rural, housing and wholesale finance and asset management businesses. While arriving at the rating for L&T Infrastructure Finance Company Limited (LTIF), ICRA has considered the consolidated performance of LTFHL and its finance subsidiaries (namely L&T Finance Limited (LTF), L&T Infrastructure Finance Company Limited (LTIF) & L&T Housing Finance Limited (LTHFL), collectively referred to LTFHL Group) given the strong operational and financial synergies between the companies.

The ratings continue to draw significant strength from LTFHL's parentage, with Larsen & Toubro Ltd. (L&T, rated [ICRA]AAA/Stable) holding 63.89% equity in the company as on June 30, 2019 and the expectation that support from L&T would continue and be forthcoming as and when required. The ratings also draw comfort from the LTFHL Group's increased strategic importance to the parent with financial services being a focus area for the L&T group and LTFHL being the holding company for L&T Group's financial services business. The ratings take into consideration the improvement in LTFHL's business and risk profile by following rationalisation of product offerings and strengthened risk profile across businesses. Retail loans (farm equipment loan, home loans, micro loans, loans against property and two-wheeler loans) has seen increase in total book to 37% as on June 30, 2019 as compared with 30% as on March 31, 2018 with improved asset quality, portfolio diversification and market position. In wholesale businesses (Infrastructure and Real Estate), focus is on funding projects with ring-fenced structure where LTFHL also derives strength from L&T Group's expertise in these sectors. The ratings also factor in the capital funding, management, systems and infrastructure support that the company receives from LTFHL and other Group companies. ICRA expects the company to be adequately capitalised in relation to its growth plans over the medium term, supported by timely capital infusion by LTFHL.

The long-term ratings for the group factor in the ability to profitably grow the business volumes (the AUM grew by 16% in FY2019 and further to Rs. 99,904 crore as on June 30, 2019) while improving the share of retail loans in the overall mix and improved capitalisation profile of the group supported by the sizeable capital infusion of Rs. 3,000 crore in March 2018. The ratings factor in ICRA's expectations of the group to maintain prudent gearing levels going forward as well. The ratings also factor in its focus on underwriting with subsequent down-selling of assets in Infrastructure projects, which provides scope for fee-based income and is likely to support overall profitability.

These strengths are, however, partially offset by the current sectoral and environment risk of the wholesale lending *(Infrastructure finance, Real Estate sector, DCM and Structured Finance Group).* LTFHL's ability to manage recoveries or mitigate losses through the enforcement of security while arresting fresh slippages and thus keeping a check on the credit costs will have a bearing on its earning profile. Within the Infrastructure finance, the focus is on sectors such as renewable, transportation and transmission, which are relatively less risky. ICRA also notes the increased share of real estate book (where large part of the portfolio is under construction and hence principal moratorium; however, there is no moratorium on interest). Exposure in Real estate is project level in metro cities with focus on bigger developers spread across several projects / SPVs; which brings diversity and acts as a risk mitigant. ICRA also notes the portfolio concentration with top 20 group exposure accounting for 168% of net worth as of March 31, 2019 (down from 190% of net worth as of March 31, 2018) in wholesale book, augmenting portfolio vulnerability, however the group exposures are spread across more than 100 projects / SPVs; which brings diversity and acts as a risk mitigant. While the company has hitherto reported improvement in asset quality indicators during FY2019 and Q1FY2020, its ability to maintain the same in light of the systemic risk build-up in the real estate industry will be important from a credit perspective. ICRA has also taken note of the Group's improving profitability indicators though these are expected to remain largely at current levels in FY2019. In ICRA's opinion, LTFHL's ability to absorb higher provisioning, in addition to augmentation of capital through various avenues, would help the Group strengthen the consolidated balance sheet. Going forward, continued support from L&T, sustained financial performance, ability to run down defocussed book, reduce portfolio vulnerability and improve asset quality indicators remain key rating sensitivities.

The one notch lower rating assigned to the company's perpetual debt programme compared to the [ICRA]AAA rating for the other long-term debt programmes reflects the specific features of these instruments wherein the debt servicing is additionally linked to meeting the regulatory norms on capitalisation and reported profitability. The domestic regulatory norms for hybrid debt capital instruments include regulatory approvals from the Reserve Bank of India (RBI) for debt servicing (including principal repayments) if the company reports a loss and is not liable to service the debt if it breaches the minimum regulatory capitalisation norms.

Outlook: Negative

ICRA believes LTIF will continue to benefit from being a part of LTFHL group and from L&T's parentage, its demonstrated track record of infrastructure financing in India and its ability to raise funds at competitive rates. Any change in the credit profile of L&T would impact the credit profile of LTFHL which in turn will affect LTIF's rating given their close linkages. While the ratings have been reaffirmed, the outlook on the long-term rating has been revised to Negative because of the increased systemic risks in wholesale sector. Furthermore, given the slowdown in the economy and current challenges in the industry growth, there could be pressure on the asset quality indicators and earning profile. The outlook may be revised to Stable if the risks in the current market environment subside or the company is able to demonstrate continued performance trajectory and further improve the granularity of the book while maintaining a healthy asset quality and capitalisation profile. Any change on the likely support from parent could also warrant a rating change for the group.

Key rating drivers

Credit strengths

Strong parentage and strategic importance to ultimate parent; experienced management team – L&T is the country's largest engineering and construction group and the market leader in infrastructure development, with expertise gained over seven decades of operations. The parent's committed support in the form of capital, management, technical and operational pool considerably reinforces LTIF's credit profile. The company's immediate parent, L&T Finance Holdings Limited has supported LTIF through regular capital infusion, enabling it to remain adequately capitalised in relation to its portfolio growth and risks. Apart from capital support, LTIF's access to other L&T Group companies provides advantages in terms of referrals, better assessment of risks, and availability of sector and industry expertise from within the Group. L&T also provides direct support in the form of board representation in LTFHL and deputation of senior management. ICRA believes that these synergies would support the company's ability to expand profitably. LTIF is of strategic importance to the Group as it comprises a significant and important block of the Group's financial services portfolio. The Group's financial services portfolio consists of corporate lending, retail lending, infrastructure lending and asset management. ICRA expects LTIF to continue to receive financial, management and operational support from the Group, going forward as well.

High proportion of portfolio in operational phase with adequate underlying credit profiles – The total AUM for LTIF increased by 14% to Rs. 27,489 crore as on March 31, 2019 from Rs. 24,073 crore as on March 31, 2018. Within the portfolio, the project finance group accounted for 81% of the total book as on March 31, 2019 followed by real estate finance (13%) and defocussed book (DCM + Structured Finance) accounting for balance 5% of the book. Further as on June 30, 2019, LTIF's portfolio stood at Rs. 27,007 crore. The higher share of renewable assets, with short gestation periods and small ticket sizes, has increased the company's operational assets (85% of renewable, roads and transmission portfolio as on March 31, 2019), thereby strengthening its overall portfolio risk profile. The high share of operational assets reduces portfolio vulnerability and imparts stability to asset quality, in the absence of project execution risk. Further, the company proposes to down-sell a portion of its operational renewable power assets to L&T Infra Debt Fund in a phased manner.

At a consolidated level, LTFHL's AUM grew by 16% Y-o-Y to Rs. 99,121 crore as on March 31, 2019 from Rs. 85,354 crore as on March 31, 2018, driven by 39% growth in retail segments during FY2019, resulting in increase in share of retail segment to 36% of loan book as on March 31, 2019 (30% as on March 31, 2018). LTFHL's AUM stood at Rs. 99,904 crore as on June 30, 2019 and comprised of 37% of the loans to retail segments (Micro loans (13%), Two-wheeler (6%) & Farm Equipment (7%) and Home Loans/LAP (11%)) and balance 63% to the wholesale segments (Real Estate Finance (15%), Infrastructure Finance (39%) and the balance towards Structured Finance Group, Debt & Capital Markets book, etc).

In-house expertise in project underwriting and down-selling provides healthy fee-based income, thereby supporting overall profitability – LTIF leverages its experience in the infrastructure space and the expertise gained in underwriting infrastructure projects for generating fee-based income. The company has established centres of excellence, which underwrite infrastructure projects to be down sold to financiers (banks and NBFCs) for an underwriting fee, a move which supports its top line with limited impact on its risk profile.

Comfortable capitalisation – LTIF's capitalisation remains comfortable with CRAR of 24.26% (Tier I - 17.47%) as on March 31, 2019 as against 20.67% (Tier I - 13.80%) as on March 31, 2018. Its gearing was also moderate at 6.21 times, as on March 31, 2019, given the relatively concentrated nature of the portfolio. The company would, however, require additional growth capital over the medium term. ICRA takes comfort from the adequate internal accruals and the implicit equity support (equity infusion of Rs. 450 crore by LTFHL in Q4FY2018 and Rs. 1,300 crore during FY2019) from the parent to keep the entity adequately capitalised in relation to the portfolio risk and the growth targeted for the medium term.

At a consolidated level, LTFHL's capitalisation remains adequately supported by its track record of raising funds (Rs. 3,000 crore in Q4FY2018 (Rs. 2000 crore from L&T and Rs. 1000 crore through QIP)) and moderate internal capital generation (return on equity of 17.9% in FY2019 compared to 13.9% in FY2018). Post capital raising in FY2018, the gearing level of the group had come down to the moderate level of 6.80 times as on March 31, 2019 (6.60 as on March 31, 2018 and 7.90 as on March 31, 2017) which has further moderated to 6.64 times as of June 30, 2019. Consolidated CRAR as on March 31, 2019 stood at 17.85% (Tier 1: 14.56%) which has further improved to 18.38% (Tier 1:15.05%) as of June 30, 2019. ICRA believes that prudent capitalisation is one the key mitigants to absorb any asset quality related shocks and expects that the company would maintain prudent capitalisation profile going forward. Nonetheless, given the strong parentage and the ability of the entity to raise capital from market, the capitalization profile of the LTFHL is expected to remain adequate. ICRA expects the support from L&T would be forthcoming as and when required.

Comfortable liquidity position supported by diversified funding mix and ability to raise funds at competitive rates - Given its infrastructure finance company (IFC) and public finance institution (PFI) status, LTIF is able to raise funds at competitive rates from banks as well as capital markets and has a fairly-diversified funding mix with ~39% of the funding as on March 31, 2019 raised through bonds with balance being borrowings through banks and FIs (39%) and commercial paper (20%). The company enjoys a favourable ALM profile as a bulk of its borrowings are in the long term (1 to 5 years) bracket, while the average residual maturity of the loans is around 5 years. The unutilised bank limits, and liquidity support from the ultimate parent L&T provides comfort over liquidity profile of the company.

Credit challenges

Moderation in asset quality indicators – LTIF's asset quality deteriorated following the transition to tighter NPA recognition norms and some slippages. The gross and net NPA as on March 31, 2019 stood at 13.32% and 10.01%, respectively, as compared with the gross and net NPA of 5.75% and 3.04%, respectively as on March 31, 2018 as per Ind-AS stood. However, incremental slippages from the legacy book are expected to be limited. ICRA also notes that LTIF is covered under SARFAESI, which could help reduce the ultimate loss in case of defaults. Going forward, the company's ability to manage recoveries as well as contain fresh slippages will be an important rating consideration.

At a consolidated group level, on account of transition to IND AS during FY2019, standard stressed assets had been included as part of Stage 3 over and above the Non-Performing Assets. This had resulted in Gross and Net Stage 3 Assets of 8.71% and 3.34% respectively as on March 31, 2018 (under Ind AS) as compared to Gross and Net NPA of 4.80% and 2.34% respectively as on March 31, 2018. The asset quality has improved during FY2019 and Q1FY2020 with Gross and Net Stage 3 at 5.90%/2.40% and 5.72%/2.48% respectively, supported by healthy collections and controlled slippages.

In Infrastructure finance, incremental exposure is in sectors such as renewable, transportation and transmission, which are relatively less risky though, the full benefit of this would only be visible over the medium term. The top 20 group exposures accounted for 168% of net worth as on March 31, 2019 (which has reduced from 190% as on March 31, 2018), indicates high concentration towards group exposures, which may augment portfolio vulnerability. However, these group exposures are spread across >100 projects/SPV in ring fenced structures; which brings diversity and acts as a risk mitigant for the concentration. Furthermore, high systemic risk in the real estate industry, may lead to higher credit costs over the medium term. At the same time, while the delinquencies could remain volatile in some of the retail portfolios, the macroprudential provisions built by the group could limit the impact on the profitability. Overall, the Group's ability to profitably grow business volumes while improving the asset quality would have a bearing on its overall financial profile and would be a key monitorable.

Relatively higher share of wholesale exposures at group level; albeit gradually declining. Group in process of reducing the exposures under corporate/structured loan segment –
LTIF has been focusing on changing its asset mix in favour of renewable segment and other operational projects. Thus, incrementally, ticket size of the exposures is relatively lower and the projects have a lower gestation period and, hence,

lower execution risks. This has increased granularity in its portfolio. However, given the inherent nature of the business of infrastructure financing, the portfolio concentration remains high. This makes the company vulnerable to asset quality shocks, in case of slippages in a few key projects, which would adversely affect its profitability. This is, however, partly alleviated by the Group's longstanding experience in infrastructure lending.

At a consolidated level, LTFHL's lending book stood at Rs. 99,121 crore as on March 31, 2019 (compared to Rs. 85,354 crore as on March 31, 2018). Share of loans to retail segments has increased to 36% from 30% on annual basis primarily driven by growth in Rural and Housing segment. Nonetheless, a significant share of 64% of portfolio comprises of wholesale segments. During Q1FY20 the company has reclassified structured finance group and DCM business under defocused book, expected to be run down by the end of FY2021. Further, LTFHL's ability to manage recoveries or mitigate losses through the enforcement of security while arresting fresh slippages and thus keeping a check on the credit costs will have a bearing on its earning profile.

Modest profitability indicators – LTIF's cost of funds increased (8.28% in FY2019 from 7.86% in FY2018) at more than commensurate rate as compared to increase in yield (10.29% in FY2019 from 10.13% in FY2018) leading to a decline in spreads. Net interest margins (NIMs), remained stable at 2.15% during FY2019 as against 2.10% during FY2018 due to decline in gearing to 6.21 times as on March 31, 2019 (9.35 times as on March 31, 2018). Overall, the company's profitability improved marginally with return on assets (RoA) of 0.87% and return on equity (RoE) of 7.33% during FY2019 against 0.57% and 6.29%, respectively, during FY2018, supported by stable operating expenses and lower credit costs. ICRA expects further improvement in the profitability indicators, provided the company is able to contain the fresh slippages and hence credit cost.

LTFHL Group, at a consolidated level, reported a profit after tax of Rs. 2,232 crore as compared to Rs. 1,278 crore during FY2018. ICRA notes that with the implementation of the new strategy and change in product mix, the company's profitability indicators improved in FY2019 and vis-à-vis FY2018. The company reported return on assets (RoA) and adjusted return on equity (RoE) of 2.30% and 17.91%, respectively, during FY2019 as compared with 1.61% and 13.65%, respectively, during FY2018. Going forward, with the group's increased focus on retailisation, the blended yields are expected to improve, however, impact expected to be offset by the increase in cost of funds leading to stable NIMs and Fee income. Further, LTFHL's ability to manage recoveries or mitigate losses through the enforcement of security while arresting fresh slippages and thus keeping a check on the credit costs will have a bearing on its earning profile. LTFH group has built up macro-prudential provisions for unanticipated future event risks, which may arise in the micro loan and real estate segment (Rs.350 crore as on June 30, 2019). Factoring these macro-prudential provisions, there may not be any significant impact on profitability in such unanticipated events.

Liquidity Position:

The liquidity profile of the group is comfortable at a consolidated level. The liquidity profile of LTFHL is comfortable at a consolidated level. As on June 30, 2019 on a consolidated basis, cumulative outflows over the next six months stood at Rs. 20,249 crore, while collections expected from loan assets' inflows were about Rs. 12,040 crore. The company had cash and liquid investments of Rs. 4,856 crore, unutilized bank lines of Rs. 6,278 crore as on June 30, 2019 which it can use to meet the funding gaps. The liquidity is also supported by the Rs. 2,000 crore credit line from L&T. LTFHL enjoys strong financial flexibility to mobilise long term funding on the back of its established track record and parentage.

Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies Impact of Parent or Group Support on an Issuer's Credit Rating
Parent/Group Support	Ultimate parent / Investor: Larsen & Toubro Ltd. The assigned rating derives significant strength from LTFHL's parentage, with Larsen & Toubro Ltd. (L&T, rated [ICRA]AAA/Stable) holding 63.89% (as on June 30, 2018) equity in the company, and LTFH group's increased strategic importance to the parent with financial services being a focus area for the L&T group and LTFHL being the holding company for L&T Group's financial services business. ICRA expects timely capital and liquidity support to be forthcoming from L&T, if required.
Consolidation / Standalone	While arriving at the rating for L&T Infrastructure Finance Company Limited (LTIF), ICRA has considered the consolidated performance of LTFHL and its subsidiaries carrying businesses as finance companies given the strong operational and financial synergies between the companies.

About the company

L&T Infrastructure Finance Company Limited

LTIF was formed as a 100% subsidiary of Larsen & Toubro Limited (L&T) in April 2006 and began operations in January 2007. L&T formed L&T Financial Holdings Limited (LTFHL, formerly known as L&T Capital Holdings Limited) to house all its investments in financial services including those in LTIF. Consequently, the entire shareholding was transferred to LTFHL in March 2009. LTIF is registered as a non-banking finance company-infrastructure finance company (NBFC-IFC) and is engaged in financing infrastructure projects including power, roads, communication, and social and commercial infrastructure among others.

In June 2011, the company was recognised as a public financial institution (PFI), which among others provides it with access to the provisions of the SARFAESI Act for recoveries from delinquent customers. The company leverages L&T's domain knowledge in the engineering and construction space to provide infrastructure financing solutions through a mix of debt, sub-debt, quasi-equity and equity participation. LTIF operates from its offices in Mumbai, Delhi, Chennai and Hyderabad.

During FY2019, LTIF reported a profit after tax (PAT) of Rs. 232 crore on an asset base of Rs. 28,409 crore compared to PAT of Rs. 138 crore on an asset base of Rs. 25,088 crore during FY2018. As on March 31, 2019, the company had a net worth of Rs. 3,930 crore and gross NPAs of 14.35% and net NPAs of 10.82%.

L&T Finance Holdings Limited

L&T Finance Holdings Limited (LTFHL) was originally incorporated as L&T Capital Holdings Ltd in May 2008 and its name was subsequently changed in September 2010. The company is registered as an NBFC-CIC with the RBI. It is promoted by Larsen & Toubro Limited (L&T) as the holding company of L&T Group's financial services companies. LTFHL has three wholly-owned subsidiaries, namely, L&T Infrastructure Finance Company Limited, L&T Finance Limited and L&T Housing Finance Limited, which undertake the Group's lending operations. L&T Infra Debt Fund, an NBFC-IDF, was incorporated in 2013, with LTFHL and its subsidiaries together holding a 100% stake in the company.

LTFHL, through its subsidiaries, offers a diverse range of financial products and services across rural, housing and wholesale finance businesses. It also offers fund management and other non-fund based services, such as insurance and mutual fund distribution and financial advisory services (project finance and pre-bid advisory), through its subsidiaries.

Following an initial public offering in July 2011, L&T's shareholding in LTFHL declined to 82.64% from 99.99% earlier. Following some open market transactions, L&T's shareholding reduced, currently L&T continue to holds a majority stake of 63.91% stake in LTFHL as on March 31, 2019. On a consolidated basis, for FY2019, LTFHL reported PAT of Rs. 2,232 crore on an asset base of Rs. 1,06,055 crore compared to PAT of Rs. 1,278 crore for FY2018, on a total asset base of Rs. 87,777 crore. The consolidated entity's net worth was Rs. 13,449 crore as on March 31, 2019.

Larsen & Toubro Limited

Larsen & Toubro Limited (L&T, rated [ICRA]AAA(Stable)) is a leading engineering and construction company in India with a global presence. Headquartered in Mumbai, it has interests in infrastructure, power, metallurgical & material handling, heavy engineering, shipbuilding, electrical & automation, machinery and industrial products, and realty. Apart from India, it has a significant presence in the Middle East. Through its subsidiaries, associate companies and joint ventures, the Group is engaged in the hydrocarbon business, IT services, financial services, and infrastructure development ventures. For FY2019, L&T reported a consolidated PAT of Rs. 10,217 crore on a total asset base of Rs. 279,134 crore as on March 31, 2019.

Key financial indicators for L&T Infrastructure Finance Limited (standalone)

	FY2018	FY2019
Total Income	2,667	2,864
Profit after tax (PAT)	138	232
Net Worth	2,400	3,930
Total managed portfolio	23,361	27,489
Total assets	25,088	28,409
Return on total assets (PAT/ATA)	0.57%	0.87%
Return on average net worth (PAT/Avg. net worth)	6.29%	7.33%
Gearing (times)	9.35	6.21
Gross NPA%	5.75%	13.32%
Net NPA%	3.04%	10.01%
Net NPA/Net worth	28.95%	65.56%
CRAR%	20.67%	24.26%

PY figures for FY2018 calculation as per Ind-AS as on April 1, 2017
Amount in Rs. Crore; ICRA calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

	Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years						
		Type	Rated Amount (Rs. crore)	Amount Outstanding (Rs. crore) as on Feb 2019	Aug 2019	FY2020	FY2019				FY2018	FY2017
						Apr 2019	Aug 2018	July 2018	June 2018	May 2018	Mar-18	Nov-16
1	Bank Lines	Long Term-Unallocated	2,500	0	[ICRA]AAA (negative)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)
2	Bank Lines	Long Term- Fund based	5,200	5,200	[ICRA]AAA (negative)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (Stable)
3	Bank Lines	Long Term- Non Fund based	700	700	[ICRA]AAA (negative)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (Stable)
4	Non-Convertible Debenture Programme	Long Term	9,065.03	6,282.68	[ICRA]AAA (negative)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA]AA+ (stable)	[ICRA]AA+ (stable)	[ICRA]AA+ (stable)	[ICRA]AA+ (stable)	[ICRA]AA+ (stable)
5	Subordinated Debt Programme	Long Term	4,000	1,567. 50	[ICRA] AAA (negative)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (Stable)
6	Perpetual Debt Programme	Long Term	400	280	[ICRA] AA+ (negative)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA (stable)	[ICRA] AA (stable)	[ICRA] AA (stable)	[ICRA] AA (stable)	[ICRA] AA (Stable)
7	CP Programme	Short Term	11,000	4,850	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument	Date of Issuance	Coupon Rate (In %)	Maturity Date	Amount Rated	Current Rating and Outlook
INE691I07240	Non Convertible Debenture	18-Oct-11	9.70%	18-Oct-28	500	[ICRA]AAA (negative)
INE691I07398	Non Convertible Debenture	29-May-13	8.35%	29-May-23	110	[ICRA]AAA (negative)
INE691I07737	Non Convertible Debenture	10-Sep-14	9.50%	11-Sep-19	60.25	[ICRA]AAA (negative)
INE691I07737	Non Convertible Debenture	11-Sep-14	9.50%	11-Sep-19	60.25	[ICRA]AAA (negative)
INE691I07778	Non Convertible Debenture	19-Sep-14	9.50%	19-Sep-19	5	[ICRA]AAA (negative)
INE691I07810	Non Convertible Debenture	21-Oct-14	9.15%	21-Oct-19	10.5	[ICRA]AAA (negative)
INE691I07893	Non Convertible Debenture	21-Jan-15	8.65%	21-Jan-20	145	[ICRA]AAA (negative)
INE691I07AC4	Non Convertible Debenture	20-Apr-15	8.70%	20-Apr-20	101.5	[ICRA]AAA (negative)
INE691I07AD2	Non Convertible Debenture	27-Apr-15	8.70%	27-Apr-20	33.25	[ICRA]AAA (negative)
INE691I07AS0	Non Convertible Debenture	29-May-15	8.81%	29-May-20	40	[ICRA]AAA (negative)
INE691I07AT8	Non Convertible Debenture	29-May-15	8.81%	27-May-22	11	[ICRA]AAA (negative)
INE691I07AM3	Non Convertible Debenture	22-May-15	8.81%	22-May-20	15	[ICRA]AAA (negative)
INE691I07AN1	Non Convertible Debenture	22-May-15	8.81%	20-May-22	11	[ICRA]AAA (negative)
INE691I07AO9	Non Convertible Debenture	25-May-15	8.81%	25-May-20	10	[ICRA]AAA (negative)
INE691I07AJ9	Non Convertible Debenture	19-May-15	8.84%	19-May-20	31	[ICRA]AAA (negative)
INE691I07AL5	Non Convertible Debenture	19-May-15	8.84%	19-May-25	44.5	[ICRA]AAA (negative)
INE691I07AQ4	Non Convertible Debenture	26-May-15	8.81%	26-May-22	15	[ICRA]AAA (negative)
INE691I07AR2	Non Convertible Debenture	26-May-15	8.85%	26-May-25	20	[ICRA]AAA (negative)
INE691I07AX0	Non Convertible Debenture	5-Jun-15	8.84%	5-Jun-25	50	[ICRA]AAA (negative)
INE691I07BL3	Non Convertible Debenture	17-Jul-15	8.87%	17-Jul-20	7	[ICRA]AAA (negative)
INE691I07BR0	Non Convertible Debenture	7-Aug-15	8.82%	7-Aug-20	20	[ICRA]AAA (negative)
INE691I07BS8	Non Convertible Debenture	7-Aug-15	8.82%	5-Aug-22	10	[ICRA]AAA (negative)
INE691I07BU4	Non Convertible Debenture	4-Sep-15	8.82%	4-Sep-20	20	[ICRA]AAA (negative)
INE691I07CC0	Non Convertible Debenture	16-Oct-15	8.62%	16-Oct-20	51.5	[ICRA]AAA (negative)
INE691I07CH9	Non Convertible Debenture	13-Nov-15	8.60%	11-Nov-22	18	[ICRA]AAA (negative)
INE691I07CK3	Non Convertible Debenture	16-Dec-15	8.65%	16-Dec-20	27	[ICRA]AAA (negative)
INE691I07CM9	Non Convertible Debenture	8-Feb-16	8.75%	6-Feb-26	52	[ICRA]AAA (negative)
INE691I07CS6	Non Convertible Debenture	29-Mar-16	8.80%	29-Mar-21	25	[ICRA]AAA (negative)
INE691I07356	Non Convertible Debenture	11-Jan-13	9.00%	11-Jan-23	450	[ICRA]AAA (negative)
INE691I07CX6	Non Convertible Debenture	21-Apr-16	8.70%	21-Apr-21	45.25	[ICRA]AAA (negative)
INE691I07CN7	Non Convertible Debenture	16-Mar-16	8.80%	16-Mar-23	10	[ICRA]AAA (negative)
INE691I07CU2	Non Convertible Debenture	13-Apr-16	8.75%	13-Apr-21	120	[ICRA]AAA (negative)
INE691I07DU0	Non Convertible Debenture	16-Sep-16	8.10%	27-Sep-19	100	[ICRA]AAA (negative)
INE691I07DS4	Non Convertible Debenture	2-Sep-16	8.30%	2-Sep-20	100	[ICRA]AAA (negative)
INE691I07DQ8	Non Convertible Debenture	25-Aug-16	8.30%	27-Mar-20	50	[ICRA]AAA (negative)
INE691I07DR6	Non Convertible Debenture	25-Aug-16	8.30%	26-Jun-20	100	[ICRA]AAA (negative)
INE691I07DT2	Non Convertible Debenture	15-Sep-16	8.26%	14-Dec-20	150	[ICRA]AAA (negative)
INE691I07DV8	Non Convertible Debenture	24-Oct-16	7.80%	22-Oct-21	25	[ICRA]AAA (negative)
INE691I07DW6	Non Convertible Debenture	16-Nov-16	7.95%	16-Nov-26	47	[ICRA]AAA (negative)
INE691I07DX4	Non Convertible Debenture	3-Mar-17	7.95%	3-Mar-22	20	[ICRA]AAA (negative)
INE691I07DZ9	Non Convertible Debenture	29-Jun-17	7.59%	18-Nov-24	667	[ICRA]AAA (negative)
INE691I07EC6	Non Convertible Debenture	25-Jul-17	7.80%	16-Aug-22	205	[ICRA]AAA (negative)
INE691I07ED4	Non Convertible Debenture	30-Aug-17	7.65%	30-Aug-22	50	[ICRA]AAA (negative)
INE691I07EE2	Non Convertible Debenture	13-Sep-17	7.50%	21-Sep-20	210	[ICRA]AAA (negative)

INE691I08503		30-Mar-17	8.19%	25-May-20	500	[ICRA]AAA (negative)
INE691I07232		23-Mar-11	8.30%	23-Mar-21	235.1	[ICRA]AAA (negative)
INE691I07265		10-Jan-12	9.00%	10-Jan-22	124.0	[ICRA]AAA (negative)
INE691I07273		10-Jan-12	9.00%	10-Jan-22	306.7	[ICRA]AAA (negative)
INE691I07299		24-Mar-12	8.70%	24-Mar-22	112.9	[ICRA]AAA (negative)
INE691I07307		24-Mar-12	8.70%	24-Mar-22	333.3	[ICRA]AAA (negative)
INE691I07174		2-Dec-10	7.75%	2-Dec-20	39.4	[ICRA]AAA (negative)
INE691I07190		2-Dec-10	7.50%	2-Dec-20	108.6	[ICRA]AAA (negative)
INE691I07224		23-Mar-11	8.20%	23-Mar-21	69.2	[ICRA]AAA (negative)
INE691I07182		2-Dec-10	7.50%	2-Dec-20	51.0	[ICRA]AAA (negative)
INE691I07166		2-Dec-10	7.75%	2-Dec-20	17.3	[ICRA]AAA (negative)
INE691I07679*		4-Jul-14	9.30%	4-Jul-19	15	[ICRA]AAA (negative)
INE691I07653*		26-Jun-14	9.30%	26-Jun-19	4.75	[ICRA]AAA (negative)
INE691I07DE4*		16-Jun-16	8.70%	25-Jun-19	3.75	[ICRA]AAA (negative)
INE691I07612*		18-Jun-14	9.25%	18-Jun-19	19.5	[ICRA]AAA (negative)
INE691I07DD6*		16-Jun-16	8.70%	14-Jun-19	15	[ICRA]AAA (negative)
INE691I07562*		13-Jun-14	9.25%	13-Jun-19	76.8	[ICRA]AAA (negative)
INE691I07DB0*		6-Jun-16	8.70%	6-Jun-19	15	[ICRA]AAA (negative)
INE691I07CZ1*		11-May-16	8.70%	10-May-19	10	[ICRA]AAA (negative)
INE691I07CR8*		29-Mar-16	8.85%	29-Apr-19	100	[ICRA]AAA (negative)
INE691I07CW8*		21-Apr-16	8.70%	19-Apr-19	72	[ICRA]AAA (negative)
INE691I07CT4*		13-Apr-16	8.75%	12-Apr-19	45	[ICRA]AAA (negative)
INE691I07CO5*		23-Mar-16	8.85%	26-Mar-19	45	[ICRA]AAA (negative)
INE691I07CO5*		22-Mar-16	8.85%	26-Mar-19	45	[ICRA]AAA (negative)
INE691I07CV0*		21-Apr-16	8.68%	21-Mar-19	10	[ICRA]AAA (negative)
INE691I07BW0*		10-Sep-15	8.86%	8-Mar-19	100	[ICRA]AAA (negative)
NA		NA	NA	NA	2737.60^	[ICRA]AAA (negative)
INE691I08255	Perpetual Debt	29-Jan-14	10.35%	29-Jan-24	50.00	[ICRA]AA+ (negative)
INE691I08404		27-Aug-15	9.90%	27-Aug-25	150.00	[ICRA]AA+ (negative)
INE691I08438		30-Mar-16	9.50%	30-Mar-26	30.00	[ICRA]AA+ (negative)
INE691I08420		18-Mar-16	9.50%	18-Mar-26	50.00	[ICRA]AA+ (negative)
NA		NA	NA	NA	120.00^	[ICRA]AA+ (negative)
INE691I08248	Subordinated Debt	30-Apr-12	9.90%	29-Apr-22	200.00	[ICRA]AAA (negative)
INE691I08271		8-Feb-14	9.73%	9-Feb-24	5.00	[ICRA]AAA (negative)
INE691I08289		12-Feb-14	9.73%	16-Feb-24	2.00	[ICRA]AAA (negative)
INE691I08289		14-Feb-14	9.73%	16-Feb-24	2.00	[ICRA]AAA (negative)
INE691I08289		18-Feb-14	9.73%	16-Feb-24	5.00	[ICRA]AAA (negative)
INE691I08297		12-Mar-14	9.73%	14-Mar-24	0.30	[ICRA]AAA (negative)
INE691I08297		14-Mar-14	9.73%	14-Mar-24	20.80	[ICRA]AAA (negative)
INE691I08297		28-Feb-14	9.73%	14-Mar-24	0.30	[ICRA]AAA (negative)
INE691I08263		31-Jan-14	9.73%	31-Jan-24	20.00	[ICRA]AAA (negative)
INE691I08271		10-Feb-14	9.73%	9-Feb-24	15.00	[ICRA]AAA (negative)
INE691I08263		30-Jan-14	9.73%	31-Jan-24	5.00	[ICRA]AAA (negative)
INE691I08297		11-Mar-14	9.73%	14-Mar-24	3.00	[ICRA]AAA (negative)
INE691I08305		4-Mar-14	9.73%	4-Mar-24	5.00	[ICRA]AAA (negative)
INE691I08297		6-Mar-14	9.73%	14-Mar-24	5.00	[ICRA]AAA (negative)
INE691I08297		7-Mar-14	9.73%	14-Mar-24	0.30	[ICRA]AAA (negative)
INE691I08297		10-Mar-14	9.73%	14-Mar-24	0.30	[ICRA]AAA (negative)
INE691I08289		13-Feb-14	9.73%	16-Feb-24	11.00	[ICRA]AAA (negative)

INE691I08313		13-Nov-14	9.10%	13-Nov-24	100.00	[ICRA]AAA (negative)
INE691I08339		18-Feb-15	8.75%	18-Feb-25	225.00	[ICRA]AAA (negative)
INE691I08321		19-Jan-15	8.75%	17-Jan-25	91.90	[ICRA]AAA (negative)
INE691I08321		15-Jan-15	8.75%	17-Jan-25	13.10	[ICRA]AAA (negative)
INE691I08321		16-Jan-15	8.75%	17-Jan-25	20.00	[ICRA]AAA (negative)
INE691I08354		21-Apr-15	8.90%	21-Apr-25	79.50	[ICRA]AAA (negative)
INE691I08388		15-May-15	8.90%	15-May-25	43.00	[ICRA]AAA (negative)
INE691I08347		16-Apr-15	8.90%	17-Apr-25	44.00	[ICRA]AAA (negative)
INE691I08347		17-Apr-15	8.90%	17-Apr-25	56.00	[ICRA]AAA (negative)
INE691I08362		22-Apr-15	8.90%	22-Apr-25	45.00	[ICRA]AAA (negative)
INE691I08370		29-Apr-15	8.90%	29-Apr-25	75.00	[ICRA]AAA (negative)
INE691I08396		3-Jun-15	8.87%	3-Jun-25	60.00	[ICRA]AAA (negative)
INE691I08412		15-Sep-15	8.90%	15-Sep-25	20.00	[ICRA]AAA (negative)
INE691I08461		12-Aug-16	8.63%	12-Aug-31	25.00	[ICRA]AAA (negative)
INE691I08446		21-Jul-16	8.78%	21-Jul-26	80.00	[ICRA]AAA (negative)
INE691I08453		9-Aug-16	8.65%	8-Aug-31	25.00	[ICRA]AAA (negative)
INE691I08479		7-Sep-16	8.55%	5-Sep-31	20.00	[ICRA]AAA (negative)
INE691I08487		4-Jan-17	8.05%	4-Jan-27	125.00	[ICRA]AAA (negative)
INE691I08495		30-Jan-17	8.05%	29-Jan-27	15.00	[ICRA]AAA (negative)
INE691I08511		14-Jul-17	7.80%	13-Jul-29	60.00	[ICRA]AAA (negative)
INE691I08529		31-Oct-18	9.10%	31-Oct-28	45.00	[ICRA]AAA (negative)
NA		NA	NA	NA	2432.50^	[ICRA]AAA (negative)
-	Commercial Paper	NA	NA	NA	11000.00	[ICRA]A1+
-	Term Loans	2014-15	NA	2023-24	2675	[ICRA]AAA(negative)
-	Fund Based Limits	NA	NA	NA	2525	[ICRA]AAA(negative)
-	Non-Fund Based Facilities	NA	NA	NA	700	[ICRA]A1+
-	Proposed Bank Facilities	NA	NA	NA	2500	[ICRA]AAA(negative)

^Yet to be placed

**Redeemed; To be withdrawn later*

Source: L&T Infrastructure Finance Company Limited

Corrigendum:

In summary of rating action table outlook rectified to Negative from Stable for perpetual debt programme.

ANALYST CONTACTS

Karthik Srinivasan
+91 22 6114 3444
karthiks@icraindia.com

Manushree Saggar
+91 124 4545 316
manushrees@icraindia.com

Sandeep Sharma
+91 22 6114 3472
sandeep.sharma@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries:

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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For more information, visit www.icra.in

ICRA Limited

Corporate Office
Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002
Tel: +91 124 4545300
Email: info@icraindia.com
Website: www.icra.in

Registered Office
1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001
Tel: +91 11 23357940-50

Branches

Mumbai	+ (91 22) 24331046/53/62/74/86/87
Chennai	+ (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
Kolkata	+ (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,
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