

September 30, 2020

L&T Housing Finance Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Bank Lines Programme	2,900	2,900	[ICRA]AAA (negative); reaffirmed
Non-Convertible Debenture Programme	3,761.00	3,761.00	[ICRA]AAA(Negative); reaffirmed
Non-Convertible Debenture Programme	1,489.00	0.00	[ICRA]AAA(Negative); reaffirmed and withdrawn
Subordinated Debt Programme	300.00	300.00	[ICRA]AAA (negative); reaffirmed
Perpetual Debt Programme	100.00	100.00	[ICRA]AA+ (negative); reaffirmed
Medium-Term Fixed Deposits	100.00	0.00	MAAA (negative); reaffirmed and withdrawn
Commercial paper programme	5,000.00	5,000.00	[ICRA]A1+; reaffirmed
Total	13,650.00	12,061.00	

*Instrument details are provided in Annexure-1

^The withdrawal is at the request of the company since either the rated instruments have matured or were unutilised

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 Housing Finance Limited (LTHFL), 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 63.72% equity in the company as on June 30, 2020 and the expectation that support from L&T in the form of both capital support and management oversight, would continue going forward as well. 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 across businesses. Retail loans (farm equipment loan, home loans, micro loans, loans against property, two-wheeler loans and consumer loans) has seen increase in total book to 40% as on June 30, 2020 as compared with 37% as on June 30, 2019 with stable asset quality (gross stage of 3.0% in retail segment vis-à-vis 5.24% on overall as on June 30, 2020), 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 comfortable liquidity profile of the group supported by a diversified borrowing mix, ability to profitably grow the business volumes while improving the share of retail loans in the overall mix and adequate capitalisation profile of the group. The ratings factor in ICRA's expectations of the group to maintain prudent gearing levels going forward as well. ICRA has also taken note of proposed amalgamation of L&T Housing Finance Limited (LTHFL) and L&T Infrastructure Finance Company Limited (LTIF) with L&T Finance Limited (LTF). The proposed Scheme of Amalgamation is not expected to materially impact the credit profile of LTFHL, as while arriving at the rating for LTFHL, ICRA has already been considering the consolidated performance of LTFHL and its subsidiaries. ICRA will continue to

monitor the developments and take appropriate rating action, if required, upon receiving further clarity on the transaction (amalgamation of LTF, LTHFL and LTIF) and consequent impact on business plans of the group, if any.

The negative outlook on the long-term ratings reflects the sectoral and elevated macro-economic challenges following the impact of COVID-19 across segments. In addition to this the inherent risks exist in the wholesale lending segment, mainly real estate finance. Thus, 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. The portfolio vulnerability is also augmented due to the concentrated nature of the wholesale book. ICRA notes that the share of real estate book (where large part of the portfolio is under construction, and hence under moratorium; however, there is no moratorium on the interest portion) in the overall portfolio remains sizeable. However, exposure in Real estate is project level in metro cities spread across several projects / SPVs; brings diversity and acts as a risk mitigant. At the same time, within the Infrastructure finance segment, the focus is on sectors such as renewable, transportation and transmission, almost 70% of the portfolio is operational and there have not been any slippages in the book originated since 2012. Considering the COVID-19 related impact, the delinquencies in the retail segment especially micro loans and the two-wheeler segment, could increase in the short-term. The company's ability to maintain the asset quality considering the systemic risk build-up in the real estate industry will be important from a credit perspective.

ICRA also notes that the group has strengthened the balance sheet through sizeable macro and covid related provisions (in addition to improving the provision cover on stage 3 assets to 69% as on June 30, 2020) which should keep the incremental impact on the profitability because of incremental slippages limited. At the same time, the group on a consolidated basis has good pre-provision profitability (4.69% for FY2020) and thus can make additional provisions, if required. In ICRA's opinion, LTFHL's ability to absorb higher provisioning, in addition to augmentation of capital through various avenues would help the Group support the consolidated balance sheet. Going forward, continued support from L&T, sustained financial performance, reduced portfolio vulnerability and improving asset quality indicators remain key rating monitorable.

Key rating drivers

Credit strengths

Strong parentage and strategic importance to L&T Group - LTHFL is a wholly owned subsidiary of LTFHL (rated [ICRA]AAA (negative)) which in turn is majority owned by L&T (rated [ICRA]AAA (stable)). L&T foresees LTFHL as a critical and integral part of L&T Group's long-term strategy. It is one of the key growth and core value drivers for L&T Group over the long-term. LTFHL and its subsidiaries, while operating independently, benefit from the brand name of L&T. The parent's demonstrated support in the form of capital, management, technical and operational pool considerably strengthens LTFHL group's credit profile. LTFHL group's access to other L&T Group companies also provides advantages in terms of business sourcing avenues, better assessment of risks, support in stress resolution and availability of sector and industry expertise. L&T is also directly engaged in LTFHL's operations through board and committee representations. ICRA believes that the strategic importance of the company to L&T and the presence of these synergies would ensure continued support to the company. Thus, LTFHL's ratings draw strength from L&T and any change in the rating of the parent and/or support from the parent company could warrant a rating change. LTFHL also has a strong management team in place with considerable experience across functions. L&T is expected to maintain strategic linkages, management oversight & control and majority shareholding on an ongoing basis.

Diversified portfolio mix with consolidated entity present in multiple asset classes in retail and wholesale segment - LTFHL undertook a rationalisation of its product offering in FY2017 following which, certain product segments (including four-wheeler financing, commercial vehicles, construction equipment, leases, SME term loans and receivable discounting) were discontinued. Further during Q1FY2020, LTFHL classified structured finance group and DCM business as defocused book with the intention to exit these businesses after successfully exiting supply chain business during

FY2019. LTFHL benefits from the brand name of L&T, which it has leveraged to grow its corporate and retail portfolios while maintaining good profitability. At a consolidated level, LTFHL's lending book remained broadly stable on y-o-y basis at Rs. 98,879 crore as on June 30, 2020 as compared to Rs. 99,904 crore as on June 30, 2019. However, the share of retail segments had increased to 40% on June 30, 2020 from 37% on June 30, 2019 driven by growth in farm equipment and home loans segments on y-o-y basis. As on June 30, 2020, 40% LTFHL's portfolio comprised of loans to retail segments (Micro loans (13%), Two-wheeler (6%) & Farm Equipment (8%) and Home Loans/LAP (12%) and consumer loans (0%)) while the balance 60% comprised loans to the wholesale segments (Real Estate Finance (15%), Infrastructure Finance (40%) and defocused book (5%)).

On standalone basis, LTFHL's portfolio as on June 30, 2020 stood at Rs. 14,733 crore comprising of home loans (53%), LAP (25%), real estate (20%) and others (2%).

Adequate capitalisation levels with demonstrated financial support from parent - At the consolidated level, LTFHL's capitalisation remains adequately supported by its track record of raising funds and good internal capital generation (return on equity (RoE) of 15.45%¹ in FY2020 compared to 17.91% in FY2019). Post capital raising in FY2018 and muted business growth in FY2020, the gearing level of the group declined to a moderate level of 6.4 times as on March 31, 2020 as compared to 6.8 times as of March 31, 2019. The gearing as on June 30, 2020 stood at 6.3 times. Consolidated CRAR as on June 30, 2020 stood at 21.18% (Tier 1: 17.23%). 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.

On standalone basis, LTFHL's capital adequacy ratio stood at 16.37 % (Tier I – 13.55 %) as on June 30, 2020. The gearing as on June 30, 2020 stood at 9.51 times.

Comfortable liquidity position supported by diversified funding mix and ability to raise funds at competitive rates and for relatively longer tenures- LTFHL enjoys good financial flexibility in raising funds at competitive rates, with the strong brand name of L&T and its track record of raising funds from banks and capital markets. The funding profile of LTFHL is fairly diversified with a mix of non-convertible debentures, bank borrowings, and commercial paper. LTFHL has further diversified its borrowing mix by raising money through Retail NCDs and ECBs. As on June 30, 2020, overall market borrowings stood at ~52% of total borrowings. At the same time, the proportion of commercial papers in the overall funding mix declined to 9% as on June 30, 2020 from 13% as on June 30, 2019. ICRA takes comfort from the company's liquidity buffers, cash flow from its short-term assets and policy of maintaining adequate unutilised bank facilities as a liquidity backup. The liquidity profile is also supported by the good financial flexibility of the Group and the Rs. 2,000 crore credit line from L&T.

On standalone basis, LTFHL has a fairly-diversified funding mix with 38% of the funding as on June 30, 2020 raised from the capital markets (NCD (29%), commercial paper (7%), subordinated debt and perpetual debt (2%)) with balance being through bank borrowings (59%) and ECB (3%).

¹ Prior to deduction of one-time DTA of Rs. 473.38 crore during FY2020 post transition to new tax regime. Net of one-time DTA impact, PAT during FY2020 stood at Rs. 1,700 crore translating into RoA and RoE of 1.58% and 12.08%.

Good profitability indicators - During FY2020 the company reported a profit after tax of Rs. 2,174 crore¹ as compared to Rs. 2,226 crore during FY2019. LTFHL's net interest margins (NIMs) improved to 5.32% in FY2020 from 4.93% in FY2019 on account increased share of relatively higher yielding retail loans in the overall portfolio as part of the retailisation strategy of the Group. However, increase in credit costs (2.20% in FY2020 from 1.51% in FY2019), lower non-interest income (1.21% in FY2020 from 1.71% in FY2019) and marginal improvement in operating expenses (1.84% in FY2020 from 1.98% in FY2019) led the company to report return on assets (RoA) and adjusted return on equity (RoE) of 2.02% and 15.45%¹, respectively, in FY2020 as compared with 2.30% and 17.91%, respectively, in FY2019. In Q1FY2021, the company has reported a profit after tax of Rs. 148 crore supported by 100% stake sale of L&T Capital Markets to IIFL Wealth on 24th April 2020 for a consideration of ~Rs. 230 crore albeit impacted by the high credit costs as the company created macro prudential provisions of Rs. 300 crore and covid-provisions of Rs. 277 crore in Q1FY2021. Going forward, LTFHL's ability to control fresh slippages and recover from existing delinquent accounts and thus keeping a check on the credit costs will be important for maintaining its earning profile. LTFH group had built up macro-prudential provisions of Rs. 650 crore for unanticipated future event risks, which may arise in the micro loan and real estate segment and provisions of Rs. 994 crore on stage 1 and stage 2 assets (including Rs. 486 crore covid-19 provisions) and given that these industry segments are currently under stress, these macro-prudential provisions, are expected to mitigate the impact on profitability going forward to some extent.

In FY2020, LTFHL reported a PAT of Rs. 46 crore as compared to Rs. 269 crore in FY2019. The company reported return on asset (RoA) of 0.33% and return on net worth (RoNW) of 3.03% vis-à-vis RoA of 2.15% and RoNW of 18.38% in FY2019.

Credit challenges

Moderate asset quality indicators - The asset quality indicators for the group had improved in FY2020 (post the increase seen in FY2018 after transition to IndAS) with Gross and Net Stage 3 at 5.36% and 2.28%, respectively as on March 31, 2020 as compared to 5.90% and 2.40% respectively as on March 31, 2019. The asset quality indicators improved owing to higher provisioning during Q1FY2021 with Gross and Net stage 3 at 5.24% and 1.71%, respectively, as on June 30, 2020. However, given the current economic disruption due to COVID-19 related lockdown, there could be some short-term stress in the retail loan book, especially micro loans, as the livelihood and cash flows of the underlying borrowers have been impacted. While the announcements by the Reserve Bank of India (RBI) – allowing the lenders to provide repayment moratorium to their borrower without impacting the loan asset classification – provided some temporary relief to the lenders in term of their asset quality, ICRA expects the challenges in maintaining the asset quality to continue over the medium term. Nonetheless, the additional provisions built by the group could mitigate 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.

LTFHL's asset quality indicators continued to showcase improvement with Gross and Net Stage 3 of 1.71% and 1.14%, respectively, as on June 30, 2020 (1.87% and 1.30% respectively as on March 31, 2020), compared to Gross and Net Stage 3 of 1.81% and 1.24%, respectively, as on June 30, 2019.

Relatively higher, albeit gradually declining share of wholesale exposures - At a consolidated level, LTFHL's lending book stood at Rs. 98,879 crore as on June 30, 2020. Share of loans to retail segments increased to 40% from 37% on Y-o-Y basis primarily driven by growth in farm equipment and home loans segment. Nonetheless, a significant share of 60% of portfolio comprises of wholesale segments (Real estate (15%), Infrastructure finance (30%), IDF (9%), defocused (5%)). In Q1FY20 the company had classified structured finance group and DCM business under defocused book, which had run-down by 45% on y-o-y basis as on June 30, 2020. However, given the challenges in the operating environment, the

portfolio vulnerability remains high. In the wholesale segments, the increased concentration risk for the group with the top 20 group exposures accounting for 179% of net worth as on March 31, 2020 augments portfolio vulnerability. However, these group exposures are spread across projects/SPV in ring fenced structures; which brings diversity and acts as a risk mitigant for the concentration risk. Furthermore, in Infrastructure finance, the focus is on sectors such as renewable, transportation and transmission, which face relatively lower cash flow risk. Nevertheless, given the stress in the real estate sector and some of the other infrastructure sectors, there could be some asset quality related challenges in the medium term. 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.

Liquidity Position: Strong

The liquidity profile of LTFHL is comfortable at a consolidated level. As on June 30, 2020 on a consolidated basis, total external debt repayments (including interest) till December 31, 2020 stood at ~Rs. 17,462 crore. Against this, the group had liquidity of ~Rs. 16,669 crore (cash, liquid investments and unutilised bank lines [including Rs. 2,000 crore credit line from L&T]) maintained across subsidiaries as on June 30, 2020. LTFHL enjoys strong financial flexibility to mobilise long term funding on the back of its established track record and parentage.

Rating sensitivities

Positive trigger - The outlook may be revised to Stable if the group is able to demonstrate continued performance trajectory and further improve the granularity of the book while maintaining asset quality and capitalisation profile amidst a challenging operating environment.

Negative trigger - Pressure on ratings could emerge because of increase in consolidated leverage on a sustained basis to over 7.5 times and/or weakening of asset quality leading to deterioration in solvency (Net Stage III/ Net Worth >20%) on a sustained basis. Any significant change in likelihood of support from the parent or deterioration in parent's credit profile could warrant a rating revision.

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	Parent: Larsen & Toubro Limited The ratings continue to draw significant strength from LTFHL's parentage, with L&T holding 63.72% equity in the company as on June 30, 2020 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.
Consolidation / Standalone	While arriving at the rating for L&T Housing Finance Limited (LTHFL), 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 Housing Finance Limited

LTHFL was originally founded as Weizmann Homes Ltd by the Weizmann group in 1994. The company then went through a number of acquisitions, firstly by American International Group, Inc. (name of the company was changed to AIG Home Finance India Limited) and then by Pasha Ventures (name was again changed to Indo Pacific Housing Finance Limited). In October 2012, L&T Financial Holdings Limited (LTFHL), the holding company of L&T group's financial businesses, acquired Indo Pacific Housing Finance Limited. On December 4, 2012, the company's name was changed to L&T Housing Finance Limited.

LTHFL reported a profit after tax (PAT) of Rs. 46 crore on a total asset base of Rs. 15,068 crore in FY2020 as compared with a PAT of Rs. 269 crore on a total asset base of Rs. 13,096 crore in FY2019. As on March 31, 2020, the company had a net worth of Rs. 1,522 crore and a gearing of 8.82 times. The total loan portfolio of the company stood at Rs. 13,536 crore as on March 31, 2020 comprising of housing loans (57%), LAP (27%), construction finance loans (14%) and balance (2%) towards other loans

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 Limited, 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 hold a majority stake of 63.72% stake in LTFHL as on March 31, 2020.

On a consolidated basis, LTFHL reported PAT (prior to deduction of the one-time impact of DTA reversal due to tax rate change) of Rs. 2,174 crore on total income of Rs. 14,584 crore in FY2020 compared to PAT of Rs. 2,232 crore for FY2019 on a total income base of Rs. 13,302 crore. The consolidated entity's net worth was Rs. 14,692 crore as on March 31, 2020

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. L&T reported a consolidated PAT of Rs. 10,894 crore in FY2020 on a total asset base of Rs. 3,08,140 crore as on March 31, 2020.

Key financial indicators for L&T Housing Finance Limited (Standalone)

	FY2018	FY2019	FY2020
Total Income	1,185	1,511	1,323
Profit after tax (PAT)	184	269	46
Net Worth	1,401	1,532	1,522
Total managed portfolio	11,334	11,443	13,536
Return on total assets (PAT/ATA)	1.77%	2.15%	0.33%
Return on average net worth (PAT/Avg. net worth)	16.68%	18.38%	3.03%
Gearing	7.31	7.30	8.82
Gross stage 3%	1.42%	1.88%	1.87%
Net stage 3%	0.79%	1.28%	1.30%
Net stage 3/ Net worth (%)	6.1%	9.4%	11.4%
CRAR%	17.75%	17.69%	17.80%

PY figures for FY2018 calculation as per Ind-AS as on April 1, 2017

Amount in Rs. Crore; ICRA calculations

Key financial indicators - L&T Finance Holdings Limited (consolidated)

Particulars	FY2018	FY2019	FY2020
Total Income	10,266	13,302	14,584
Profit after tax (PAT)	1,278	2,232	2,174 *
Net Worth	11,407	13,449	14,692
Lending business Book	85,354	99,121	98,384
Total assets	87,777	106,055	109,529
Return on average total assets (PAT/ATA)	1.59%	2.30%	2.02%*
Return on average net worth (PAT/Avg. net worth) #	13.65%	17.91%	15.45%*
Consolidated gearing (times)	6.60	6.80	6.39
Gross Stage 3	8.71%	5.90%	5.36%
Net Stage 3	3.34%	2.40%	2.28%
Net Stage 3/Net worth	22.68%	16.17%	14.14%

** Prior to deduction of one-time DTA of Rs. 473.38 crore during FY2020 post transition to new tax regime. Net of one-time DTA impact, PAT during FY2020 stood at Rs. 1,700 crore translating into RoA and RoE of 1.58% and 12.08%.*

#Excluding minority interest

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 (FY2021)			Chronology of Rating History for the past 3 years									
	Type	Rated Amount (Rs. crore)	Amount Outstanding (Rs. crore)	Current ratings	FY2020			FY2019				FY2018	
				30-Sep-20	31-Mar-20	30-Aug-19	18-Apr-19	28-Aug-18	27-Jul-18	4-May-18	20-Apr-18	1-May-17	
1. CP Programme	Short Term	5,000.00	-	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+
2. NCD Programme	Long Term	3,761.00	1,714.30	[ICRA] AAA (negative)	[ICRA] AAA (negative)	[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. NCD Programme	Long Term	1,489.00	-	[ICRA] AAA (negative); withdrawn	[ICRA] AAA (negative)	[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. Sub-Debt Programme	Long Term	300.00	164.00	[ICRA] AAA (negative)	[ICRA] AAA (negative)	[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. Perpetual Debt Programme	Long Term	100.00	65.00	[ICRA] AA+ (negative)	[ICRA] AA+ (negative)	[ICRA] AA+ (negative)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA (stable)	[ICRA] AA (stable)	[ICRA] AA (stable)	[ICRA] AA (stable)	[ICRA] AA (stable)
6. Bank Lines	Long Term- Fund based/Non-Fund Based	2,900.00	1,030	[ICRA] AAA (negative)	[ICRA] AAA (negative)	[ICRA] AAA (negative)	[ICRA] AAA (stable)	[ICRA] AAA (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)	[ICRA] AA+ (stable)
7. Medium Term Deposit Programme	Long Term	100	-	MAAA (negative); withdrawn	MAAA (negative)	MAAA (negative)	MAAA (stable)	MAAA (stable)	MAA+ (stable)	MAA+ (stable)	MAA+ (stable)	MAA+ (stable)	MAA+ (stable)

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 (Rs. crore)	Current Rating and Outlook
INE476M07222	Non-Convertible Debenture	19-Sep-14	9.80%	17-Sep-21	50	[ICRA]AAA(negative)
INE476M07263	Non-Convertible Debenture	7-Nov-14	9.45%	6-Nov-21	10	[ICRA]AAA(negative)
INE476M07305	Non-Convertible Debenture	15-Dec-14	9.15%	15-Dec-21	20	[ICRA]AAA(negative)
INE476M07347	Non-Convertible Debenture	16-Jan-15	9.20%	14-Jan-22	55	[ICRA]AAA(negative)
INE476M07362	Non-Convertible Debenture	24-Feb-15	9.10%	24-Feb-22	10	[ICRA]AAA(negative)
INE476M07487	Non-Convertible Debenture	16-Apr-15	8.95%	15-Apr-22	40	[ICRA]AAA(negative)
INE476M07578	Non-Convertible Debenture	26-May-15	8.90%	26-May-25	30	[ICRA]AAA(negative)
INE476M07636	Non-Convertible Debenture	5-Jun-15	8.90%	5-Jun-25	25	[ICRA]AAA(negative)
INE476M07719	Non-Convertible Debenture	17-Jul-15	8.95%	17-Jul-25	10	[ICRA]AAA(negative)
INE476M07743	Non-Convertible Debenture	28-Jul-15	8.90%	28-Jul-22	3	[ICRA]AAA(negative)
INE476M07800	Non-Convertible Debenture	20-Oct-15	8.65%	20-Oct-22	32.5	[ICRA]AAA(negative)
INE476M07826	Non-Convertible Debenture	26-Oct-15	8.65%	26-Oct-20	25	[ICRA]AAA(negative)
INE476M07859	Non-Convertible Debenture	27-Nov-15	8.60%	27-Nov-20	10	[ICRA]AAA(negative)
INE476M07867	Non-Convertible Debenture	25-Feb-16	8.86%	25-Feb-21	20	[ICRA]AAA(negative)
INE476M07891	Non-Convertible Debenture	18-Apr-16	8.75%	16-Apr-21	20	[ICRA]AAA(negative)
INE476M07925	Non-Convertible Debenture	20-Apr-16	8.65%	20-Apr-26	5	[ICRA]AAA(negative)
INE476M07941	Non-Convertible Debenture	5-May-16	8.70%	5-May-21	10	[ICRA]AAA(negative)
INE476M07990	Non-Convertible Debenture	14-Jun-16	8.75%	14-Jun-21	25	[ICRA]AAA(negative)
INE476M07AA6	Non-Convertible Debenture	1-Jul-16	8.75%	30-Jun-23	10	[ICRA]AAA(negative)
INE476M07AD0	Non-Convertible Debenture	22-Jul-16	8.70%	21-Jul-23	16	[ICRA]AAA(negative)
INE476M07AE8	Non-Convertible Debenture	22-Jul-16	8.70%	22-Jul-21	5	[ICRA]AAA(negative)
INE476M07AF5	Non-Convertible Debenture	26-Jul-16	8.71%	26-Jul-21	60	[ICRA]AAA(negative)
INE476M07AG3	Non-Convertible Debenture	28-Jul-16	8.70%	28-Jul-21	250	[ICRA]AAA(negative)
INE476M07AH1	Non-Convertible Debenture	2-Aug-16	8.70%	2-Aug-21	168	[ICRA]AAA(negative)
INE476M07AL3	Non-Convertible Debenture	9-Sep-16	8.34%	9-Sep-21	125	[ICRA]AAA(negative)
INE476M07AN9	Non-Convertible Debenture	22-Sep-16	8.25%	22-Sep-21	20	[ICRA]AAA(negative)
INE476M07AS8	Non-Convertible Debenture	25-Oct-16	7.90%	23-Oct-26	10	[ICRA]AAA(negative)
INE476M07AV2	Non-Convertible Debenture	22-Feb-17	8.05%	22-Feb-22	10	[ICRA]AAA(negative)
INE476M07BE6	Non-Convertible Debenture	19-Jun-17	7.72%	19-Jul-22	75	[ICRA]AAA(negative)
INE476M07BH9	Non-Convertible Debenture	8-Sep-17	7.40%	8-Sep-20	125	[ICRA]AAA(negative)
INE476M07BI7	Non-Convertible Debenture	29-Sep-17	7.65%	29-Sep-22	200	[ICRA]AAA(negative)
INE476M07BP2	Non-Convertible Debenture	12-Sep-18	8.71%	3-Aug-21	35	[ICRA]AAA(negative)
INE476M07BQ0	Non-Convertible Debenture	24-Oct-18	9.40%	11-Oct-21	40.5	[ICRA]AAA(negative)
INE476M07BR8	Non-Convertible Debenture	24-Oct-18	9.38%	11-Mar-22	137.3	[ICRA]AAA(negative)
INE476M07BS6	Non-Convertible Debenture	11-Jan-19	8.90%	11-Jan-24	27	[ICRA]AAA(negative)
INE476M08014	Subordinated Debt	29-Jan-15	9.35%	29-Jan-25	100	[ICRA]AAA(negative)
INE476M08030	Subordinated Debt	14-Jul-15	9.32%	14-Jul-25	14	[ICRA]AAA(negative)
INE476M08048	Subordinated Debt	24-Jul-15	9.30%	24-Jul-25	50	[ICRA]AAA(negative)
INE476M08055	Perpetual Debt	30-Mar-16	9.90%	30-Mar-26	50	[ICRA]AA+(negative)
INE476M08063	Perpetual Debt	3-Jun-16	9.60%	3-Jun-26	15	[ICRA]AA+(negative)
INE476M07131	Non-Convertible Debenture	3-Jul-14	9.79%	28-Jun-19	10	[ICRA]AAA(negative); withdrawn
INE476M07883	Non-Convertible Debenture	29-Mar-16	8.90%	29-Apr-19	155	[ICRA]AAA(negative); withdrawn

ISIN No	Instrument	Date of Issuance	Coupon Rate (In %)	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE476M07909	Non-Convertible Debenture	20-Apr-16	8.70%	19-Apr-19	10	[ICRA]AAA(negative); withdrawn
INE476M07933	Non-Convertible Debenture	5-May-16	8.70%	3-May-19	5	[ICRA]AAA(negative); withdrawn
INE476M07966	Non-Convertible Debenture	10-May-16	8.70%	10-May-19	30	[ICRA]AAA(negative); withdrawn
INE476M07974	Non-Convertible Debenture	14-Jun-16	8.75%	14-Jun-19	35	[ICRA]AAA(negative); withdrawn
INE476M07982	Non-Convertible Debenture	14-Jun-16	8.75%	25-Jun-19	4.5	[ICRA]AAA(negative); withdrawn
INE476M07AB4	Non-Convertible Debenture	1-Jul-16	8.74%	22-Jul-19	2.5	[ICRA]AAA(negative); withdrawn
INE476M07AC2	Non-Convertible Debenture	22-Jul-16	8.70%	22-Jul-19	30	[ICRA]AAA(negative); withdrawn
INE476M07255	Non-Convertible Debenture	7-Nov-14	9.45%	7-Nov-19	15	[ICRA]AAA(negative); withdrawn
INE476M07297	Non-Convertible Debenture	15-Dec-14	9.15%	13-Dec-19	10	[ICRA]AAA(negative); withdrawn
INE476M07339	Non-Convertible Debenture	16-Jan-15	9.20%	16-Jan-20	285	[ICRA]AAA(negative); withdrawn
INE476M07347	Non-Convertible Debenture	16-Jan-15	9.20%	16-Jan-20	85	[ICRA]AAA(negative); withdrawn
INE476M07354	Non-Convertible Debenture	24-Feb-15	9.10%	24-Feb-20	20	[ICRA]AAA(negative); withdrawn
INE476M07479	Non-Convertible Debenture	16-Apr-15	8.95%	16-Apr-20	10	[ICRA]AAA(negative); withdrawn
INE476M07628	Non-Convertible Debenture	5-Jun-15	8.90%	5-Jun-20	20	[ICRA]AAA(negative); withdrawn
INE476M07AQ2	Non-Convertible Debenture	29-Sep-16	8.10%	27-Sep-19	100	[ICRA]AAA(negative); withdrawn
INE476M07AR0	Non-Convertible Debenture	7-Oct-16	7.85%	7-Oct-19	100	[ICRA]AAA(negative); withdrawn
INE476M07AT6	Non-Convertible Debenture	42783	0.0805	43878	90	[ICRA]AAA(negative); withdrawn
INE476M07AU4	Non-Convertible Debenture	22-Feb-17	8.05%	24-Feb-20	25	[ICRA]AAA(negative); withdrawn
INE476M07AY6	Non-Convertible Debenture	25-May-17	7.85%	25-May-20	50	[ICRA]AAA(negative); withdrawn
INE476M07BD8	Non-Convertible Debenture	42905	0.0772	44001	47	[ICRA]AAA(negative); withdrawn
INE476M07BG1	Non-Convertible Debenture	20-Jul-17	7.70%	20-Jul-20	350	[ICRA]AAA(negative); withdrawn
NA	Non-Convertible Debenture^	NA	NA	NA	2046.7	[ICRA]AAA(negative)
NA	Subordinated Debt^	NA	NA	NA	136	[ICRA]AAA(negative)
NA	Perpetual Debt^	NA	NA	NA	35	[ICRA]AA+(negative)
-	Commercial Paper	-	-	7-365 days	5000	[ICRA]A1+
-	Medium Term Fixed	NA	NA	NA	100	MAAA (negative);

ISIN No	Instrument	Date of Issuance	Coupon Rate (In %)	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
-	Deposits^ Bank Lines Programme	-	-	-	2900	withdrawn [ICRA]AAA(negative)

^Unutilised

Source: L&T Housing Finance Limited

Annexure-2: List of entities considered for consolidated analysis:

Company name	Ownership/Relationship	Consolidation approach
L&T Finance Holdings Limited	Holding Company	Full
L&T Finance Limited	Subsidiary	Full
L&T Infrastructure Finance Company Limited	Subsidiary	Full
L&T Housing Finance Limited	Subsidiary	Full
L&T Infra Debt Fund Limited	Subsidiary	Full
L&T Infra Investment Partners Advisory Private Limited	Subsidiary	Full
L&T Infra Investment Partners Trustee Private Limited	Subsidiary	Full
L&T Investment Management Limited	Subsidiary	Full
L&T Mutual Fund Trustee Limited	Subsidiary	Full
L&T Capital Markets Limited	Subsidiary	Full
L&T Financial Consultants Limited	Subsidiary	Full
Mudit Cement Private Limited	Subsidiary	Full
L&T Infra Investment Partners	Subsidiary	Full
L&T Capital Markets (Middle East) Limited	Subsidiary	Full

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