L&T Finance Holdings

July 22, 2016

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

Symbol: L&TFH

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

Scrip Code No.: 533519

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

Sub: Book Closure Date and Annual General Meeting

Dear Sir/ Madam

Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") we hereby inform the Exchange that the Register of Members & Share Transfer Books of the Company will remain closed from Wednesday, August 17, 2016 to Tuesday, August 23, 2016 (both days inclusive) for the purpose of Eighth Annual General Meeting ("AGM") of the Company to be held on Tuesday, August 23, 2016 at 3.00 p.m. at Patkar Hall, S.N.D.T Women's University, New Marine Lines, Churchgate, Mumbai - 400020 and payment of dividend of Rs.0.80 per Equity Share of face value Rs. 10/- each.

The above dividend, subject to the approval of the shareholders at the ensuing AGM will be credited/dispatched before Thursday, September 22, 2016 to those Members whose names appear on the Company's Register of Members and to the Beneficial Owners as per the particulars to be furnished by the Depositories, as on close of the business hours on Tuesday, August 16, 2016.

Further, please find enclosed Notice of the Eighth Annual General Meeting alongwith Annual Report of the Company for the financial year 2015-16.

Kindly take the same on record and acknowledge the receipt.

Thanking you,

Yours faithfully,

For **L&T Finance Holdings Limited**

N. Suryanarayanan
Company Secretary & Compliance Officer

Encl: As above

L&T Finance Holdings Ltd
City 2, Plot No 177, Vidyanagari Marg
CST Road, Kalina, Santacruz (E)
Mumbai 400 098, India

Registered Office
L&T House, NM Marg
Ballard Estate, Mumbai 400 001, India
CIN: L67120MH2008PLC181833

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L&T Finance Holdings Limited

Regd. Office: L&T House, N.M. Marg, Ballard Estate, Mumbai - 400 001 CIN: L67120MH2008PLC181833 E-mail: igrc@ltfinanceholdings.com.
Website: www.ltfinanceholdings.com Phone: +91 22 6621 7300/400 Fax: +91 22 6621 7509

Notice of the Eighth Annual General Meeting

Notice is hereby given that the **Eighth Annual General Meeting ("AGM")** of the Members of **L&T Finance Holdings Limited** will be held on Tuesday, August 23, 2016 at 3.00 p.m. at Patkar Hall, SNDT Women's University, New Marine Lines, Churchgate, Mumbai - 400020, to transact the following :

Ordinary Business:

1. To consider and adopt the audited standalone financial statements of the Company together with the report of the Board of Directors and the Auditors thereon for the financial year ended March 31, 2016 and consolidated financial statements of the Company together with the report of the Auditors thereon for the financial year ended March 31, 2016.
2. To declare dividend on Equity Shares.
3. To appoint a director in place of Mr. R. Shankar Raman (DIN: 00019798), who retires by rotation, and being eligible, offers himself for re-appointment.
4. **To appoint M/s. B. K. Khare & Co., Chartered Accountants and M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, as the Joint Statutory Auditors of the Company.**

   To consider and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

   "**RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, for appointment of Statutory Auditors, M/s. B. K. Khare & Co., Chartered Accountants (ICAI Registration No. 105102W) and M/s. Deloitte Haskins & Sells LLP (ICAI Registration No. 117366W/W-100018), be and are hereby appointed as the Joint Statutory Auditors of the Company to hold office from the conclusion of Eighth Annual General Meeting ("AGM") till the conclusion of the Thirteenth AGM, subject to the requirement of ratification in terms of the aforesaid Section.

   RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof), be and is hereby authorised to decide and finalise the terms and conditions of appointment, including the remuneration of the Joint Statutory Auditors."

Special Business:

5. **Appointment of Mr. Amit Chandra as a Nominee Director of the Company:**

   To consider and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

   "**RESOLVED THAT** pursuant to the provisions of Section 152, 161 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the provisions of the Articles of Association of the Company, Mr. Amit Chandra (DIN: 00009797), who was appointed as an Additional Director and who holds office up to the date of this Annual General Meeting of the Company and is eligible for appointment and in respect of whom the Company has received a notice under the provisions of Section 160 of the Act, proposing his candidature for the office of the Director, be and is hereby appointed as a Nominee Director on the Board of the Company, not liable to retire by rotation.

   RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable, including without limitation to settle any question, difficulty or doubt that may arise in this regard."

6. **Appointment of Mr. Dinanath Dubhashi as the Managing Director of the Company:**

   To consider and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Dinanath Dubhashi (DIN: 03545900) who was appointed as an Additional Director and who holds office up to the date of this Annual General Meeting of the Company, and is eligible for appointment and in respect of whom the Company has received a notice under the provisions of Section 160 of the Companies Act, 2013 ("the Act") proposing his candidature for the office of Director, be and is hereby appointed as a Director on the Board of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Section 196,197,203 and other applicable provisions, if any, of the Act read with Schedule V of the said Act and the Rules made thereunder, approval be and is hereby granted for the appointment of Mr. Dubhashi as a Whole-time Director, designated as Deputy Managing Director of the Company, with effect from April 14, 2016 up to and including July 21, 2016 and as Managing Director for the period July 22, 2016 up to and including April 13, 2021.

RESOLVED FURTHER THAT Mr. Dubhashi be paid remuneration as may be fixed by the Board, from time to time, as prescribed under the Act and within the limits approved by the Members as per the details given in the explanatory statement.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable, including without limitation to settle any question, difficulty or doubt that may arise in this regard."

7. **Payment of Commission to Non-Executive Directors of the Company:**

To consider and, if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of Section 197 and 198 of the Companies Act, 2013 ("the Act") and any other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded for the payment of remuneration by way of Commission to the Non-Executive Directors of the Company including Independent Directors, in addition to the sitting fees for attending the meetings of the Board or Committees thereof, of an amount not exceeding the limit of 1% of the net profits of the Company, every year in aggregate.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board (including any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable, including without limitation to settle any question, difficulty or doubt that may arise in this regard."

8. **Issue of Non-Convertible Debentures/Bonds on a Private Placement Basis:**

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of Section 23, 42, 71 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of the SEBI (Issue & Listing of Debt Securities) Regulations, 2008, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Rules, Regulations, Guidelines and Circulars, as amended from time to time, the Memorandum and Articles of Association of the Company, any other applicable laws for the time being in force and subject to such other approvals as may be required from regulatory authorities from time to time, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" and shall include duly constituted Committee(s) thereof) to offer, issue and allot, in one or more series/tranches listed/unlisted Secured or Unsecured redeemable Non-Convertible Debentures/Bonds, on a private placement basis aggregating to an amount not exceeding ₹ 2,000 Crore (Rupees Two Thousand Crore only) on such terms and conditions and at such times at par or at such premium or such discount, as may be decided by the Board to such person or persons, including one or more companies, bodies corporate, statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or to such other person/ persons as the Board may from time to time determine and consider proper and most beneficial to the Company including the utilization of issue proceeds and all matters connected with or incidental thereto, however that the aggregate amount of funds to be raised by issue of Non-Convertible Debentures/Bonds shall not exceed ₹ 2,000 Crore (Rupees Two Thousand Crore only).

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable, including without limitation to settle any question, difficulty or doubt that may arise in this regard."

9. **Issue of Cumulative Compulsorily Redeemable Non-Convertible Preference Shares by way of Public Offer or on a Private Placement Basis:**

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION**:

"**RESOLVED THAT** pursuant to the provisions of Section 23, 40, 42, 55, 62 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and

the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of the SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Rules, Regulations, Guidelines and Circulars, as amended from time to time, the Memorandum and Articles of Association of the Company, any other applicable laws for the time being in force and subject to such other approvals as may be required from regulatory authorities from time to time, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" and shall include duly constituted Committee(s) thereof) to create, offer, issue and allot, in one or more tranches 150,000,000 Cumulative Compulsorily Redeemable Non-Convertible Preference Shares (hereinafter referred to as "Preference Shares") of the face value of ₹ 100/- each for cash at par or at a premium aggregating to a nominal value of ₹ 1,500 Crore (Rupees One Thousand Five Hundred Crore only) to various persons either through Public Offer or on a private placement basis, in one or more tranches to various institutions/entities viz. company(ies)/bodies corporate/ persons including Promoters / Promoter Group & Associates, whether or not they are Member(s) of the Company on such terms and conditions as may be decided by the Board and subject to the following rights:

- The Preference Shares shall carry a fixed cumulative preference dividend to be determined by the Board at the time of issue of the Preference Shares, on the capital for the time being paid-up thereon and shall be redeemable not later than the date determined by the Board at the time of issue or such other date as may be determined by the Board but not later than a period exceeding 7 (Seven) years.
- The said Preference Shares rank for dividend in priority to the Equity Shares for the time being of the Company.
- In the case of winding up of the Company, the said Preference Shares be entitled to rank, as regards repayment of capital and arrears of dividend, whether declared or not, up to the commencement of the winding up, in priority to the Equity Shares but shall not be entitled to any further participation in profits or assets.
- The voting rights of the persons holding the said Preference Shares be in accordance with the provisions of Section 47 of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make arrangements with any financial institution / bank or any other body or person(s) to underwrite the whole or any part of the issue of the said Preference Shares, subject to the provisions of Section 40(6) of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable, including without limitation to settle any question, difficulty or doubt that may arise in this regard."

By Order of the Board of Directors
For L&T Finance Holdings Limited

N. Suryanarayanan
Company Secretary
ACS No. - 12343

Date: July 22, 2016
Place: Mumbai

Notes:

1. The Statement as required under Section 102 of the Companies Act, 2013 ("the Act") is annexed to the Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EIGHTH ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

   Pursuant to Section 105 of the Act and Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member. The instrument appointing a proxy should, however, be deposited at the Registered Office of the Company not later than forty eight hours before the commencement of the AGM i.e. by 3.00 p.m. on August 21, 2016. Further, the proxy holder shall carry a valid proof of identity at the AGM.
3. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standard 2 on General Meetings ("SS-2") and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Members

are informed that the Company is pleased to offer 'remote e-voting' (e-voting from a place other than venue of the AGM) facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited ("CDSL") to facilitate remote e-voting. Remote e-voting is optional and Members shall have the option to vote either through remote e-voting or in person at the AGM. The detailed procedure with respect to remote e-voting is mentioned below. For the aforesaid purpose, the Company has appointed Mr. S. N. Ananthasubramanian, Practising Company Secretary or failing him Ms. Malati Kumar, Practising Company Secretary as the Scrutinizer for scrutinizing the remote e-voting process as well as voting at the AGM to ensure that the process is carried out in a fair and transparent manner.

4. The Members attending the AGM should note that those who are entitled to vote but have not exercised their right to vote by remote e-voting, may vote at the AGM through ballot for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by remote e-voting may attend the AGM but shall not vote at the AGM.

5. Voting rights shall be reckoned on the paid-up value of shares registered in the name of member/beneficial owner as on the cut-off date i.e. Tuesday, August 16, 2016.

6. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on cut-off date i.e. Tuesday, August 16, 2016 only shall be entitled to avail the facility of remote e-voting or voting at the AGM.

7. Any Person who becomes a Member of the Company after dispatch of Annual Report and holding shares as on the cut-off date i.e. Tuesday, August 16, 2016 shall also follow the procedure given below.

8. A person who is not a Member as on the cut-off date i.e. Tuesday, August 16, 2016 should treat this Notice for information purposes only.

9. The Register of Members and Share Transfer Books will remain closed from Wednesday, August 17, 2016 to Tuesday, August 23, 2016 (both days inclusive).

10. The Members are requested to bring their copy of the Annual Report to the AGM.

11. The Members/Proxies should fill the Attendance Slip for attending the AGM.

12. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

13. The Members who hold shares in electronic form are requested to write their DP ID and Client ID and those who hold shares in physical form are requested to write their Folio No., in the Attendance Slip for attending the AGM.

14. Corporate Members intending to send their authorised representative(s) to attend the AGM are requested to send a duly certified copy of the Board Resolution authorising their representative(s) to attend and vote at the AGM.

15. The Members who still hold share certificate(s) in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation, which include easy liquidity, since trading is permitted in dematerialised form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

16. If the dividend as recommended by the Board is approved at the AGM, payment of such dividend will be made on or before Thursday, September 22, 2016:

    a) to all the Members in respect of shares held in physical form whose names appear on the Company's Register of Members after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Tuesday, August 16, 2016; and

    b) to all Beneficial Owners in respect of shares held in electronic form whose names appear in the statement of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on Tuesday, August 16, 2016.

17. The facility of electronic credit of dividend directly to the respective bank accounts of the Members either through National Electronic Clearing Service ("NECS") or Electronic Clearing Service ("ECS") is arranged by the Company. This facility is currently available at the locations specified by RBI. This facility is in addition to the Bank Mandate Facility that already exists whereby bank account details are printed on the dividend warrants. The Members who would like to avail of the NECS/ECS Mandate Facility or the Bank Mandate Facility (if not done earlier) are requested to complete and submit the NECS/ECS Mandate Form to the Company/Registrar and Share Transfer Agent (for shares held in physical form) or their Depository Participants (for shares held in electronic form) latest by Tuesday, August 9, 2016.

18. Additional Information of Directors seeking appointment/ re-appointment at the ensuing AGM, as required under Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the SS-2, is annexed to the Notice.

19. The Annual Report of the Company, circulated to the

Members of the Company, will also be made available on the Company's website at *www.ltfinanceholdings.com*.

20. Electronic copy of the Notice of the AGM, Annual Report for Financial Year 2015-16 is being sent to all the Members whose e-mail IDs are registered with the Company/ Depository Participant(s) for communication purposes, unless any Member has requested for a hard copy of the same. For Members who have not registered their e-mail IDs, a physical copy each of the Notice of the AGM and Annual Report is being sent by the permitted mode. Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014 requires a Company to provide advance opportunity at least once in a financial year, to the Member to register his e-mail ID and any changes therein. In accordance with the said requirements, we request the Members who do not have their e-mail IDs registered with the Company to get the same registered with the Company. Members are also requested to intimate to the Company the changes, if any, in their e-mail IDs.

21. All documents referred to in the Notice are open for inspection at the Registered/Corporate Office of the Company on all the working days, except Saturdays, Sundays and public holidays, between 11.00 a.m. and 1.00 p.m., up to the date of the AGM.

22. ***In view of directions issued by SEBI vide it's order dated March 22, 2016, the Company has appointed M/s. Link Intime India Pvt. Ltd. as the Company's new Registrar and Share Transfer Agent in place of M/s. Sharepro Services (India) Pvt. Ltd. w.e.f. June 1, 2016.***

23. **Investor Grievance Redressal:** The Company has designated an exclusive e-mail ID i.e. *igrc@ltfinanceholdings.com* to enable investors to register their complaints/correspondence, if any.

24. **Note for Preference Shareholders:** A Member holding preference shares is entitled to attend the AGM and vote thereat subject to the applicable provisions of the Act.

Procedure for voting through electronic means

The Company is pleased to offer remote e-voting facility for its Members to enable them to cast their votes electronically. The procedure and instructions for the same are as follows:

(i) The voting period begins on Saturday, August 20, 2016 from 9.30 a.m. and ends on Monday, August 22, 2016 at 5.00 p.m. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, August 16, 2016, may cast their vote electronically. The remote e-voting module shall be disabled/blocked by CDSL for voting thereafter.

(ii) The shareholders should log on to the remote e-voting website at *www.evotingindia.com*.

(iii) Click on Shareholders

(iv) Now Enter your User ID:

a. For CDSL: 16 digits beneficiary ID

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c. Members holding shares in Physical Form should enter Folio Number registered with the Company

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to *www.evotingindia.com* and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form		
PAN	:	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number in the PAN field which is printed on address sticker.
Dividend Bank Details or Date of Birth (DOB)	:	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.

(xi) Click on the Electronic Voting Sequence Number ("EVSN") of "L&T Finance Holdings Limited".

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION"

and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on FORGOT PASSWORD & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to *www.evotingindia.com* and register themselves as Corporate(s).
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to *helpdesk.evoting@cdslindia.com*.
- After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to *helpdesk.evoting@cdslindia.com* and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney ("POA") which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and remote e-voting manual available at *www.evotingindia.com*, under help section or write an e-mail to *helpdesk.evoting@cdslindia.com* or call at 18002005533.

Declaration of Results:

1) The Scrutinizer shall after the conclusion of the AGM submit the Consolidated Scrutinizer's Report of the total votes cast in favour or against the resolution and invalid votes and unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company, if any, to the Chairman of the Company or the person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

   Based on the Scrutinizer's Report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the Listing Regulations.

2) The results declared along with the Scrutinizer's Report, will be posted on the website of the Company at *www.ltfinanceholdings.com* and on the website of CDSL and will be displayed on the Notice Board of the Company at its Registered Office as well as Corporate Office immediately after the declaration of the result by the Chairman or any person authorised by him in writing and communicated to the Stock Exchanges.

ANNEXURE TO THE NOTICE

The Statement under Section 102 of the Companies Act, 2013 ("the Act")

ITEM NO. 5

Based on the recommendation of the Nomination and Remuneration Committee, the Board, at its meeting held on December 23, 2015, had appointed Mr. Amit Chandra (DIN:00009797) as an Additional Director of the Company with effect from December 23, 2015 in accordance with the provisions of Section 161 of the Companies Act ("the Act"). Mr. Chandra holds office as director up to the Eighth Annual General Meeting ("AGM") of the Company. For the information of Members, the Company has received a declaration from Mr. Chandra that he is not disqualified to be appointed as a director under the Act.

For the information of the Members, the appointment of Mr. Chandra was pursuant to the terms and conditions of the Investment Agreement which the Company had entered into with BC Investments VI Limited and BC Asia Growth Investments (Investors) in connection with the raising of funds from the Investors by issuing equity shares/warrants on private placement basis. Further, Mr. Chandra is appointed as Non-retiring Nominee Director as per the Articles of Association of the Company.

Mr. Chandra joined Bain Capital as a Managing Director in early 2008, and is a part of the firm's leadership team in Asia. He is an engineer by training having received his undergraduate degree in Electrical Engineering from VJTI, Bombay University, post which he worked at India's leading engineering & construction firm, Larsen & Toubro. He then received his MBA from Boston College and was awarded the school's Distinguished Alumni in 2007.

Prior to joining Bain Capital, Mr. Chandra spent most of his professional career at DSP Merrill Lynch, a leading investment bank in India. At the firm, he had direct oversight of its Global Markets & Investment Banking business, which included the firm's substantial principal investment businesses. He retired from DSP Merrill Lynch in 2007 as its Board Member & Managing Director, to move to Private Equity.

Mr. Chandra was named a Young Global Leader by the World Economic Forum in 2007 and was named Next Generation Philanthropic Leader of the Year by Forbes in 2013. He is currently also a Member of the Board of Directors of Genpact, Tata Investment Corporation and Emcure Pharmaceuticals, and recently retired from the Board of Piramal Enterprises. He is also active in India's not for profit space and serves as a Trustee of the Tata Trusts, Founder and Trustee of Ashoka University, Trustee/Board Member of The Akanksha Foundation (providing education to less privileged children), Advisory Board of Swades Foundation and GiveIndia (India's leading philanthropic exchange).

The Company has received a notice along with the deposit of ₹ 100,000/- in accordance with the provisions of Section 160 of the Act proposing the candidature of Mr. Chandra for the office of Nominee Director.

The Board recommends the Ordinary Resolution set forth in Item No. 5 of the Notice for approval of the Members.

Save and except Mr. Chandra, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

ITEM NO. 6

Based on the recommendation of the Nomination and Remuneration Committee, the Board, at its meeting held on April 13, 2016, had appointed Mr. Dinanath Dubhashi (DIN:03545900) as an Additional Director of the Company with effect from April 14, 2016 in accordance with the provisions of Section 161 of Companies Act, 2013 ("the Act"). Mr. Dubhashi holds office as director up to the Eighth Annual General Meeting ("AGM") of the Company. For the information of Members, the Company has received a declaration from Mr. Dubhashi that he is not disqualified to be appointed as a director under the Act.

The Board at its meeting held on April 13, 2016 also appointed Mr. Dubhashi as a Whole-time Director of the Company and designated him as Deputy Managing Director for a period of 5 (five) years commencing from April 14, 2016 up to and including April 13, 2021. Further, the Board at its meeting held on July 22, 2016 appointed Mr. Dubhashi as the Managing director with immediate effect, the tenure of his office being the same as under his previous designation, i.e. up to April 13, 2021. The aforesaid appointments are subject to approval of Members at the AGM.

Mr. Dubhashi has a rich experience of over 25 years across multiple domains in financial services such as Corporate Banking, Cash Management, Credit Rating, Retail Lending and Rural Financing. He joined L&T Financial Services in 2007 and has been instrumental in scaling up Retail platform operations manifold across customer segments and geographies. Under his leadership, Retail platform has grown both organically and inorganically to reach asset size of about ₹ 28,000 Crore, serving over 30 lakhs customers. He has also provided leadership to various functions such as Operations and Information Technology for L&T Financial Services Group ("LTFS").

Prior to joining LTFS, he was associated with organizations such as BNP Paribas, CARE Ratings and SBI Caps in various capacities. He holds a B.E. (Mechanical) degree and a PGDM from IIM Bangalore.

The Board is of the view that considering his varied experience, his appointment as the Managing Director of the Company would be of immense significance to LTFS and accordingly recommends his appointment.

The remuneration of Mr. Dubhashi will be subject to the overall limits as provided under Section 197 and 198 of the Act read with Schedule V and other applicable provisions, as may be applicable under the Act.

As required under Section 196(4) of the Act, the material terms and conditions of the Agreement (including the supplementary agreement) entered into with Mr. Dubhashi are as under:

a. Basic Salary :

In the range of ₹ 1,20,00,000/- (Rupees One Crore Twenty Lakhs Only) to ₹ 2,10,00,000/- (Rupees Two Crore Ten Lakhs Only) per annum.

b. Allowances :

- Medical Allowance - Up to a maximum of ₹ 15,000/- (Rupees Fifteen Thousand Only) per annum.
- Special Allowance - In the range of ₹ 95,00,000/- (Rupees Ninety Five Lakhs Only) to ₹ 1,70,00,000/- (Rupees One Crore Seventy Lakhs Only) per annum.
- Leave Travel Allowance - In the range of ₹ 10,00,000/- (Rupees Ten Lakhs Only) to ₹ 17,50,000/- (Rupees Seventeen Lakhs Fifty Thousand Only).

c. Variable Remuneration:

Up to a maximum of ₹ 2,38,00,000/- (Rupees Two Crore Thirty Eight Lakhs Only) per annum, based on guidelines to be formulated by the Nomination and Remuneration Committee and approved by the Board. For the year ended March 31, 2017, variable remuneration would be paid on pro-rata basis.

d. Perquisites:

- The Managing Director shall be entitled to free accommodation (Company owned or leased/rented).
- The Managing Director shall be entitled to club membership, telephone and other communication facilities at residence, medical and personal accident insurance, term life insurance, benefits applicable to other employees, etc., in accordance with the policies of the Company.

- The Managing Director shall be entitled to a Company car (owned/leased or hire) of value ₹ 50,00,000/- (exclusive of applicable taxes) for a block of 5 years for use on Company's business.
- The Managing Director would be eligible for Matching Grant not exceeding ₹ 48,000/- per annum under the relevant Group Scheme.
- The Managing Director shall be entitled to Company's contribution to Provident Fund, benefits of Gratuity, Superannuation Fund, earned leave and encashment of earned leave at the end of the tenure.

The Managing Director, so long as he functions as such, shall not be paid any sitting fees for attending meetings of the Board or Committees thereof from the date of his appointment.

The Company shall reimburse to the Managing Director, entertainment, travelling and all other expenses incurred by him for the business of the Company.

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to the Managing Director salary and allowances [other than Variable Remuneration stated in clause (c)] as specified above.

The Members are requested to note that the terms and conditions of appointment of Mr. Dubhashi as the Deputy Managing Director were the same as stated above.

The Agreements entered into between the Company and Mr. Dubhashi is available for inspection by the Members at the Registered Office/Corporate Office of the Company on all working days except Saturdays, Sundays and Public holidays between 11.00 a.m. to 1.00 p.m. up to the date of the AGM. The aforesaid documents will also be available for inspection at the AGM.

The Company has received a notice along with the deposit of ₹ 100,000/- in accordance with the provisions of Section 160 of the Act proposing the candidature of Mr. Dubhashi as the Managing Director.

The Board recommends the Ordinary Resolution set forth in Item No. 6 of the Notice for approval of the Members.

Save and except Mr. Dubhashi, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

ITEM NO. 7

Pursuant to the provisions of Section 197 and 198 of the Companies Act, 2013 ("the Act") and other applicable provisions of the Act, a company is allowed to pay remuneration to a director who is neither a whole-time director nor a managing director of a company, by way of commission not exceeding 1% percent of the net profits of the company, provided such commission is approved by the Members of the company.

Further, Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") requires the Board of Directors to seek approval of Members before recommending any fees (other than sitting fees) or compensation to be paid to non-executive directors, including independent directors. Moreover, Section 197(7) of the Act requires approval of the Members for paying profit related commission to Independent Directors.

The current competitive business environment, stringent accounting standards and ever changing regulatory regime and corporate governance norms require considerably enhanced levels of involvement of the directors in the decision making process. The responsibility of the directors has become more onerous and the directors are required to devote substantially higher time and attention to the business of the Company. It is therefore proposed to make the payment of commission / fees (other than sitting fees) to the Non-Executive Directors on a yearly basis up to an amount not exceeding 1% of the net profits of the Company and the amount of commission to be payable to each of the Non-Executive Directors (within the overall limit of 1% of the net profit), shall be at the discretion of the Board of Directors and subject to the Company having adequate profits.

The Board recommends the Ordinary Resolution set forth in Item No. 7 of the Notice for approval of the Members.

Save and except the Non-Executive Directors concerned, to the extent of the remuneration received by them, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

ITEM NO. 8

To augment the long term resources and in order to meet the working capital and normal capex requirements of the Company and its subsidiary companies, the Board at its meeting held on May 2, 2016 has, subject to the approval of Members in the Eighth Annual General Meeting ("AGM"), proposed to issue Non-Convertible Debentures/Bonds to various person(s), as the case may be, at such terms and conditions and at such price(s) in compliance with the requirements of regulatory authorities, if any, and as may be finalized by the Board. The amount to be raised by way of issue of Debentures/Bonds on a private placement basis, however shall not exceed ₹ 2,000 Crore (Rupees Two Thousand Crore only) in aggregate.

In terms of provisions of Section 42 of the Companies Act, 2013 ("the Act"), read with Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Members of a Company can pass a Special Resolution once in a year for all the offers or invitations for Non-Convertible Debentures to be made during the year through a private placement basis in one or more tranches.

Consent of the Members is therefore sought in connection with the aforesaid issue of Debentures/Bonds and they are requested to authorise the Board to issue Debentures/Bonds up to ₹ 2,000 Crore (Rupees Two Thousand Crore only) from time to time for a period of one year from the date of conclusion of the ensuing AGM, in one or more tranches, as the case may be.

The Board recommends the Special Resolution set forth in Item No. 8 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company including their relatives is, in any way interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

ITEM NO. 9

The steady growth in the operations of subsidiaries of the Company has necessitated regular infusion of equity and Tier I or Tier II debt in its subsidiaries and being the holding Company, the Company would need to raise funds for such infusion. The Company would also need funds for its working capital requirements including redemption of Preference Shares from time to time.

In connection with the aforesaid, approval of the Members is sought for the issue of Preference Shares. The Preference Shares may be issued either by way of a public offer or on a private placement basis in one or more tranches to various institutions/entities viz. company(s)/bodies corporate/persons including Promoters/Promoter Group & Associates, whether or not they are Member(s) of the Company, considering the viable options available. The said enabling Resolution empowers the Board to create, offer, issue and allot 150,000,000 (Fifteen Crore) Cumulative Compulsorily Redeemable Non-Convertible Preference Shares of the face value of ₹ 100/- each for cash at par or premium and on such terms and conditions including but not limited as to the rate of dividend, period and manner of redemption, amount of premium, if any, as the Board in its absolute discretion may determine, provided the aggregate amount up to which the Preference Shares shall be issued shall not exceed ₹ 1,500 Crore (Rupees One Thousand Five Hundred Crore only). The Board shall also be authorised to approve any modification, alteration and re-setting of all or any of the terms and conditions of the Preference Shares from time-to-time in consultation and agreement with the subscribers/ holders of Preference Shares. The terms and conditions of the Preference Shares shall however be subject to provisions of the Companies Act, 2013, or any modification/re-enactment thereof and the Memorandum and Articles of Association of the Company, if any.

As required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014, the material facts in connection with the aforesaid issue of Preference Shares are as follows:

<table>
<tr><td>(a)</td><td>Size of the issue and number of preference shares to be issued and nominal value of each share</td><td>The Company proposes to create, offer, issue and allot Preference Shares for cash at par or at a premium either by way of a public offer or to various entities/ persons including Promoters/ Promoter Group & Associates, whether or not they are Member(s) of the Company on a private placement basis.</td></tr>
<tr><td>(b)</td><td>Nature of such shares i.e. cumulative or non - cumulative, participating or non - participating, convertible or non - convertible</td><td>Cumulative, Non-Participating and Non-Convertible.</td></tr>
<tr><td>(c)</td><td>Objectives of the issue</td><td>To maintain adequate working capital including redemption of Preference Shares and funding the operations of the Company and that of its subsidiaries.</td></tr>
<tr><td>(d)</td><td>Manner of issue of shares</td><td>Public Offer/Private Placement.</td></tr>
<tr><td>(e)</td><td>Price at which such shares are proposed to be issued</td><td>At par or at premium.</td></tr>
<tr><td>(f)</td><td>Basis on which the price has been arrived at</td><td>While the issuances would generally be made at par, in case the issuance is made at premium, the same would be at a price determined on the basis of valuation by a registered valuer in accordance with applicable rules.</td></tr>
<tr><td>(g)</td><td>Terms of issue, including terms and rate of dividend on each share, etc</td><td>The tenor shall be for a period not exceeding 7 (Seven) years. The issuances would be subject to conditions of money market, appetite of the investors, prevalent tax regulations, credit rating of the instrument etc, and the rate of dividend would be linked to the returns provided by similar instruments.</td></tr>
<tr><td>(h)</td><td>Terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion</td><td>Tenure of redemption would be based on cash flow forecasts of the Company which in turn would be linked to ongoing performance of its subsidiaries and the growth opportunities.</td></tr>
<tr><td>(i)</td><td>Manner and modes of redemption</td><td>Out of profit and/or out of fresh issue of capital.</td></tr>
<tr><td>(j)</td><td>Current shareholding pattern of the Company</td><td>Equity Shareholding Pattern as on June 30, 2016(1):
<table>
<tr><th>Category</th><th>No. of Shares</th><th>% to Equity Capital</th></tr>
<tr><td>Promoter</td><td>1,169,709,304</td><td>66.70</td></tr>
<tr><td>Public</td><td>584,080,697</td><td>33.30</td></tr>
<tr><td>Total</td><td>1,753,790,001</td><td>100.00</td></tr>
</table>
(1)Detailed shareholding pattern is available on the website of the Company i.e. www.ltfinanceholdings.com and is also available on the website of BSE Ltd. i.e. www.bseindia.com and National Stock Exchange of India Ltd. i.e. www.nseindia.com.</td></tr>
<tr><td>(k)</td><td>Expected dilution in equity share capital upon conversion of preference shares</td><td>Not applicable.</td></tr>
</table>

The Board recommends the Special Resolution set forth in Item No.9 of the Notice for approval of the Members.

Additional Information of Directors seeking re-appointment/appointment at the Eighth Annual General Meeting pursuant to Secretarial Standards and Listing Regulations:

Name of the Director	**Mr. R. Shankar Raman**
Date of Birth	December 20, 1958
Qualifications	Chartered Accountant and Grad CWA Degree in Commerce from Madras University.
Date of Appointment on the Board	May 1, 2008
Remuneration last drawn (₹ in Lakhs)	N.A.[1]
Brief Profile	**Mr. R. Shankar Raman** is the Chief Financial Officer and Member of the Board at Larsen & Toubro Limited (L&T). He is a Non-Executive Director on the Board of our Company and L&T Investment Management Limited. Mr. Shankar Raman has 33 years experience in the field of Finance and management. He joined the L&T Group in 1994 to set up L&T Finance Limited. After six successful years with L&T Finance, he moved to L&T to oversee the Finance function. Mr. Shankar Raman is on the board of several companies within the L&T Group. Mr. Shankar Raman is a Chartered and Cost Accountant by profession and has a degree in Commerce from Madras University.
Directorships held in other companies (excluding foreign companies) as on date	1) L&T Infrastructure Development Projects Limited 2) L&T General Insurance Company Limited 3) L&T Hydrocarbon Engineering Limited 4) L&T Investment Management Limited 5) Larsen and Toubro Limited 6) Larsen & Toubro Infotech Limited 7) L&T Seawoods Limited 8) L&T Realty Limited 9) L&T Metro Rail (Hyderabad) Limited
Memberships of committees across companies (only Statutory Committees as required to be constituted under the Act considered)	**A. Audit Committee** 1) L&T Finance Holdings Limited 2) L&T Investment Management Limited 3) L&T General Insurance Company Limited 4) L&T Infrastructure Development Projects Limited 5) L&T Realty Limited 6) L&T Seawoods Limited **B. Stakeholders Relationship Committee** 1) L&T Finance Holdings Limited **C. Nomination and Remuneration Committee** 1) L&T Investment Management Limited 2) L&T Infrastructure Development Projects Limited 3) L&T Realty Limited 4) L&T Seawoods Limited **D. Corporate Social Responsibility Committee** 1) Larsen and Toubro Limited 2) L&T Investment Management Limited 3) L&T Infrastructure Development Projects Limited 4) L&T Seawoods Limited
Shareholding in the Company (Equity)	24,461
Relationship with other Directors/Manager/Key Managerial Personnel	None
Number of Board meetings attended during the FY 2015-16	Seven out of Nine Meetings

[1] *Mr. R. Shankar Raman is in the service of Larsen and Toubro Limited and draws remuneration from Larsen and Toubro Limited. Mr. Shankar Raman is not paid any commission, or sitting fees separately for attending the meetings of the Board and/or any Committee of the Company.*

Mr. Dinanath Dubhashi	**Mr. Amit Chandra**
May 31, 1966	June 12, 1968
B.E. (Mechanical), PGDM from IIM	MBA from Boston College Undergraduate degree in Electrical Engineering from VJTI, Bombay University
April 14, 2016	December 23, 2015
N.A.[2]	Refer Page No. 83 of the Annual Report
As mentioned in the explanatory statement.	As mentioned in the explanatory statement.
1) L&T Finance Limited 2) L&T Infrastructure Finance Company Limited 3) L&T Infra Debt Fund Limited 4) L&T Housing Finance Limited 5) Family Credit Limited 6) L&T Capital Markets Limited 7) L&T FinCorp Limited 8) L&T Infra Investment Partners Advisory Pvt. Ltd. 9) Grameen Capital India Private Limited 10) Consumer Financial Services Limited	1) Tata Investment Corporation Limited 2) Emcure Pharmaceuticals Limited 3) Give Foundation
A. Audit Committee 1) L&T Housing Finance Limited 2) L&T Capital Markets Limited 3) L&T Infrastructure Finance Company Limited 4) L&T Infra Investment Partners Advisory Private Limited 5) L&T FinCorp Limited 6) L&T Infra Debt Fund Limited **B. Stakeholders Relationship Committee** 1) L&T Infrastructure Finance Company Limited 2) L&T Finance Limited **C. Nomination and Remuneration Committee** 1) L&T Infrastructure Finance Company Limited 2) L&T Capital Markets Limited 3) L&T Housing Finance Limited 4) L&T Infra Debt Fund Limited 5) Family Credit Limited 6) L&T FinCorp Limited **D. Corporate Social Responsibility Committee** 1) L&T Finance Holdings Limited 2) L&T Infrastructure Finance Company Limited 3) L&T Finance Limited 4) L&T Housing Finance Limited 5) Family Credit Limited 6) L&T FinCorp Limited 7) L&T Infra Investment Partners Advisory Private Limited	**A. Audit Committee** None **B. Stakeholders Relationship Committee** None **C. Nomination and Remuneration Committee** 1) L&T Finance Holdings Limited 2) Emcure Pharmaceuticals Limited **D. Corporate Social Responsibility Committee** None
1,26,087	Nil
None	None
N.A.[2]	Two out of Nine Meetings[3]

[2] *Appointed on April 14, 2016*

[3] *Appointed on December 23, 2015*

By order of the Board of Directors
For L&T Finance Holdings Limited

N. Suryanarayanan
Company Secretary
ACS No. - 12343

Place: Mumbai
Date: July 22, 2016

Notes

L&T Finance Holdings Limited

Regd. Office: L&T House, N.M. Marg, Ballard Estate, Mumbai - 400 001
CIN: L67120MH2008PLC181833 E-mail: igrc@ltfinanceholdings.com website: www.ltfinanceholdings.com
Phone: +91 22 6621 7300/400 Fax: +91 22 6621 7509

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) : .....
Registered address : .....
E-mail ID : .....
Folio No./DP ID & Client ID : .....

I/We, being the member(s) of ..... shares of the above named company, hereby appoint:

(1) Name : .....
Address : .....
E-mail Id : ..... , or failing him

(2) Name : .....
Address : .....
E-mail Id : ..... , or failing him

(3) Name : .....
Address : .....
E-mail Id : .....

and whose signature(s) are appened below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Eighth Annual General Meeting of the Company, to be held on **Tuesday, August 23, 2016** at **3.00 p.m.** at Patkar Hall, SNDT Women's University, New Marine Lines, Churchgate, Mumbai - 400020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:	**Special Business:**
1. Adoption of Financial statements for the year ended March 31, 2016 and the Board's and Auditors' Reports thereon.	5. Appointment of Mr. Amit Chandra as a Nominee Director of the Company.
2. Declaration of dividend on Equity Shares.	6. Appointment of Mr. Dinanath Dubhashi as the Managing Director of the Company.
3. Appointment of a director in place of Mr. R. Shankar Raman, who retires by rotation and being eligible offers himself for re-appointment.	7. Payment of Commission to Non-Executive Directors of the Company.
4. Appointment of M/s. B. K. Khare & Co., Chartered Accountants and M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, as the Joint Statutory Auditors of the Company.	8. Issue of Non-Convertible Debentures/Bonds on a Private Placement Basis.
	9. Issue of Cumulative Compulsorily Redeemable Non-Convertible Preference Shares by way of Public Offer or on a Private Placement Basis.

Signed this ..... day of 2016

.....
Signature of shareholder

Affix revenue stamp of Re 1

..... Signature of first Proxy Holder

..... Signature of second Proxy Holder

..... Signature of third Proxy Holder

Note:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the Meeting.**

Intentionally left blank

L&T Finance Holdings Limited

Regd. Office: L&T House, N.M. Marg, Ballard Estate, Mumbai - 400 001
CIN: L67120MH2008PLC181833 E-mail: igrc@ltfinanceholdings.com website: www.ltfinanceholdings.com
Phone: +91 22 6621 7300/400 Fax: +91 22 6621 7509

ATTENDANCE SLIP
EIGHTH ANNUAL GENERAL MEETING - AUGUST 23, 2016 AT 3.00 P.M.

Folio No./ DP ID & Client ID: .....

Name : .....

Address : .....

.....

.....

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL

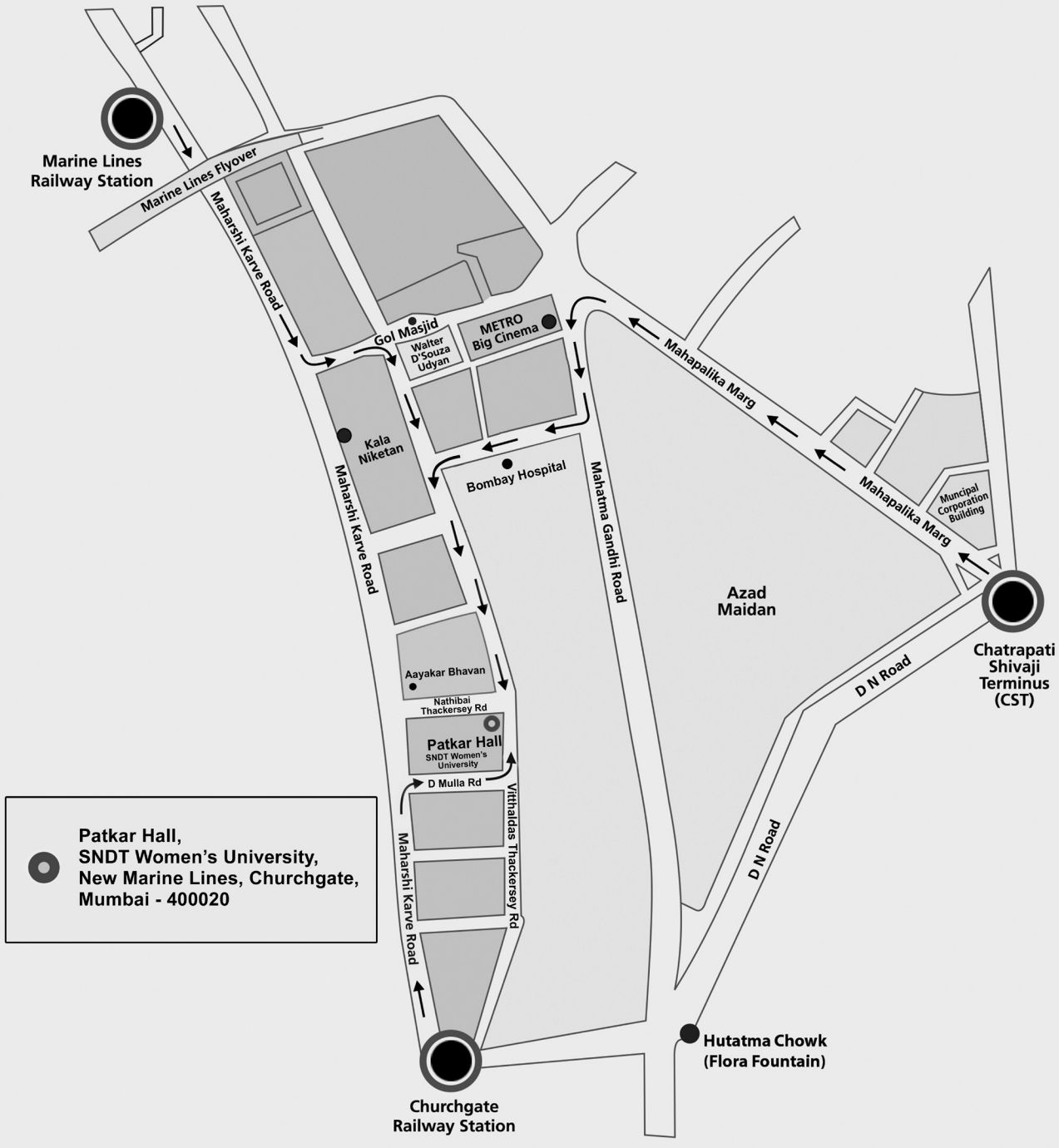
I certify that I am a registered member/proxy for the registered member of the Company.

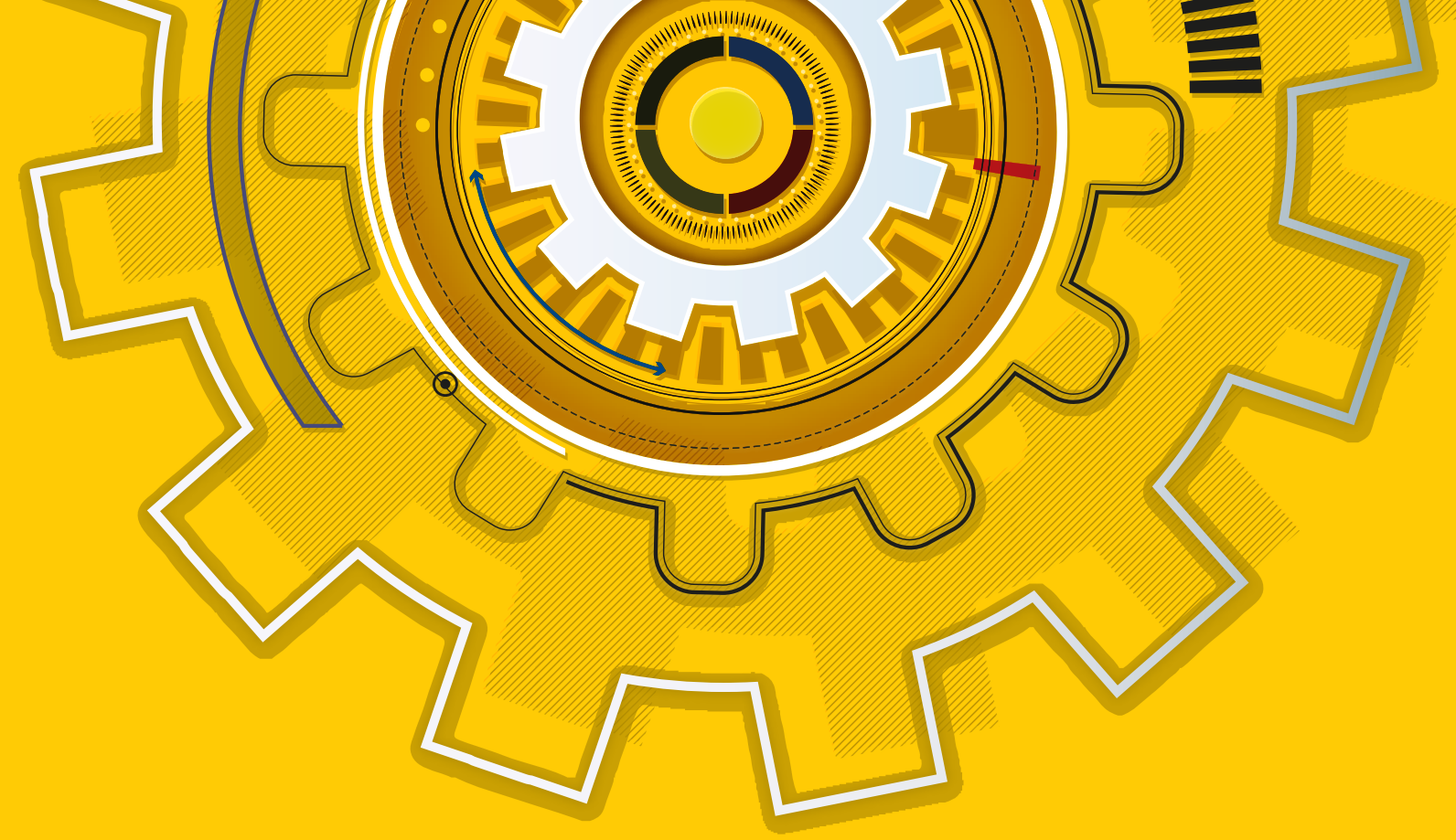
I hereby record my presence at the Eighth Annual General Meeting of the Company at Patkar Hall, SNDT Women's University, New Marine Lines, Churchgate, Mumbai - 400020 on **Tuesday, August 23, 2016.**

.....	.....	.....
First / Sole holder / Proxy	Second holder / Proxy	Third holder / Proxy

P.T.O.

Route Map to the AGM Venue

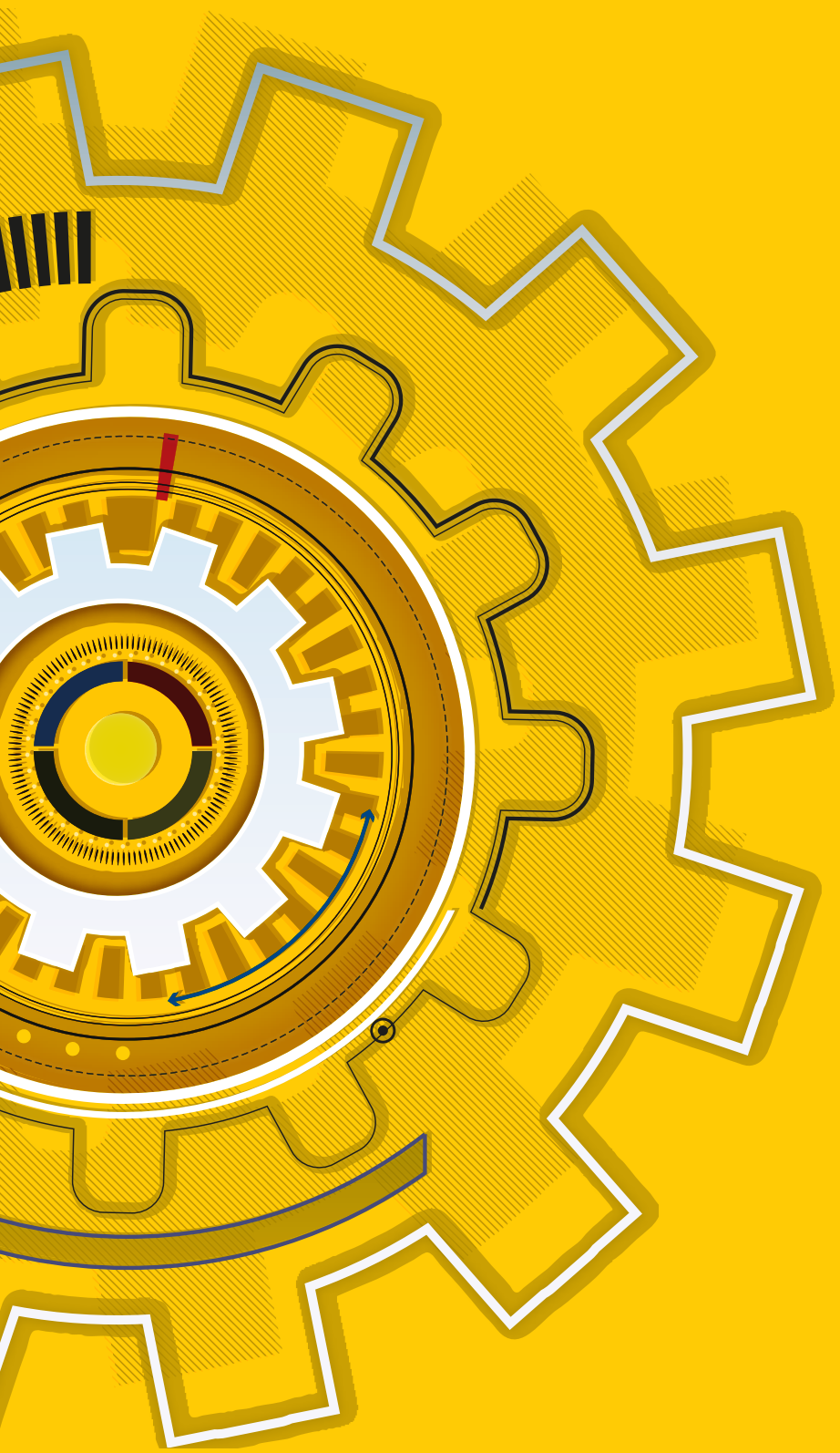




TRANSFORM.
FOCUS.
DELIVER.

Annual Report 2015-16

L&T Finance Holdings



Our Vision

To be an admired and inspirational financial institution, creating sustainable value for all our stakeholders.

TRANSFORM FOCUS DELIVER



At L&T Financial Services, we have built a strong platform to foster our market position. With a total loan book size exceeding ₹ 57,000 crore and Pan-India reach with 700+ points of presence in 24 states, we have the gravitas to make an indelible mark on the Indian financial landscape. Now, as we stand at the fulcrum of our growth curve, it is all about delivering consistent value to our stakeholders.

Going forward, we have a singular aim – to deliver superior return on equity. With a focus this sharp, our product portfolio encompasses businesses where we enjoy distinctive positions – tractor, two-wheeler, micro and renewable energy finance – and where markets are sizeable and promise sustainable growth – housing and real estate, investment management and wealth management. Our transformation and focus are well on their way to deliver results and earn us our right to win.

"Transform. Focus. Deliver." is not just our annual report theme. It is our adopted corporate strategy that has permeated every facet of our working.

Corporate Information

Board of Directors*

Mr. Y. M. Deosthalee
Chairman & Managing Director

Mr. Dinanath Dubhashi
Deputy Managing Director

Mr. R. Shankar Raman
Non-Executive Director

Mr. B. V. Bhargava
Independent Director

Mr. S. V. Haribhakti
Independent Director

Mr. P. V. Bhide
Independent Director

Ms. Kamakshi Rao
Independent Director

Mr. Harsh Mariwala
Independent Director

Mr. Thomas Mathew T.
Independent Director

Mr. Amit Chandra
Nominee Director

Company Secretary

Mr. N. Suryanarayanan

Statutory Auditors

M/s. Sharp & Tannan

Registered Office

L&T House, N.M. Marg
Ballard Estate
Mumbai – 400 001

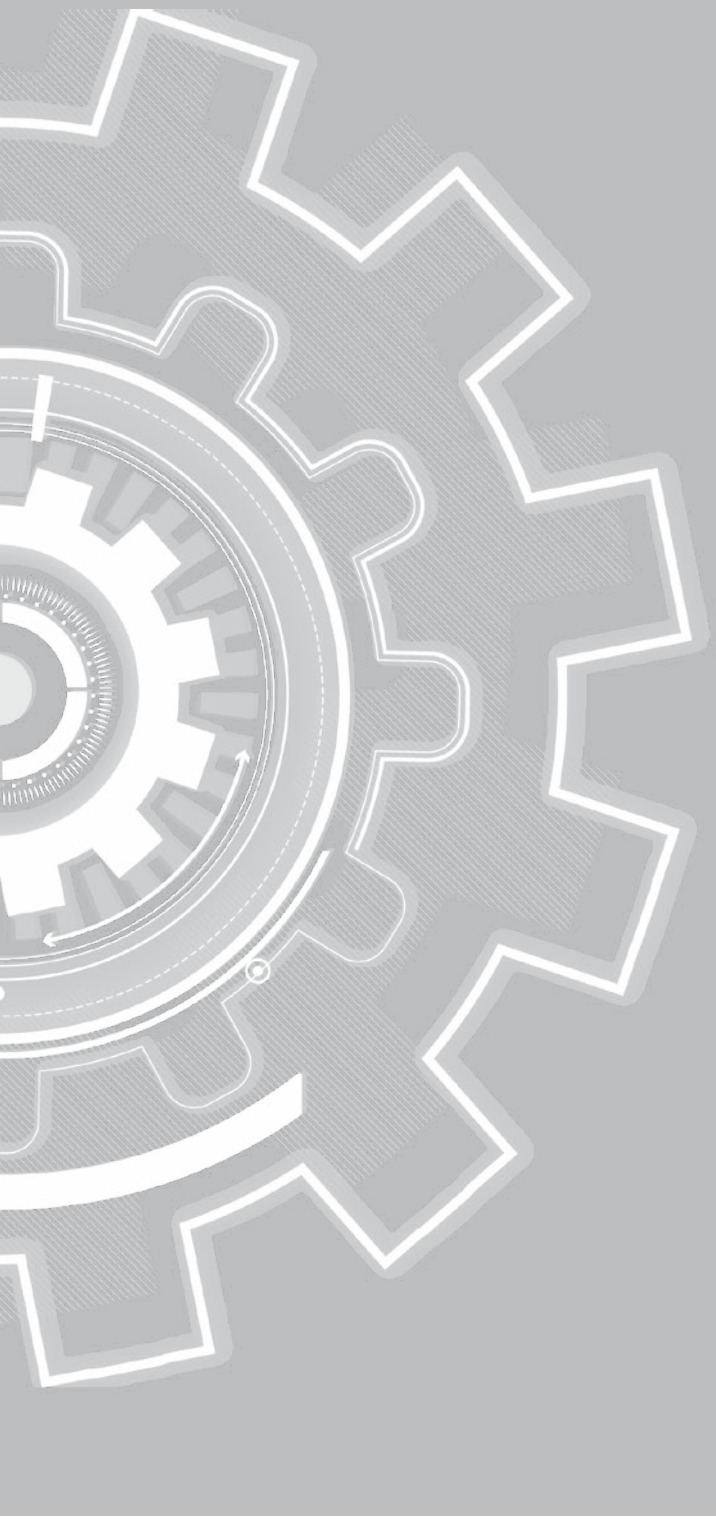
Investor Service Centre

City – 2, Plot No.177, C.S.T Road, Kalina
Santacruz (East), Mumbai – 400 098
Phone: +91 22 66217300/7400
Fax: +91 22 66217509
Email: igrc@ltfinanceholdings.com
Website: www.ltfinanceholdings.com

Registrar and Share Transfer Agents

Link Intime India Private Limited

*As on date



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Our Strategic Roadmap



TRANSFORM.

Over the years, L&T Financial Services (LTFS) has built a strong position in the Indian financial services industry. Through our businesses, we are participating in the growth engines of India, viz, infrastructure development, housing, urban consumption and rural economy. In doing so, we have built distinctive, market leadership positions in four of our businesses – Renewable Energy Finance, Farm Equipment Finance, Two-Wheeler Finance and Microfinance.

However, as the aspirations for each of our businesses have changed over the years, we are now at a crucial juncture for making some strategic choices on the future direction and focus of the organisation. Looking at the best interest of our shareholders, it is clear that we need to orient our business towards a direction that produces the best possible Return on Equity. As a consequence, we are sharpening our business model by focusing on businesses where we have distinct stronghold positions. In doing so, we hope to further enhance our profitability and thus, have a strategy that chases quality growth.

FOCUS.

This transformation can only be achieved through relentless focus on finding the ideal balance between Right Businesses, Right Structures, Right People.

Right Businesses

Through much thought and introspection, we have decided that the three main pillars of our business should be – Lending, Investment Management and Wealth Management. We believe the right blend of products within our Lending portfolio will help us achieve the desired level of profitability. This would get further augmented and supported through income generated by the Non-Lending business.

In the Wealth Management business, we have consolidated the two verticals, Private Wealth & Premier Wealth, into a unified business. Our focus in this business would be on improving our operating efficiency while continuing to offer the best Wealth Management solutions to our clients. Through the Investment Management business we intend to maximise the value created for shareholders. Our focus will remain on growing the equity AUM to drive value creation.

PROFITABLE GROWTH IN CHOSEN BUSINESSES

LENDING

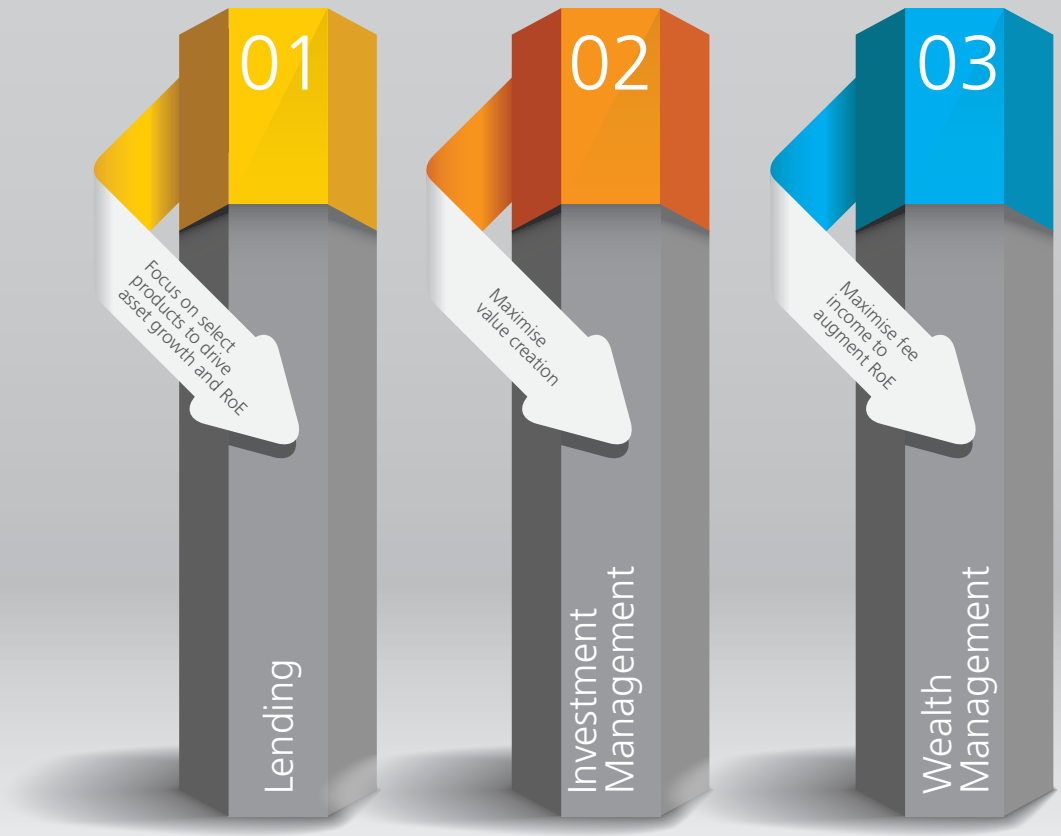
- Focus on 6 core businesses with ROE driven strategy
- Setting a clear Rural strategy through Tractor Finance, Microfinance and Two-wheeler funding
- Strong emphasis on Housing and Real Estate businesses

INVESTMENT MANAGEMENT

- Enhancing market share in top 100 distributors for all asset classes
- Technology innovation for better productivity and digital experience to customers
- Focus on large corporate customers

WEALTH MANAGEMENT

- Develop an individual independent, differentiated business model
- Continued focus on assets for annuity income
- Initiating advisory services to move up the value chain
- Focus on streamlining LAS proposition



Top quartile RoE through the right Lending Business augmented by fee Income from Non-Lending Business



In choosing the right mix of products in the lending portfolio, we have put all our products through the filters of industry attractiveness, our demonstrated track of profitability and our ability to extract value from it in the future. In doing so, three areas have emerged as businesses where we have a clear "Right to Win". These are Rural Finance, Housing Finance and Wholesale Finance.

Right Structures

Our focus would be two-pronged

1. **Maximising the value of allocated capital by**
   a. Allocating more capital towards high RoE generating businesses
   b. Using sell-down "Centre of Excellence" to increase fee income and balance portfolio risk
   c. Monetisation of non-interest bearing assets
2. **Consolidating multiple legal entities for**
   a. Optimal capital utilisation
   b. Effective utilisation of management bandwidth

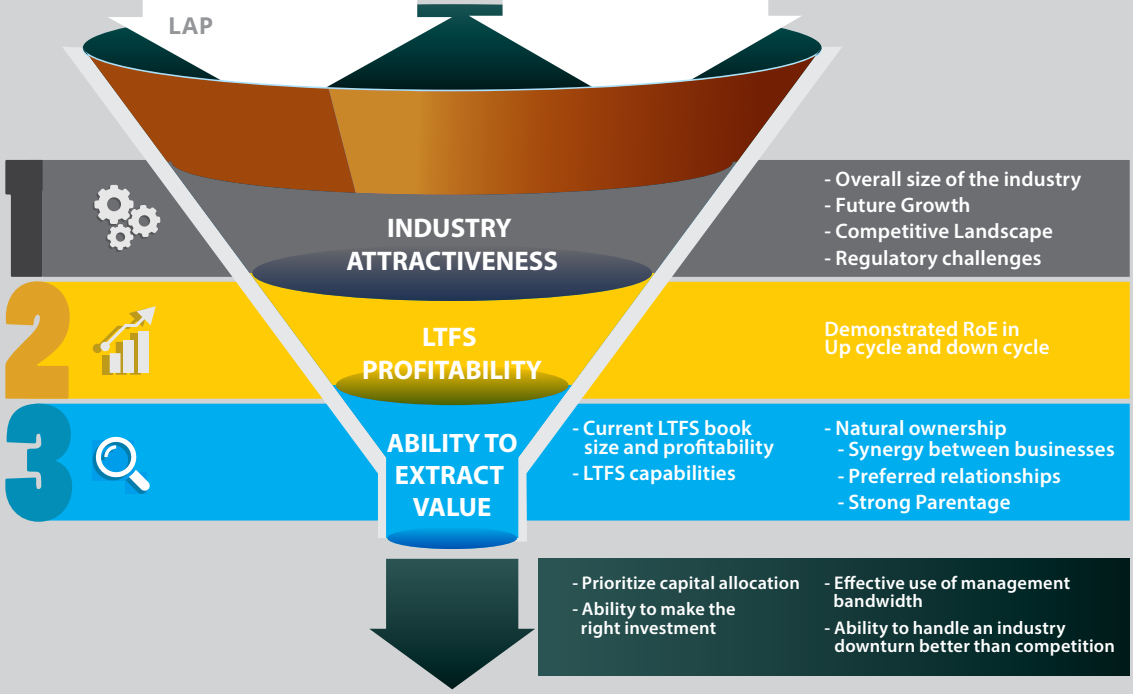
Right People

We are focused on building a strong and sustainable institution by developing an engaged, skilled and productive workforce. We have empowered the Top Management to lead by example and provide strategic direction. Our Middle Management is the talent pool with on-ground market knowledge, who determine the strategy and tactics for execution. Our Junior Management is a force made up of nimble, young, energised individuals who operationalise the strategy on the ground. We plan to invest significantly in our Middle and Junior Managers with an endeavour to build a cadre of future leaders.

LENDING PORTFOLIO: FROM 17 DIFFERENT PRODUCTS TO 3 DISTINCT BUSINESSES

FARM EQUIPMENT
MICROFINANCE
TWO WHEELERS
MID MARKET
CV/LCV/SCV
CONSTRUCTION FINANCE
PASSENGER VEHICLES
LAP

CE
SME
LEASING
HOME LOANS
LAS
INFRASTRUCTURE FINANCE
RECEIVABLES DISCOUNTING



WHOLESALE
- INFRASTRUCTURE FINANCE
- STRUCTURED CORPORATE LOANS
- SUPPLY CHAIN FINANCE

RURAL
- FARM EQUIPMENT
- MICROFINANCE
- TWO- WHEELERS

HOUSING
- SELF-EMPLOYED HOME LOANS & LAP
- DEVELOPER FINANCE



DELIVER.

The delivery of our strategy on striking the ideal balance of Right Businesses, Right Structures, Right People, is predicated on the unwavering and meticulous execution of our plans. Once executed, we believe this transformation will earn us rights of passage to win in the marketplace and do well for our shareholders.

EXECUTION TO BE THE FOCUS TO DRIVE CHANGE

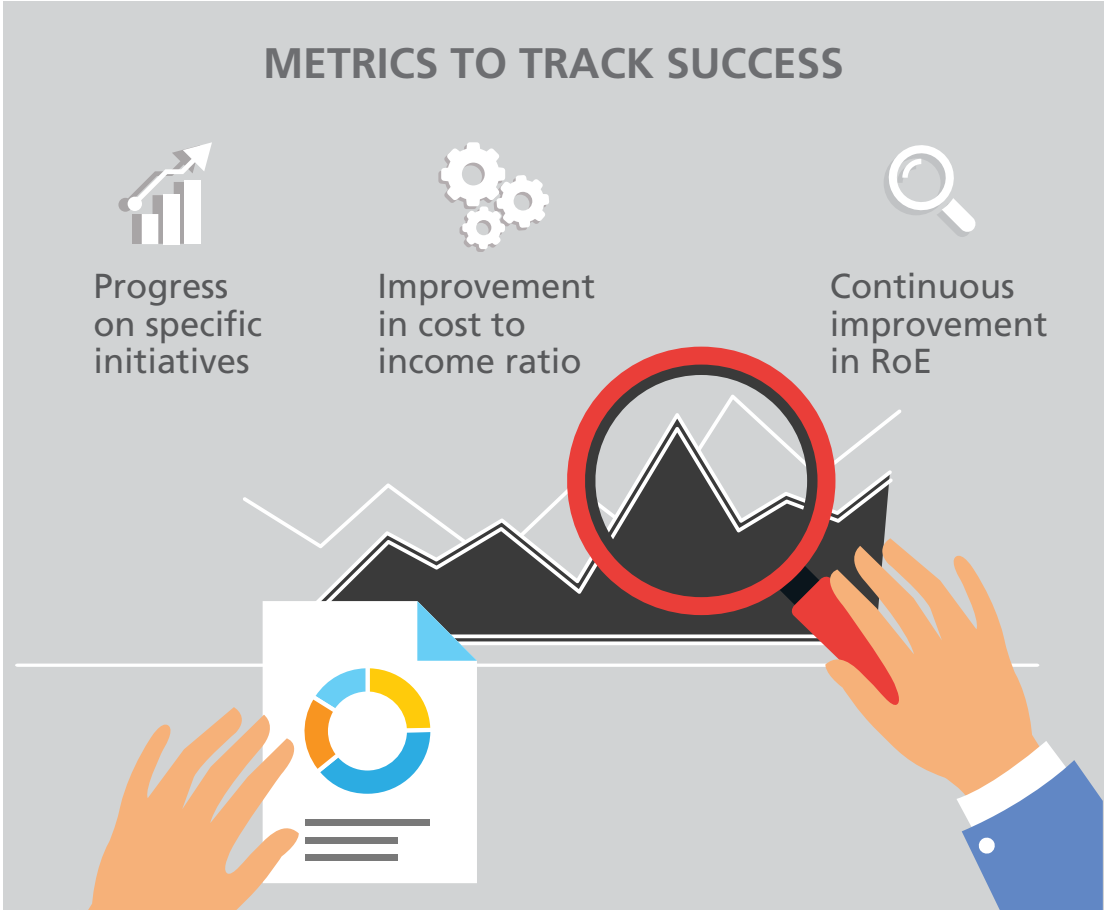


Our execution roadmap is divided into three stages:

1. Short term
   a. Drive efficiency to bring down cost-income ratio
   b. Use sell-down Centre of Excellence to increase fee income and balance portfolio risk

2. Medium term
   a. Shift capital deployed towards prioritised segments
   b. Unlock value of investments

3. Long term
   a. Upside from focus on prioritised business lines, thereby creating value
   b. Build strong structural capabilities to drive sustainable, profitable growth



Chairman's Message

Transformation in Motion

"A sharp focus on cost optimisation, reallocation of capital towards focused businesses and creating Centres of Excellence in the chosen areas will enable your Company to deliver improved RoE."

Dear Shareholder,

For the Indian economy, FY2016 proved to be a challenging year that, nevertheless, provided a ray of hope for the future. While overall the economy suffered due to weaknesses in agriculture, sustained contraction of exports and stressed balance sheets of the banking industry, demand from urban households and public capital spending propelled the economy towards a higher growth path. A congenial environment for growth was created by the government who took significant steps to clear stalled infrastructure projects and paved the way for far reaching systemic reforms.

MACRO OVERVIEW

The country's macro-economic situation is far better today, compared with a couple of years ago. GDP grew by 7.6% during FY2016, recording the fastest growth in the past five years. Current account deficit (CAD) has been under control largely due to lower oil prices and faster reduction in imports as compared to exports. Fiscal deficit, too, is being managed quite well, with the government having achieved its target of 3.9% for FY2016.

Significant steps have been taken in the past couple of years to improve the ease of doing business. Foreign Direct Investment (FDI) norms have been relaxed for several industries; and GST will hopefully soon become a reality. Inflation continues to be under control, despite back-to-back drought years and weak Rabi harvests due to unseasonal rains.

However, the overall stress in the infrastructure sector continues. Structural solutions are the pre-requisite for the thermal power sector to revive. Almost all construction companies have been suffering owing to high debt and delay



Mr. Y. M. Deosthalee Chairman & Managing Director

in receivables from both the public and the private sector. Unless these issues are resolved on an urgent basis, the survival of many such companies will soon come under threat. As a consequence, lenders will take time to emerge from this stress.

The UDAY scheme has been introduced to provide financial relief to the debt-laden power discoms. The success of this scheme will depend on genuine reforms introduced in the working of discoms. Some of these are reduction in transmission & distribution losses, tariff rationalisation, electronic metering and substantial reduction in free power to the agricultural sector.

With the addition of 7.1 GW of wind and solar energy capacity, FY2016 witnessed the highest ever addition of generation capacity in the renewable energy sector. Following a period of turmoil, the manufacturing sector bounced back, having recorded a robust growth of 9.3% in the last year, despite a weak global economic environment.

On the monetary policy front, the Reserve Bank of India (RBI) reduced repo rates by 75 basis points during the year. With the introduction of the Marginal Cost-based Lending Rates (MCLR) regime, monetary policy transmission through the banking system is expected to happen faster.

FINANCIAL YEAR FY2016 IN PERSPECTIVE

Amidst a difficult economic environment, your Company demonstrated a stable performance.

Your Company recorded a healthy growth of 22% in its loan book, which crossed the ₹ 50,000 crore mark for the first time. As on 31st March 2016, our loan book stood at ₹ 57,831 crore. In the retail finance business, micro finance, housing finance and the SME finance segments witnessed robust disbursement growth, while the tractors segment witnessed a drop in disbursements owing to drought conditions in the key markets. In the wholesale finance business, renewable energy projects and operational road assets witnessed an increase during the year.

Our asset quality remained stable, despite the stress in the rural book. Gross non-performing assets (GNPAs) decreased marginally from 3.08% to 3.05% (on 150 days-past-due basis). Net NPAs decreased from 2.10% to 2.05%, while provision coverage ratio also improved marginally from 33% to 34%.

Your Company's investment management business continues to grow at a healthy pace. Our AAUM (Average Assets Under Management) – at ₹ 24,374 crore – represents a 15% increase on a Year-on-Year basis, despite persistent volatility in the equity markets during the year. Average equity assets grew by 20% year-on-year to touch ₹ 10,316 crore for the March 2016 quarter.

Overall, your Company witnessed a year of profitable growth. Our consolidated profit after tax grew by 16% (excluding exceptional items) to touch ₹ 857 crore.

STRATEGIC RE-ORIENTATION WITH FOCUS ON RETURN ON EQUITY (ROE)

At the end of FY2016, your Company stood at an inflection point. We had to choose between two options. One was to continue to support non-core businesses with sub-optimal RoE in order to provide a comprehensive service bouquet. The second option was to focus on areas of core strength and high potential that are likely to give a good RoE. Your Company selected the latter option.

The key pillars of your Company's strategy comprise – driving profitable growth in select lending businesses, focus on asset quality and managing of non-lending businesses for fee income generation and value creation. This helped us identify key businesses that your Company would operate in. The key criteria for this has been industry attractiveness and also our ability to extract maximum value from the business.

Your Company hopes to further strengthen its position in operational infrastructure projects, especially in the renewable energy and highway sectors, structured corporate loans and in retail products such as tractors, two-wheelers, microfinance and housing finance.
A sharp focus on cost optimisation, reallocation of capital towards focused businesses and creating Centres of

Excellence in the above chosen areas will enable your Company to deliver improved RoE.

OUTLOOK

India's economic outlook continues to remain robust in FY17, subject to revival of rural demand on the back of a normal monsoon. Other key factors that add to the buoyancy are: elevated urban consumption driven by hikes in public wages and relatively lower inflation and a likely pick-up in investments by the corporate sector. During the Union Budget for 2016-17, the Government spelt out its two key themes of rural and infrastructure development. Both of these happen to be the key focus areas of your Company's lending businesses.

Against this backdrop, your Company hopes to achieve decent asset growth in the current financial year. The trend of improvement in returns is expected to pick up pace, aided by the implementation of a focused business strategy, stability in our key operating metrics and optimisation of leverage.

Distress in the rural sector is expected to subside from the third quarter. Consequently, we hope to see a decent improvement in delinquencies and stressed assets after Q3FY17.

Banking is a logical extension of our business. This is an option your Company will evaluate as and when suitable opportunities arise. However, our current strategy continues to be to build a robust business within the NBFC construct.

Your Company has made good progress in building an inspirational and admirable long term institution. We have erected several pillars in terms of systems, processes, risk controls, people and technology. In addition to this, many other steps will be taken that will help us reach our long-term goal. Your Company's Management and the entire Executive Team of L&T Financial Services is committed to building a respectable and lasting entity.

I take this opportunity to thank my colleagues on the Board for their valuable contribution.

I also thank our employees for nurturing the values we espouse and for their unflinching efforts towards building this institution.

I thank you for your continued faith in us.

Y. M. Deosthalee
Chairman & Managing Director

Performance Indicators

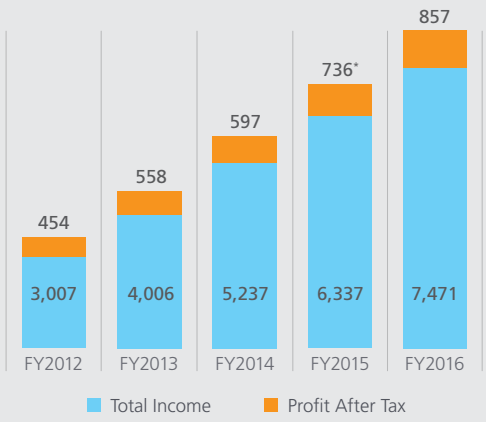
Delivering Results

Lending Business

Profitability Trends

(₹ in crore)

PAT grew at a CAGR of 17% over 5 years

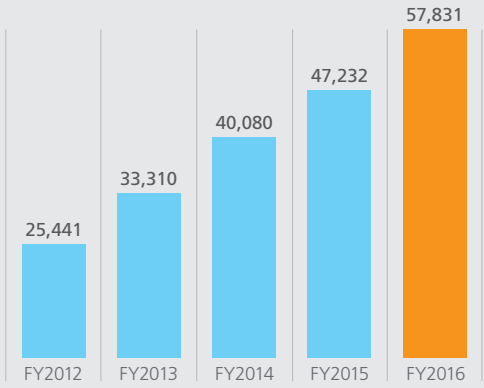


* Excludes Exceptional items

Loan Portfolio

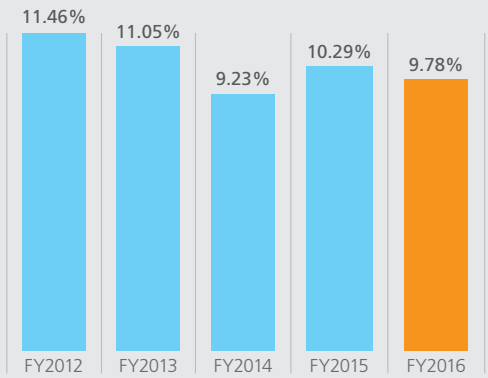
(₹ in crore)

Loans and advances grew at a CAGR of 23%



Return on Equity#

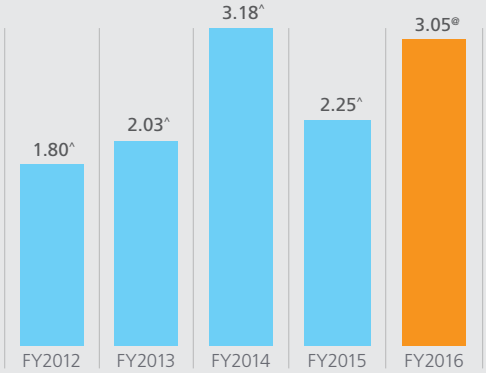
%



Excludes exceptional items, share warrant money and after considering annual dividend on preference shares on pro-rata basis

Gross Non-Performing Assets

%

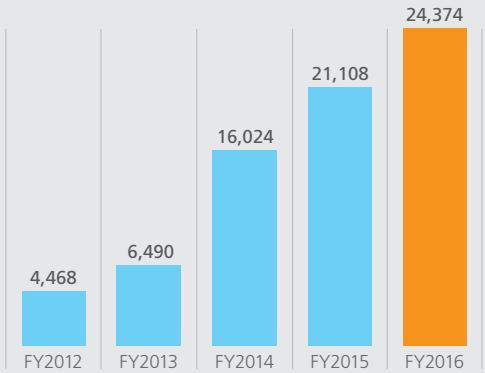


^ 180 days @ 150 days

Investment Management Business

Yearly Average AUM**

(₹ in crore)

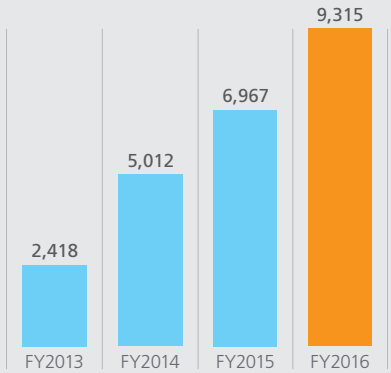


** Assets Under Management

Wealth Management Business

Average AUS##

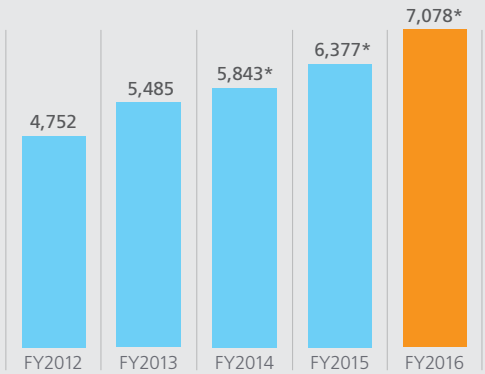
(₹ in crore)



Assets Under Service

Consolidated Net Worth

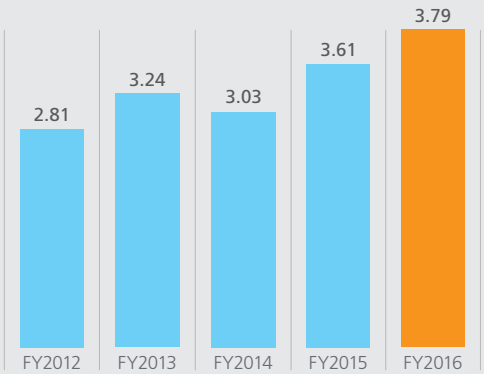
(₹ in crore)



* Excludes preference share capital and warrant money

Consolidated Basic Earnings Per Share (EPS)

(₹)



Board of Directors



Y. M. Deosthalee Dinanath Dubhashi R. Shankar Raman B. V. Bhargava S. V. Haribhakti

Y. M. Deosthalee
Chairman & Managing Director

Mr. Y. M. Deosthalee assumed the office of Chairman & Managing Director of our Company in September 2011. Since its inception in 1995, he has provided strategic direction to the financial services business of the Larsen & Toubro Limited (L&T) Group and has been the key architect of its growth. Mr. Deosthalee was the Chief Financial Officer and Member of the Board of L&T till September 2011. He was the Chairman of CII's National Committee on NBFCs and a member of its National Council and Committees on Banking, Financial Sector Development and Smart Cities. He is also the Non-Executive Chairman of L&T Finance Limited and L&T Infrastructure Finance Company Limited. He is a Chartered Accountant and a Graduate of Law.

Dinanath Dubhashi
Deputy Managing Director

Mr. Dinanath Dubhashi is the Deputy Managing Director of our Company with effect from April 14, 2016. He has a rich experience of over 25 years across multiple domains in financial services such as Corporate Banking, Cash Management, Credit Rating, Retail Lending and Rural Financing. He joined L&T Financial Services in 2007 and has been instrumental in scaling up the Retail business



P. V. Bhide | Harsh Mariwala | Kamakshi Rao | Amit Chandra | Thomas Mathew T.

operations manifold, across customer segments and geographies. Under his leadership, Retail Business has grown both organically and inorganically to reach asset size of about ₹ 28,000 crore, serving over 30 lakh customers. He has also provided leadership to various functions such as Operations and Information Technology for L&T Financial Services. Prior to this, he was associated with organisations such as BNP Paribas, CARE Ratings and SBI Caps in various capacities. He holds a B.E. (Mechanical) degree and a PGDM from IIM Bangalore.

R. Shankar Raman
Non-Executive Director

Mr. R. Shankar Raman is the Chief Financial Officer and a Member of the Board at Larsen & Toubro Limited (L&T). He is a Non-Executive Director on the Board of our Company and L&T Investment Management Limited. He is on the board of several companies within the L&T Group. He joined the L&T Group in 1994 to set up L&T Finance Limited and has close to 33 years of experience in Finance and Management. He is a Chartered and Cost Accountant by profession and also has a degree in Commerce from Madras University.

B. V. Bhargava
Independent Director

Mr. B. V. Bhargava has had a distinguished career in development banking and project finance for nearly three decades. Currently, he is on various boards and has a multi-faceted experience across industries. He retired from ICICI in May 1996 as Vice Chairman and Managing Director. He has participated in a number of seminars on project evaluation and management and has addressed several forums on this topic. He is a Post Graduate in Commerce and also has a degree in Law from Mumbai University.

S. V. Haribhakti
Independent Director

Mr. S. V. Haribhakti's career span of four decades includes successfully establishing and leading many innovative services. His current passion includes Governance, Engaged Investing and Digitisation. He actively promotes 'shared value' creation and a greener environment. He is a Chartered and Cost Accountant, and a Certified Internal Auditor, Financial Planner & Fraud Examiner.

P. V. Bhide
Independent Director

Mr. P. V. Bhide has held various government positions in his vast career spanning four decades. Some of the positions he has held include the Secretary, Department of Revenue, Ministry of Finance; Secretary and Joint Secretary, Department of Disinvestment, Ministry of Finance; Additional Secretary/Spl. Secretary, Ministry of Home Affairs; Deputy Secretary, Department of Economic Affairs, Ministry of Finance. He has also held various other key positions across Departments. He is a retired IAS Officer with MBA, L.L.B and B.Sc. degrees.

Kamakshi Rao
Independent Director

Ms. Kamakshi Rao is an investment professional with over 22 years' investment experience. She has worked at The Capital Group, an investment management company based in Los Angeles, from 1994 to 2010. She has had a wealth of international work experience, having been based in the United States, Singapore and Japan during the course of her career. At the time of retirement in 2010 from the Capital Group, Ms. Rao was a Senior Vice President. She is also affiliated with Ankur Capital, a Mumbai based investment fund. She earned her Undergraduate degree from Harvard University and Master's degree from the University of Pennsylvania.

Harsh Mariwala
Independent Director

Mr. Harsh Mariwala leads Marico Limited (Marico) as its Chairman and is the Chairman & Managing Director of Kaya Limited. Over the past three decades he has transformed a traditional commodities driven business into a leading consumer products and services company in the beauty and wellness space. He has been the FICCI President (2011) and was also the FMCG Committee Chairman of FICCI and CII. He has been a part of the Young Presidents Organisation (YPO), and is now a part of the World Presidents Organisation (WPO). He has held the position of YPO Education, Membership and Chapter Chair for the Bombay Chapter and was a member of the International Forum Board of YPO International. Mr. Mariwala has also launched ASCENT - Accelerating the SCaling up of ENTerprises to identify growth-stage entrepreneurs with potential and enable them in their scaling-up journey.

Thomas Mathew T.
Independent Director

Mr. Thomas Mathew T. is currently the Managing Director & CEO of the Reinsurance Group of America for India, Sri Lanka and Bangladesh. He was the Managing Director of Life Insurance Corporation of India and has successfully handled various functions there. He is on the Board of Larsen and Toubro Limited, Metropolitan Stock Exchange of India Limited, L&T Capital Markets Limited, L&T Infra Debt Fund Limited and RGA Services India Private Limited.
Mr. Mathew holds a Post-graduate Diploma in Management, a Post-graduation in Economics and is a graduate in Law. He is also an Associate of the Insurance Institute of India and has a Diploma in the Spanish language.

Amit Chandra
Nominee Director

Mr. Amit Chandra is the Managing Director of Bain Capital and is a part of the firm's leadership team in Asia. Before joining Bain Capital in 2008, he spent most of his professional career at DSP Merrill Lynch Bank in India and retired in 2007 as its Board Member & Managing Director. He was named a Young Global Leader by the World Economic Forum in 2007 and was named Next Generation Philanthropic Leader of the Year by Forbes in 2013. He is on the Board of Genpact, Tata Investment Corporation and Emcure Pharmaceuticals and recently retired from the Board of Piramal Enterprises.
Mr. Chandra is also active in India's not for profit space and serves as a Trustee of the Tata Trusts, Founder & Trustee of Ashoka University, and as a Trustee/Board Member of The Akanksha Foundation, Advisory Board of Swades Foundation and GiveIndia. He received his MBA from Boston College and was awarded the school's Distinguished Alumni in 2007. He also holds an undergraduate degree in Electrical Engineering from VJTI, Bombay University.

Human Resources

Leading Effective Change



Human Resources plays a focal role in our journey to Transform, Focus and Deliver. Our focus during the year was on Creating "One LTFS", Driving Productivity and Facilitating Organisational Transformation.

CREATING ONE LTFS

"One LTFS" represents our approach to build a unified institution with a single purpose. Through this approach our goal is to promote greater collaboration and leverage synergies amongst the business units.

A critical step towards realising this goal has been to create a common talent pool and leadership pipeline. Through this key initiative, significantly enhanced roles and responsibilities were assigned to many employees across business units, which offered them a wider platform for growth opportunities, greater responsibilities and enterprise level exposure. In yet another crucial step, the value of "Collaborative Leadership Behavior" was communicated to strengthen the One LTFS proposition. At the Senior Leadership level, collaboration has been a principal component of the 360-degree feedback process which is specifically designed to measure and accelerate the effectiveness of our leaders and offer them developmental feedback.

Employees who championed the LTFS values, specially of collaboration and team work, were identified and rewarded. 51 such teams who displayed cross-functional synergies were identified and the Top 3 were selected for recognition at the LTFS Star Awards. To improve work synergies further, focus was given on integration of multiple-office premises in certain cities into unified LTFS offices. This also helped us enhance our ability to serve customers holistically which further reinforced our "One LTFS" proposition.

DRIVING PRODUCTIVITY

Our focus has been on building a strong and sustainable institution by developing an engaged, skilled and productive workforce. A culture of performance and development has been built and strengthened – one where meritocracy thrives, and internal progression is a way of life.

Enabling our employees to improve their performance has been the crux of our Employee Development and Engagement Plan. In regard to this, appropriate training and guidance sessions are organised by Seniors and Peers to help them flourish in their roles. Emphasis is also given on measuring the progress of employees against their roles while providing requisite feedback on their performance. This was also achieved by identifying key strengths and areas for improvement for employees and arriving at developmental measures for them.

Our Learning & Development system continues to support the employees through their career stages in the organisation. New employees are taken through a comprehensive Induction program that centres on our values, businesses and key processes. On an ongoing basis, training programs are conducted for employees to enhance their skills and increase their job effectiveness. These programs are designed to improve their business intelligence and overall people development skills.

Taking bets on people and helping them progress and perform at higher levels has been at the heart of our Employee Development and Engagement Plan.

FACILITATING ORGANISATIONAL TRANSFORMATION

With the renewed focus on ROE and profitability, efforts were put in to reframe our structures and processes and align them with overall mission of the organisation.

To this effect, a Strategic Communication campaign was designed to connect with employees across the country, in groups as well as individuals. This became a platform to communicate the message of transformation and reiterate the promise of improved profitability. In order to make the workforce more result-oriented and accountable, the Performance Management System has been refurbished and KPIs are created to closely link to profitability.

Risk Management

Our Upgraded Risk Management Framework

As a growing financial services enterprise, Risk Management is one of the critical functions within L&T Financial Services. Our objective is to have a comprehensive view of risks faced across all businesses and be able to manage them effectively to contribute towards organisational goals.

Our constant endeavour is to embed best practices and create a disciplined risk culture across the organisation, adopting well defined processes for risk assessment, measurement, mitigation and monitoring. During the year, a Group Chief Risk Officer (CRO) was appointed to harmonise the risk function across all the subsidiary entities and put in place an overarching Risk Architecture. This structure is to ensure alignment with the organisation's vision and contribute towards sustainable growth.

RISK GOVERNANCE & POLICY FRAMEWORK

The risk management framework of the Organisation is driven by the Board and Management Council comprising Senior Management Personnel. Risk Management Committee (RMC), with Board Representatives, has been constituted at the Enterprise level as well as for each entity to facilitate focused oversight on identified risks and to provide guidance on emerging and evolving risks. The Senior Management is responsible for understanding risks and ensuring that these are adequately addressed from a governance perspective. They are also responsible for regular review, monitoring and developing risk mitigants which are periodically reviewed by the respective RMCs and Boards. There are specialised high level committees for material risk categories to have a focused approach for credit risk, operational risk, interest rate & liquidity risks and IT risk.

Policies approved by the Board and respective committees of the Board, form the governing framework for each type of risk. All business activities are undertaken within this overall policy framework.

The Organisation has in place a process to identify / mitigate various risks across all entities and document Standard Operating Procedures. These are periodically reviewed to ensure that the key risks are well-identified and controls are put in place. Risk control measures have been put in place in the form of exposure limits for portfolio / credit concentration and as key risk



indicators for monitoring non credit risks, and to also proactively manage risks. Analytics and technology are being leveraged for facilitating effective credit decisions and identifying early warning signs. Operational processes have been streamlined with critical processes being centralised to ensure consistency, control and oversight. Technology is being leveraged upon for processes, with adequate safeguards for security risks.

WAY FORWARD

In line with the revised business strategy, focus of risk management would be to ensure that the risk appetite and risk tolerance levels are within limits for the Organisation as well as for each entity / business line. In this evolving economic scenario, risk management function would closely monitor the portfolio, market and operational risks to keep these under control and also identify potential growth opportunities for the Organisation.

Corporate Social Responsibility

Empowering Lives. Enabling Livelihoods.

At L&T Financial Services, we see Corporate Social Responsibility (CSR) as a creative opportunity to contribute towards building a better society. It is integral to one of our core institutional values – Sustainability. Our principal thrust areas of quality education and generation of sustainable livelihoods are derived from the need for improved living conditions for our compatriots in distant rural areas and the lack of better learning opportunities for their children.

EDUCATION

Our focus has been on enhancing the quality of existing education systems and structures. We have been directing resources to bring about systemic reforms to enhance effectiveness of the public-owned facilities. For the second year in a row, we trained over 177 teachers which resulted in strengthening of child-centric and experiential education for over 15,287 students in Municipal and Government schools. We undertook an education transformation model in 25 Zilla Parishad Schools and 14 rural Government Schools to improve learning levels. For the second consecutive year, we up-skilled the teaching abilities in 75 pre-service and 400 in-service teachers belonging to low-income groups in Mumbai. These teachers are involved in imparting, constructive and reformative learning in municipal schools. Formal education systems were supplemented through scholarships for 20 meritorious individuals teaching in under-resource classrooms and 17 supplementary education centres.

TRANSFORMING LIVELIHOODS

Our focus has been on building capacities and promoting inclusive development of indigent communities, by providing skills that empower people to earn a respectable and enhanced livelihood.

This year, over 4,297 women were given gender sensitisation trainings, along with training to 1,604 women on government programs and provisions, book-keeping and accounts processes. From these trained women, 26 women were elected as Sarpanch, and over 200 women won Panchayati Raj elections in various capacities. 279 Self Help Groups, (SHGs) bringing together over 4,000 rural women were formed, out of which 250 SHGs have been linked with institutional credit through NRLM and direct bank credit.

DISASTER MANAGEMENT

When Tamil Nadu experienced severe floods in December 2015, a project was



initiated at Cuddalore, to construct 300 shelters to rehabilitate most vulnerable victims of the floods. For the Marathwada region of Maharashtra, a watershed model was initiated at 13 villages to facilitate water resource management. This project created and enhanced livelihood opportunities for farmers by laying special emphasis on protective irrigation to improve crop productivity by constructing 65 Dohas (water-harvesting structures). The project covers 26.60 kilometres of water stream and developed water storage capacity of 4,48,946 CUM.

OUR EMPLOYEES – OUR HEROES

Our employees take pride in contributing to the community, using the most valuable resource at their command, their time as volunteers. Funds were gathered by employees to support the Marathwada drought victims. The contributions were utilised to arrange six months ration under the PDS scheme for 9,229 families in villages of Kaij Taluka and Beed District. Through the Brindavan Learning Centre Project initiated at our corporate office in Mumbai, ~80 employees engage with students from lesser privileged communities, who learn primarily at the Government/ Aided Schools, to bridge their learning gaps. International Literacy Day was celebrated in Chennai, Coimbatore, Cochin and Bangalore by 42 employees through a 'One Day One Story' campaign, during which they narrated stories to over 2,000 students from identified under-resourced schools and institutions.

Health awareness sessions were organised by 12 employees from Salem Branch at the nearby Government Schools, impacting about 140 students. Financial literacy sessions were conducted by two employees for 70 students of Grades 5 and 6 at a municipal school in Mumbai. A similar session was conducted for 20 women at the Jagdamba slum community, Delhi. Computer literacy sessions were conducted by three employee volunteers for students of 34 municipal schools in Delhi.

Post Ganesh Chaturthi festival in Mumbai, a beach cleaning initiative was organised at Dadar Chowpatty whereby 25 employee volunteers cleaned the debris collected at the beaches subsequent to the idol immersion.

Management Discussion and Analysis

The making of an NBFC Powerhouse



MACRO-ECONOMIC REVIEW

During FY2016, Indian GDP growth (market prices) at 7.6% (y-o-y) was primarily driven by urban consumption and transportation services that benefitted from lower energy prices and higher real incomes. Agricultural growth was at 1.2% on the back of the growing importance of horticulture, livestock and other allied activities. However, private investment sentiment remained weak and the manufacturing sector's growth was far from broad-based. The consolidated growth of the services sector was relatively better at 8.8% in FY2016.

Macro stabilisation indicators improved significantly during FY2016. While retail (CPI-based) inflation declined to a near 5% level from a double-digit level until the end of 2013, current account deficit (CAD) was comfortably placed in the band

of 1-2% of GDP. India's foreign exchange reserves were near a record high of US$360 billion by end-March 2016, driven by a sharp rise in the Foreign Portfolio Investment (FPI) inflows. Additionally, Foreign Direct Investment (FDI) inflows into India, reflecting a more stable component of foreign currency reserves, touched a record level of US$40 billion, up 29% (y-o-y) during FY2016.

In the past two years, India's government undertook several structural reforms, including more power in the hands of states, empowerment of markets, FDI liberalisation, launching of the National Agriculture Market (NAM) initiative, amendment to the "Factories Act, 1948" and the enactment of the "Insolvency and Bankruptcy Code, 2016".

From the global investors' perspective, critical achievements of the Indian policymakers relate to inflation control, more public investment in infrastructure sectors, especially roads, railways, waterways and civil aviation, among others, and in social security, fiscal management and tax administration.

Looking ahead, we see four positive growth impulses for India during 2016-17:

1. Normal monsoon, driving farm sector growth and rural demand;
2. Stimulus through government wage hikes (Seventh Pay Commission), driving private discretionary demand;
3. Government's continued thrust on public spending on infrastructure projects; and
4. Gradual implementation of structural reform agenda, which continues to broaden.

However, the RBI has cautioned about the persisting stress in large corporates, risk aversion in the banking system, weaker global growth and trade outlook are expected to pose downside risks to India's growth outlook in 2016-17. Policymakers will have to deal with these challenges through effective remedial measures.

OUR COMPANY'S BUSINESS

The businesses of L&T Finance Holdings are carried out by its wholly-owned subsidiaries. During the FY2016, they were organised as Retail Finance, Wholesale Finance, Investment Management and Wealth Management businesses.

The Management's focus is to achieve a healthy return on equity (ROE) on a sustainable basis.

It has been a conscious decision of the Management to protect the overall profitability from the cyclicality of individual businesses. With this overall strategy, some products were developed as flagship products. Three parameters were taken into account while creating the product mix: profitability, scalability and the Company's ability to have a clear market advantage in a particular product segment. These three parameters influenced the ultimate choice of the Company's product offerings.

Retail Finance

The Retail Finance business, carried out by the Company's wholly owned subsidiaries – L&T Finance Limited, Family Credit Limited and L&T Housing Finance Limited, comprise loans for income generation as well as for the purchase of consumer assets, working capital loans for SMEs, term loans for medium and large companies, loans under micro-finance, loans for purchase of homes and loans against property.

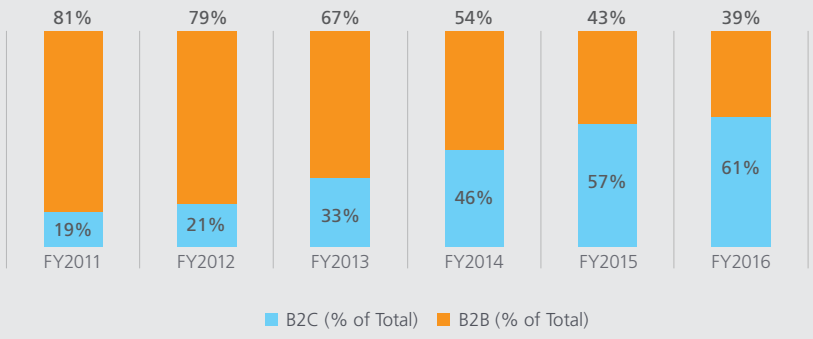
During FY2016 the product portfolio under the Retail Finance business included:

Consumer and Auto Loans	Small and Medium Enterprises	Mid and Large Corporations	Housing Finance	Microfinance
Farm equipment loans	Supply chain finance	Loans and leases	Home loans	Joint liability loans
Two-wheeler loans	Term loans	Loan against securities	Loan against property	Micro individual loans
Small & Light Commercial Vehicle loans (S&LCV)	Warehouse Receipt Finance		Loans for construction	
Car loans	Commercial assets (CE & CV) loans			

With a conscious effort, the Company had realigned its portfolio towards B2C businesses as compared to B2B businesses. We believe that through this shift we were able to increase yields, while at the same time reducing risk given the adverse industry scenario in construction equipment and commercial vehicle market.

Loan Book Composition

(%)



Consumer and Auto Loans

Farm Equipment Loans and Two-Wheelers Loans were the flagship products under this business. We have a strong position in the market for both these products. The Company had strong OEM tie-ups, a well-spread network and the ability to offer customised financing solutions. During the year FY2016, with deficient monsoons and mounting delinquencies, the tractor market posed severe challenge to growth. The overall tractor market shrunk by 12%. As a response to the increasing delinquencies in the sector, we reduced our exposures to high risk areas and ceded a market share of 3%. Our strengths in the market give us the confidence that we will be able to recoup this when the market trend turns positive. As a way to counteract this, we focussed on financing pre-owned tractors and refinancing opportunities. This constituted more than 15% of our disbursements during the year.

In Two-Wheeler loans, while the industry volume increased by 3% during FY2016, the book size of our business grew by 24%, resulting in an increase in market share. This performance was facilitated by better penetration in existing locations and active efforts to reach new markets.

In a strategic move, the Company decided to de-emphasise Small and Light Commercial Vehicles and Car Loans businesses. Given the mismatch in the risk-return paradigm of these products, we believe they were not suited to the management's vision of delivering superior return on equity.

22%
YoY growth in Two-wheeler Loan Disbursements



Small and Medium Enterprises

Through the Small and Medium Enterprises business, the Company offers supply chain loans (pre-shipment, post shipment and inventory funding), construction equipment and medium and heavy commercial vehicle loans. The Company also financed warehouse receipts of agricultural commodities.

During the first half of FY2016, the Company tied up with marquee names in the automotive segment for financing the inventory of their dealers. This helped boost business in the second half of the year.

The Company strategically reduced its exposure to the Commercial Vehicle and Construction Equipment segment in the last two years. This was with the aim of restricting the level of stress in this business caused due to the problem in the mining and construction sector. In FY2016, the Company focused on GNPA resolution and improving asset quality.

Mid and Large Corporations

The Company's portfolio under this segment comprises corporate loans and leases, loans against securities and supply chain finance.

The Company adopted a selective strategy for its corporate loans and leases during the year under review. The Company offered credit only with tight structuring of security and cash flows trapping and close monitoring of loan usage. During FY2016, the Management's focus in this segment remained two-pronged:



- To be selective in doing deals that strictly satisfies the Company's requirement of risk-return payoff.
- Collection of delinquent accounts and tight monitoring of probable delinquent accounts helped reducing the NPAs in this segment substantially.

Housing Finance

During the year, your Company undertook several initiatives with an objective to diversify distribution channels, improve customer experience and focus on process improvement. The Company is scaling up the business by increasing its geographical spread as well as by increasing market share in the existing markets. At the beginning of the year, the Company was sourcing business in 30 markets across India. While the business grew in these markets, business sourcing was started in 14 more Tier-2 and Tier-3 markets.

By the end of the year, the Housing Finance business sourcing was taking place in 44 markets.



141%
YoY growth in Loans and Advances in Microfinance

Distribution mix among multiple distribution channels such as Direct Sales Associates, Direct Sales Team, and worksites, which were already contributing to the current business, have been improved. Further emphasis has been given to the L&T ecosystem with mutual tie-ups in L&T Realty projects across locations.

During the year under review, ₹ 4,061 Crore worth of loans were disbursed. This includes loans to individuals as well as construction finance to builders. Loan disbursements in the retail business grew by 62%, while disbursements in construction funding grew by 149% during the year. Loan book for retail business grew by 78%, while that for construction funding business grew by 108% during the year.

Microfinance

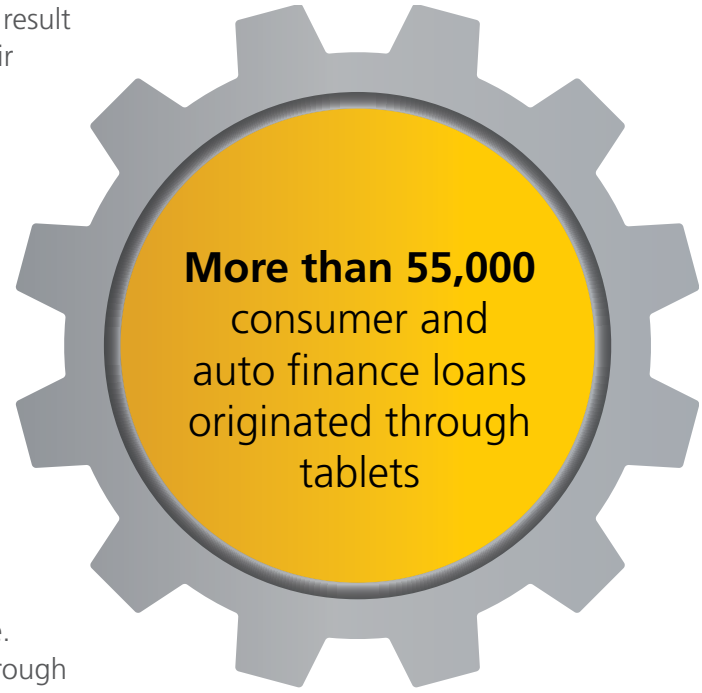
Microfinance was another focused business of the Company. Robust risk control processes and the ability to raise liabilities to match growth aspirations in a timely manner, gave the Company a unique market advantage in this segment. The Company offers micro loans through a joint liability group model. This business is currently operational in eight states of India - Tamil Nadu, Karnataka, Maharashtra, Gujarat, Orissa, West Bengal, Madhya Pradesh and Kerala. The business has been piloted in the state of Uttar Pradesh.

Major Initiatives During The Year:

During the Financial Year 2016, your Company has undertaken several initiatives with an objective to enhance customer reach and centricity, build scalability, manage risks effectively, attain process excellence and business

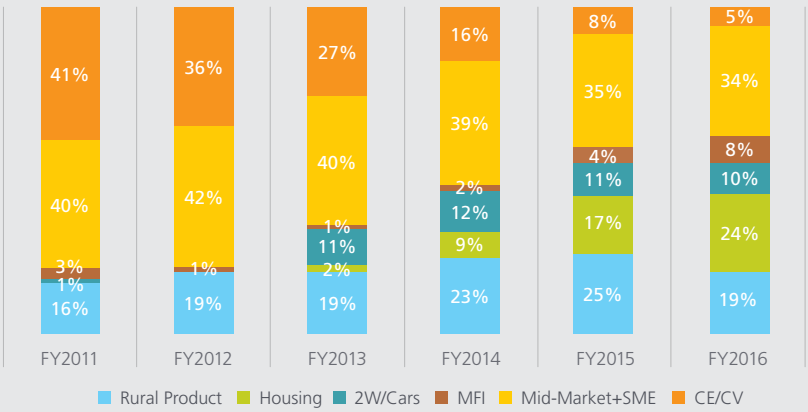
continuity, aid cost flexibility and result in providing shareholders their fair returns.

- Mobility solutions: Loan origination and collection in the Consumer and Auto Finance as well as Microfinance businesses is completely based on mobility solutions. Loan origination is carried out through Android based tablets/mobile handsets that aim to drive sales effectiveness through the use of technology for reducing the turnaround time. Collections are carried out through mobile phones, coupled with thermal Bluetooth printers to issue receipts.



- Mobile based rule engine has been developed for improving TAT, having a predictable and steady approval rate. Least number of human handoffs reduces the chance of errors based on human underwriting interventions.

Realignment of Retail Finance over the last few years



77%
YoY growth in Disbursements in Renewable Power



Wholesale Finance

The Wholesale Finance business comprised infrastructure financing and non-infra wholesale financing through three lending entities viz. L&T Infrastructure Finance Company Ltd. (L&T Infra Finance), L&T FinCorp Ltd. and L&T Infra Debt Fund Ltd. (L&T IDF).

L&T Infra Finance has been categorised as an Infrastructure Finance Company (NBFC-IFC) by the Reserve Bank of India (RBI) and has been notified by the Government of India as a "Public Financial Institution" (PFI) under the Companies Act. L&T Infra Finance, by virtue of being an IFC and a PFI, is eligible to avail certain regulatory benefits. Having access to ECB window for resource raising and provisioning of the legal remedies under the SARFAESI Act & DRT forum for recovery of its dues are two such key benefits. While L&T IDF has been classified as an NBFC-IDF by the RBI, L&T FinCorp is categorised as a "Loan Company". All these three entities, which are systemically important non-deposit taking NBFCs as per RBI's parameters, come under the purview of RBI's overall regulatory oversight and supervision.

The Company's Wholesale Finance offered both fund based and fee based products and services. They were designed to efficiently meet term finance needs of infrastructure and industrial projects/ players in India. The Financial Advisory Services (FAS) Group provides advisory services to customers, enabling the raising of debt and equity capital from market sources. The team also provides financial structuring solutions to customers to optimise their capital and financing structure. The FAS Group, which has been consistently stepping up the range and depth of offerings to clients, works in close coordination with Debt Capital Market (DCM) Desk. The latter provides structured funding solutions to

select clients in the form of innovatively structured Non Convertible Debentures (NCDs)/ Bonds that are initially subscribed in full by one or more entities within the Wholesale Finance, and subsequently sold in smaller tranches to eligible investors. During the year, the FAS Group and DCM Desk together generated income of ~Rs.100 Crore by way of fees and capital gains.

The Wholesale Finance team, which possesses requisite skills set and experience, has over the years honed its project appraisal skills. This has helped it emerge as a preferred choice for mid-sized infrastructure players – particularly those setting up Solar and Wind power projects. Its robust, internally developed risk assessment framework enables the business to offer to underwrite the entire term debt needs of meritorious renewable power projects. Given that implementation timelines for such projects are rather fine, this offering of one-stop-debt funding solution - with suitably structured tenors, reflective of realistic assessment cash-flows - enables the developers to compress their project gestation periods, and thus, enhance their equity returns. Similarly, under L&T IDF's lead, successfully operating road projects are offered optimally priced refinance packages - often having extended tenures that are based on conservative estimates of (residual) economic life of projects.

Consequently, renewable energy, annuity and toll road and transmission projects – which constitute Wholesale Finance niche business areas – accounted for the major part of disbursements made during FY2016. Further, the focus has been on ensuring that operational projects comprise significantly high proportion of total loan assets such that the element of underlying risk in the portfolio is well contained.

Of particular note is the level of new business done by L&T IDF during the year. Its book has recorded a sharp growth wherein the business assets as of March 31, 2016 grew to ₹ 2,366 Crore, as compared to a modest ₹ 351 Crore at the end of the previous year.

This was attributable, inter alia, to more number of operational PPP projects now becoming eligible to seek assistance from IDF – consequent to RBI's decision to include additional sectors that can be financed by IDF, without the execution of a tripartite agreement. Notwithstanding this liberalised regulation, it would be L&T IDF's endeavour to ensure an optimal blend of operational PPP projects in its portfolio so as to preserve its AAA rating.

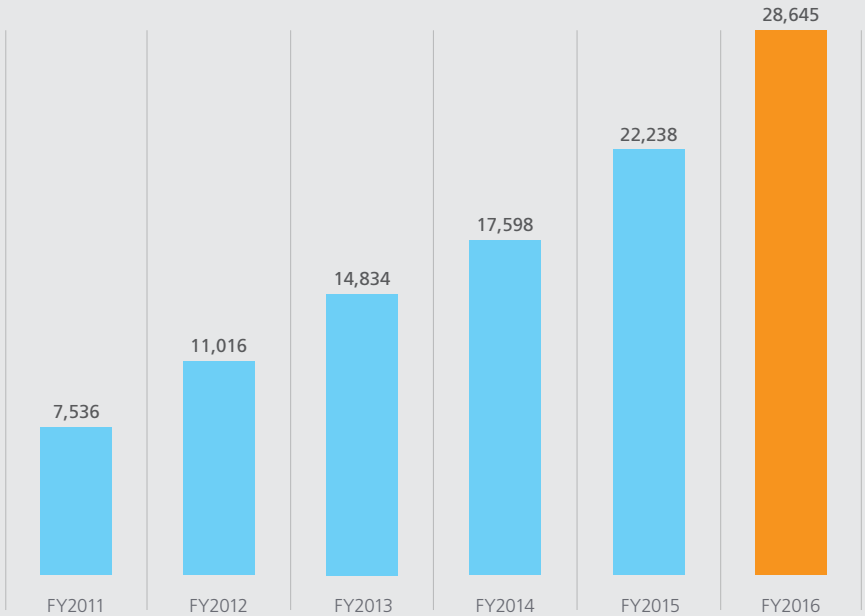
On the assets quality front, this business's management has remained pro-active in dealing with the stressed assets portfolio. However, given the rather slow economic revival coupled with the highly leveraged position of promoters/borrowers, the challenges being faced by all lenders are not expected to abate in the near term. Nevertheless, Wholesale Finance's on-going strategy of pursuing resolutions through closer coordination with both promoters and co-lenders – such that credit costs are brought down – would be persisted with.

Business outlook-wise, there have been signs of a revival in the road sector, as reflected in the Government's concerted strategy of accelerating the pace of road building. In this regard, however, the Hybrid Annuity Model that has been newly evolved by the NHAI is yet to be tested in the marketplace by lenders from a risk-return perspective. In view of this, Wholesale Finance, while being open to consider any such project funding proposals, would remain focused on the twin business strategy of selectively underwriting (and down-selling) mainly Green-field solar energy projects and refinancing of operational renewable energy and road projects through the IDF platform.

Over the last two or three years, the Wholesale Finance business has grown in terms of asset size. L&T Infra Finance has emerged as one of India's leading financiers in key sectors including renewable energy, more specifically solar and wind power generation. During the year, the Ministry of Renewable Energy (MNRE), Government of India, awarded a Certificate of Merit to L&T Infra Finance for being the second highest lender to Renewable Energy Projects during FY2015. Earning of this accolade, which is a testimony to its thought leadership in this field, has been made possible through its focused strategy on playing a pro-active and diligent role in promoting the Renewable Energy Sector.

Growth in Business Assets

(₹ in crore)

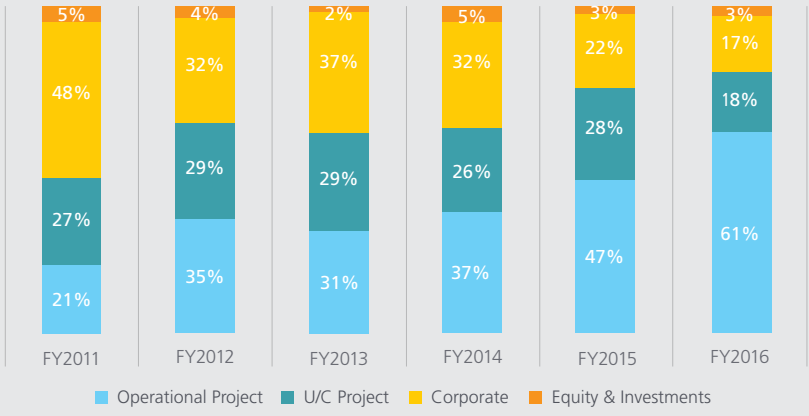


Strategic Shift in Product Mix and Sector Focus

The Wholesale Finance business has evolved from being a corporate lender to a specialised project financier and focused on operating projects to balance the overall risk of the portfolio.

Loan Book Composition

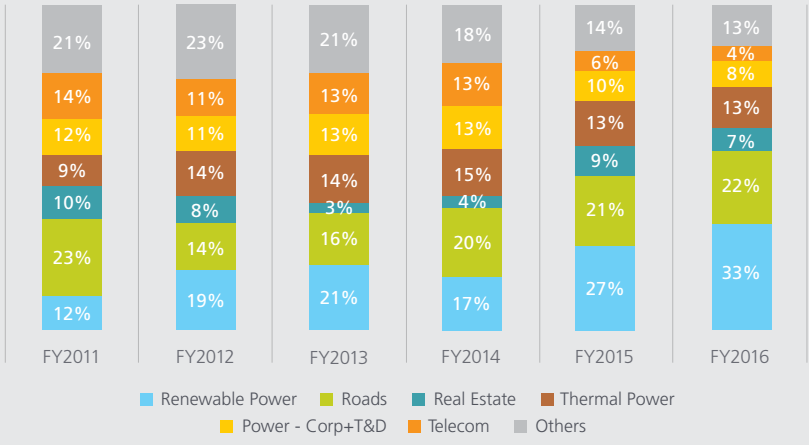
(%)



The business has also emerged as a leading financier in the renewable energy and road sector as is visible in the chart below.

Sector-wise Composition

(%)



Over 8 Lakh Investors based out of 500+ districts in our Mutual Fund business



Investment Management Business

The Company's Investment Management business is carried out through L&T Investment Management Limited (LTIM), its wholly owned subsidiary. The average assets under management grew by 15% to ₹ 25,945 Crore for the quarter ended March, 2016, as compared to ₹ 22,497 Crore for the corresponding period in the previous year.

This was achieved through a combination of consistent fund performance, building scale in existing product offerings, and improving acceptance in various distribution channels.

Industry Overview

The Indian mutual fund industry grew by 14% for the quarter ended March 2016, taking the average assets under management (AAUM) to ₹ 1,353,443 Crore, compared to ₹ 1,188,690 Crore for quarter ended March 2015.

At the beginning of the year, Debt funds held a good amount of cash as they awaited clarity on the interest rate trajectory by the RBI. But as interest rates started falling, debt funds reduced their cash positions accordingly. During FY2016, the RBI cut interest rates by 75 basis points (bps), which resulted in a tactical shift from gilt funds to dynamic funds. With commodities on a downward trajectory and credit going through turbulent times during the year, it became all the more important for an investor to



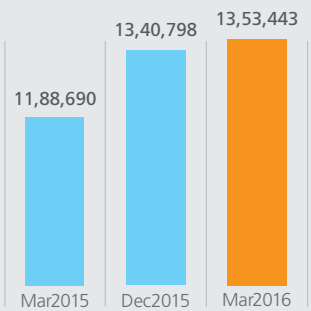
scout for quality Debt funds. This created a lot of momentum for these funds, especially those with higher quality.

During FY2016, equity mutual funds witnessed an addition of over 43 lakh folios, primarily on account of robust contribution from smaller towns, thereby taking the overall investor count to a record 4.77 Crore.

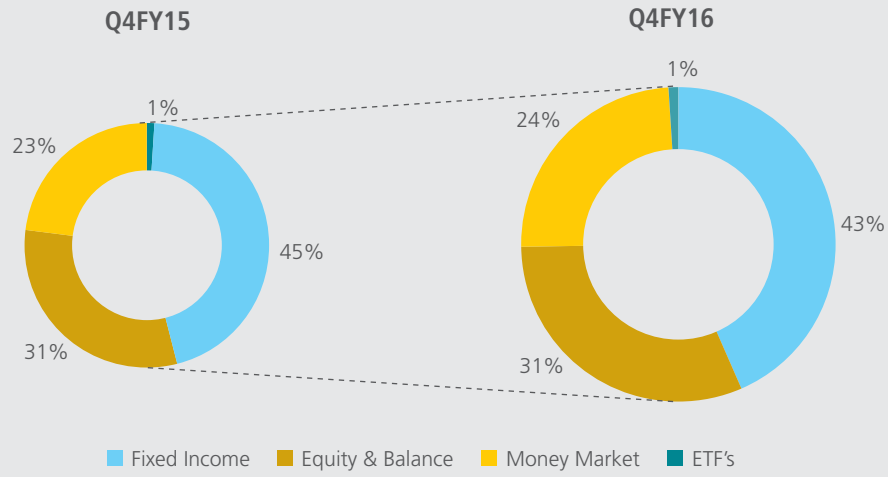
The current budget also introduced investor-friendly regulatory measures to increase retail participation in mutual funds.

It is proposed that any transfer of units in merger or consolidation of plans of a mutual fund scheme shall be exempt from capital gains tax. This is likely to result in lesser number of schemes and avoiding of duplication, thereby making it simpler for investors to invest.

Industry AAUM (₹ in crore)



Industry Asset Mix



Performance

During FY2016, L&T Investment Management continued the momentum from FY2015 and managed to grow at a better pace than the industry.

The growth was contributed by equity assets as it grew 21% over the previous year, while debt assets grew by 13%.

The equity mix for the Company increased to 44% (Equity and Arbitrage) this year from 42% in the previous year, thereby leading to an increase in equity market share to 2.5% from 2.4%. The asset growth and increase in market share was a result of strong gross and net sales, acceptance amongst the investor community as well as quality fund performance. The Company closed FY2016 with an overall market share of 2.01%.

During the year, the Company's strategy of building scale in core funds, both on the equity and debt side, paid rich dividends, as the number of funds with AUM of more than ₹ 1,000 crore (ex-Liquid and Ultra) increased to 7 (5 equity and 2 debt), as compared to 3 in the previous year.

Most of the Company's funds have consistently outperformed their benchmarks across one, three and five year time periods. A strong investment performance backed by an equally increasing sales trend resulted in a closing market share of 2.01%, an industry rank of 13 and an investor base of over 8,16,673, as on March 31, 2016.



Wealth Management Business

The Company's Wealth Management business is carried out through L&T Capital Markets Limited, its wholly owned subsidiary, offering services to Ultra High Net Worth (UHNI) and High Net Worth (HNI) individuals. It is present in 9 locations, including Dubai. There are 85 experienced and high skilled relationship managers servicing clients based on their investment needs across asset classes and across the spectrum of products in local and international markets.

Industry Performance

The Indian market offers good scope for growth, given its long-term economic prospects, positive demographics, rising income levels and current low penetration. India is currently ranked among the Top 10 nations in terms of total private wealth held, as per

The Wealth Management business has a client base of over 4,600 and is operational in Mumbai, Delhi, Bangalore, Chennai, Kolkata, Hyderabad, Ludhiana, Ahmedabad, and Dubai.

Capgemini's World Wealth Report. The aggregate wealth held by Indian Ultra HNIs is expected to grow at a CAGR of 27% over the next five years to about ₹ 400 Trillion. The Financial Services sector, including the wealth management industry, is looking at a big potential as savers move from physical assets to financial assets. This, combined with a robust GDP estimate of 7.5% in 2016 and 2017 by the International Monetary Fund

(IMF) and a growing allocation to financial assets by HNIs augurs well for India's Wealth Management Industry.

Performance

The business has been progressing well, led by a robust model built on the fundamental tenets of client centricity, intellectual property and execution efficiency. Average assets under service for the quarter ended March, 2016 grew to ₹ 9,315 Crore, accounting for an increase of 33% from ₹ 6,967 Crore during the corresponding period in the previous year. The Wealth Management business has a client base of over 4,600 and is operational in Mumbai, Delhi, Bangalore, Chennai, Kolkata, Hyderabad, Ludhiana, Ahmedabad, and Dubai. The Dubai Financial Services Authority ('DFSA') granted an upgrade from a Representative Office License to a Category 4 license whereby, L&T Capital Markets Limited, DIFC Branch will be regulated by DFSA to offer Wealth Management Solutions. This will be achieved by way of arranging deals in credit and investments, providing advice on financial products and services, including equities, debt, structured products, and investments in alternate asset classes, among others, to High Net Worth Individuals ('HNI') based in the United Arab Emirates ('UAE') and the neighbouring countries.



INFORMATION TECHNOLOGY

In line with providing faster turnaround, better customer experience and data quality, Enterprise Mobility was the central theme of Information Technology during the year. While tablets had been introduced for sourcing of farm loans during the earlier years, the year under review saw the advent of nimble, yet state-of-the-art, mobility solutions for the field force engaged in two-wheelers, microfinance business as well as collections.

The customer acquisition process for two-wheeler loans and microfinance has been re-engineered and integrated to facilitate mobile-based data entry, automated instant decisions using the scoring model / rules engine and seamless tracking. On similar lines, a mobile application providing dynamic tour planning for collection associates has been implemented during the year. GPS-based tracking provides real-time monitoring and thereby higher productivity and collection efficiency. Mobility as a theme gained prominence in FY2016 across businesses and enterprise functions alike, enhancing the ease of doing business both for customers and employees alike.

OPERATIONS & BACK-OFFICE

The Company's operations continued to focus on the three-fold objectives of delivering service faster, better and cheaper. Productivity, maximising cost efficiency and customer convenience as central themes were embedded into the routine business as well as new initiatives during the year. Its operations are now consolidated into two hubs viz. Mumbai and Chennai, through extensive workflow



automation and centralisation to make branches as hubs for sales & services.

Harnessing the rising trends in mobility solutions, new customer acquisition and receipt issuance on hand held devices have been implemented. This enables the in-house workforce and those at partner locations to provide quicker turnaround time and better quality.

First Contact Resolution – as a metric for customer service – gained momentum with Branches and Contact Centre being further empowered for servicing customer requests.

The Quality Management journey initiated during the previous years through ISO certification of customer facing processes was further extended to cover the entire Infra Finance Operations. The centralised operations including receivable management for Infra Finance Operations was certified on the latest ISO 9001-2015 standards.

Please refer pages 22 and 24 for the sections on Human Resources and Risk Management respectively.

CONSOLIDATED PERFORMANCE

Income

On a consolidated basis, L&T Finance Holding's income increased by 18% from ₹ 6,337.45 Crore in FY2015 to ₹ 7,470.69 Crore in FY2016. Operating income increased by 18% from ₹ 6,196.23 Crore in FY2015 to ₹ 7,288.79 Crore in FY2016 and the net interest income on loans and advances increased by 20% from ₹ 2,628.44 Crore in FY2015 to ₹ 3,164.65 Crore in FY2016. This increase was primarily the result of a 22% increase in loans and advances made by subsidiaries of L&T Finance Holdings from ₹ 47,232 Crore as on March 31, 2015 to

₹ 57,831 Crore as on March 31, 2016. Due to lower cost of borrowings, the increase in interest cost was contained to 16%, resulting in an improvement in net interest margins. Fee income from various activities, mainly advisory and investment management, increased 83%, up from ₹ 187.52 Crore in FY2015 to ₹ 343.09 Crore in FY2016.

Expenditure

Total expenditure increased by 17% from ₹ 5,306.52 Crore in FY2015 to ₹ 6,218.02 Crore in FY2016.

Finance cost increased by 16% from ₹ 3,567.79 Crore in FY2015 to ₹ 4,124.14 Crore in FY2016, primarily as a result of increase in borrowings due to higher volumes of business. Operating expenses increased by 22% from ₹ 1,077.06 Crore in FY2015 to ₹ 1,312.87 Crore in FY2016. Allowances and write-offs increased by 18% from ₹ 661.68 Crore in FY2015 to ₹ 781.02 Crore in FY2016, mainly on account of higher provisioning.

Profit

For the reasons stated above, L&T Finance Holding's profit before exceptional items and tax increased by 22% from ₹ 1,030.93 Crore in FY2015 to ₹ 1,252.67 Crore in FY2016. Profit after tax excluding exceptional items increased by 16% from ₹ 736.03 Crore in FY2015 to ₹ 856.69 Crore in FY2016. Profit growth was muted due to higher credit costs on account of provisioning. Profit after exceptional items and before tax increased by 7% from ₹ 1,174.82 Crore in FY2015, which included exceptional items of ₹ 143.89 Crore pertaining to sale of investments held outside the group to ₹ 1,252.67 Crore in FY2016. Profit after exceptional items and tax increased from ₹ 854.68 Crore in FY2015 to ₹ 856.69 Crore in FY2016 due to the exceptional item included in FY2015.

Standalone Performance Of L&T Finance Holdings

On a standalone basis, L&T Finance Holding's income increased from ₹ 326.93 Crore in FY2015 to ₹ 427.45 Crore in FY2016, primarily as a result of increased dividend income from subsidiaries. Operating income increased from ₹ 290.62 Crore in FY2015 to ₹ 348.50 Crore in FY2016. Total expenditure dropped from ₹ 74.90 Crore in FY2015 to ₹ 59.36 Crore in FY2016, substantially on account of a reduction in finance cost. Profit after tax increased from ₹ 261.63 Crore in FY2015 to ₹ 378.04 Crore in FY2016.

Cautionary Statement/Disclaimer (for this report)

Certain statements in this Report which describe the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document, due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and government policies that may impact the Company's business, as well as its ability to implement the strategy. The Company does not undertake to update these statements. Mutual fund investments are subject to market risks, read all scheme related documents carefully.

Board's Report

Dear Members,

The Directors of your Company have pleasure in presenting the Eighth Annual Report together with the audited financial statements for the financial year ended March 31, 2016.

Financial Results

The summary of the Company's financial performance, both on a consolidated and standalone basis, for the Financial Year ("FY") 2015-16 as compared to the previous FY 2014-15 is given below:

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2015-16	2014-15	2015-16	2014-15
Total Income	747,068.96	633,744.93	42,745.10	32,693.19
Less: Total Expenses	621,802.43	530,652.08	5,935.81	7,490.42
Profit before exceptional Items & Taxes	**125,266.53**	**103,092.85**	**36,809.29**	**25,202.77**
Exceptional Items	-	14,389.42	-	-
Profit before Tax	**125,266.53**	**117,482.27**	**36,809.29**	**25,202.77**
Less: Tax Expense	39,897.72	32,410.80	(994.37)	(960.03)
Profit after Tax	**85,368.81**	**85,071.47**	**37,803.66**	**26,162.80**
Add: Share in profit of associate company	300.45	396.43	-	-
Profit for the year	**85,669.26**	**85,467.90**	**37,803.66**	**26,162.80**
Add: Balance brought forward from previous year	111,843.49	84,421.15	9,051.95	12,918.28
Balance Available	**197,512.75**	**169,889.05**	**46,855.61**	**39,081.08**
Appropriations				
Statutory Reserve	22,707.58	18,931.64	7,560.74	5,233.00
Proposed Dividend on Equity Shares	14,027.19	13,762.29	14,027.19	13,762.29
Dividend paid for previous year	6.23	5.04	6.23	5.04
Dividend Distribution Tax on proposed dividend / dividend paid (including tax on Dividend paid for previous year)	6,238.26	4,955.37	(11.41)	12.27
Interim Dividend on Preference Shares	16,708.77	11,016.53	16,207.28	11,016.53
Redemption premium on Cumulative Compulsorily Redeemable Preference Shares	-	254.60	-	-
Transfer to/(from) Debenture Redemption Reserve	6,598.76	2,658.16	-	-
Depreciation rate adjustment	-	313.91	-	-
Transfer to Reserve u/s 36(1)(viii) of Income Tax Act, 1961	11,312.62	4,798.00	-	-
Transfer to Reserve u/s 29-C of National Housing Bank	1,160.80	1,350.00	-	-
Surplus in the Statement of Profit and Loss	**118,752.54**	**111,843.51**	**9,065.58**	**9,051.95**

Financial Performance

Being a Core Investment Company, the Company's standalone revenue is, substantially, dividend from its subsidiaries and hence, it is meaningful to look at the Consolidated Performance.

Consolidated

- Total income grew by 18% from ₹ 633,744.93 Lakhs in FY 2014-15 to ₹ 747,068.96 Lakhs in FY 2015-16.

- Profit before exceptional items and taxes has grown from ₹ 103,092.85 Lakhs in FY 2014-15 to ₹ 125,266.53 Lakhs in FY 2015-16.
- Profit After Tax excluding exceptional items has grown from ₹ 73,603.00 Lakhs in FY 2014-15 to ₹ 85,669.26 Lakhs in FY 2015-16.

During the year, the net loan book size grew from ₹ 4,576,313.36 Lakhs to ₹ 5,606,538.02 Lakhs reflecting a growth of 22.51%.

The Average Assets Under Management (AAUM) of the Mutual Fund business stood at ₹ 2,594,480.00 Lakhs for the quarter ended March 31, 2016 as against ₹ 2,249,670.00 Lakhs for the quarter ended March 31, 2015, a growth of 15.33%.

Standalone

- Total income grew by 30.74% from ₹ 32,693.19 Lakhs in FY 2014-15 to ₹ 42,745.10 Lakhs in FY 2015-16.
- Profit before tax has grown from ₹ 25,202.77 Lakhs in FY 2014-15 to ₹ 36,809.29 Lakhs in FY 2015-16.
- Profit After Tax has grown from ₹ 26,162.80 Lakhs in FY 2014-15 to ₹ 37,803.66 Lakhs in FY 2015-16.

Appropriations

The Company proposes to transfer ₹ 7,560.74 Lakhs (Previous year ₹ 5,233.00 Lakhs) to Special Reserve created u/s 45–IC of the Reserve Bank of India Act, 1934.

The Company proposes to transfer ₹ 14,027.19 Lakhs (previous year ₹ 13,762.29 Lakhs) to Dividend Account towards payment of proposed dividend on Equity Shares and ₹ (11.41) Lakhs (previous year ₹ 12.27 Lakhs) towards payment of Dividend Distribution Tax on the proposed dividend and retain ₹ 9,065.58 Lakhs (previous year ₹ 9,051.95 Lakhs) in the Statement of Profit and Loss of the Company.

Material Changes and Commitments

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which these financial statements relate and the date of this Report.

Dividend

The Board of Directors had declared and paid an interim dividend @ 8.75% (two options), 9.00% (one option), 8.40% (one option), 8.50% (one option), 8.35% (two options) and 8.15% (one option) per share (on pro-rata basis for the issuances made during the year) as applicable, on the six series of Cumulative Compulsorily Redeemable Preference Shares ("CCRPS") of face value of ₹ 100/- each of the Company, for the FY 2015-16, entailing an outflow of ₹ 16,207.28 Lakhs (excluding Dividend Distribution Tax). No final dividend is proposed on CCRPS.

The Directors are pleased to recommend a final dividend of ₹ 0.80 per Equity Share of face value of ₹ 10/- each for the FY 2015-16, entailing an outflow of ₹ 14,027.19 Lakhs (excluding Dividend Distribution Tax).

The dividend, if approved at the ensuing Annual General Meeting ("AGM"), would be paid to those members whose name appear in the Register of Members/ Beneficial Holders as on Tuesday, August 16, 2016.

Credit Rating

During the year, Credit Analysis and Research Ltd. ("CARE") has accorded a rating of 'CARE AA+' [Double A Plus] for the issue of Redeemable Preference Shares. The rating indicates that the Preference Shares carry very low credit risk and are considered to have a high degree of safety regarding timely servicing of financial obligations.

Share Capital

During the year under review, to fund the capital requirements of the subsidiaries from time to time and for its working capital purposes (including redemption of preference shares as and when the event arises), the Company has issued 60,000,000 Listed CCRPS of face value ₹ 100/- each for cash at par aggregating ₹ 60,000.00 Lakhs on a private placement basis. The said shares were issued in accordance with the SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013.

Further, the Company has also issued 31,836,971 Equity Shares of face value of ₹ 10/- each at an issue price of ₹ 74/- per share to BC Investments VI Limited and 63,820,990 Warrants with each Warrant convertible into one Equity Share of face value of ₹ 10/- each at an issue price of ₹ 74/- per Warrant to BC Asia Growth Investments with the approval of the Foreign Investment Promotion Board ("FIPB").

The Company has also issued in total 1,275,680 Equity Shares to employees of the Company and its subsidiary companies pursuant to the exercise of stock options under the ESOP Scheme - 2010.

During the year under review, the Company also redeemed Preference Shares amounting to ₹ 75,000.00 Lakhs.

Pursuant to the aforesaid issue and allotment of Preference Shares and Equity Shares and subsequent redemption of Preference Shares, the paid-up share capital of the Company was ₹ 296,679.86 Lakhs (including preference share capital of ₹ 121,340.00 Lakhs) as at March 31, 2016 as compared to ₹ 308,368.59 Lakhs (including preference share capital of ₹ 136,340.00 Lakhs) as at March 31, 2015.

Investment in Subsidiaries

During the year under review, the Company has infused capital in its following subsidiaries by subscribing to the Equity Shares offered by them:

Name of subsidiary company	Amount of capital subscribed (₹ in Lakhs)
L&T Investment Management Limited	4,927.00
L&T Infrastructure Finance Company Limited	8,000.00
L&T Housing Finance Limited	19,988.46
L&T Infra Debt Fund Limited	5,840.00
L&T Capital Markets Limited	2,500.00

Registration as a Core Investment Company

The Company is a registered Non-Banking Financial Institution - Core Investment Company (NBFC-CIC) pursuant to the receipt of Certificate of Registration from the Reserve Bank of India ("RBI") dated September 11, 2013, under Section 45-IA of the Reserve Bank of India Act, 1934.

Statutory Disclaimer

The Company is having a valid Certificate of Registration dated September 11, 2013 issued by the RBI under Section 45-IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for repayment of deposits/ discharge of liabilities by the Company.

Fixed Deposits

The Company has not accepted any deposits from the public since inception.

Directors

During the year under review, Mr. Thomas Mathew T. who had offered himself for appointment as an Independent Director and who was qualified for the said position, pursuant to the provisions of Section 149(6) of the Companies Act, 2013 ("the Act") was appointed as an Independent Director by the Members at the Seventh AGM held on September 8, 2015.

Mr. N. Sivaraman, President & Whole-time Director ceased to be a Director on the Board of the Company with effect from close of business hours on April 11, 2016, consequent upon his retirement from the L&T Financial Services Group.

The Board places on record the significant contribution made by Mr. N. Sivaraman since the inception of the Company in the areas of strategy, inorganic growth and organisation building.

The Company has appointed Mr. Amit Chandra as an Additional Director, pursuant to the provisions of Section 161 of the Act. The appointment of Mr. Chandra was pursuant to the terms and conditions of the Investment Agreement which the Company had entered into with BC Investments VI Limited and BC Asia Growth Investments ("Investors") in connection with the raising of funds from the Investors by issuing Equity Shares/Warrants on a private placement basis.

The Board of Directors of the Company at its meeting held on April 13, 2016 has appointed Mr. Dinanath Dubhashi, as a Whole-time Director with effect from April 14, 2016 and designated him as the Deputy Managing Director of the Company. Mr. Chandra and Mr. Dubhashi hold office up to the date of ensuing AGM. Their candidature for appointment as Directors would be placed before the ensuing AGM.

As at March 31, 2016, the Company has six Independent Directors including one Woman Director.

The Company has familiarized the Independent Directors with the Company, their roles, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. The details of the familiarization programme is available on the website of the Company at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx.*

All Independent Directors have given declarations that they meet the criteria of independence as provided under Section 149 (6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Further, all the Directors meet the Fit and Proper criteria stipulated by RBI pursuant to the revised regulatory framework

notified during the year. The terms and conditions of appointment of Independent Directors is also available on the website of the Company at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx.*

Section 152 of the Act provides that unless the articles provide for the retirement of all directors at every AGM, not less than two-third of the total number of directors of a public company shall be persons whose period of office is liable to determination by retirement of directors by rotation. For the purpose of determining the total number of directors, Independent Directors are required to be excluded. Accordingly, Mr. R. Shankar Raman, Non-Executive Director will retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

The Directors of the Company have affirmed compliance with the Code of Conduct of the Company.

Additional information and brief profile, as stipulated under Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the Secretarial Standard on General Meetings ("SS-2") with respect to appointment of a new director and director seeking re-appointment, is annexed to the Notice of the AGM. Further, the business items relating to the appointment/re-appointment of Director(s) have been included in the Notice of the AGM.

Key Managerial Personnel

During the year under review, Mr. Sachinn Joshi was appointed as the Chief Financial Officer of the Company w.e.f. October 26, 2015. Ms. Upma Goel, Deputy Finance Controller, who had been appointed in April 2015 as a Key Managerial Person ("KMP") under the Act, was earlier discharging the functions of the Chief Financial Officer. As at March 31, 2016, the Company had the following KMPs:

1) Mr. Y. M. Deosthalee – Chairman & Managing Director
2) Mr. Sachinn Joshi – Chief Financial Officer
3) Mr. N. Suryanarayanan – Company Secretary

Company's Policy on Director Appointment and Remuneration

A. Background and Objectives

Section 178 of the Act as well as Regulation 19 read with Part D of Schedule II of the Listing Regulations require the Nomination and Remuneration Committee ("NRC") to formulate Policy relating to the remuneration of the Directors, KMP, Senior Management and other employees of the Company and recommend the same for approval of the Board. Further, Section 178(4) of the Act and Regulation 19 of the Listing Regulations read with Part D of Schedule II stipulate that the Policy shall be disclosed in the Board's Report.

Moreover, Section 134 of the Act stipulates that the Board's Report shall include a statement on Company's Policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and remuneration for KMP and other employees.

The Board of Directors has, based on the recommendation of the NRC of the Company, approved the Policy on Directors' Appointment and Remuneration for Directors, KMP and other Employees.

B. Brief Framework of the Policy

a) The objective of this Policy is

- To guide the Board in relation to appointment and removal of Directors.
- To evaluate the performance of the Members of the Board including Independent Directors.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To determine the criteria for payment of remuneration to Directors, KMP, Senior Management and Employees.
- To recommend to the Board on remuneration payable to the Directors including KMP, Senior Management and Employees, if required.

b) Evaluation Criteria of Directors and Senior Management/KMP/ Employees

- **Non-Executive Directors/Independent Directors**

  Before determining the remuneration, the NRC is required to carry out evaluation of performance of Independent Directors/ Non-Executive Directors, against the following criteria:

  - Membership & Attendance - Board and Committee Meetings.
  - Contribution during such meetings.

- Active participation in strategic decision making.
- Inputs to executive management on matters of strategic importance.

- **Executive Directors**

  With respect to evaluation of performance of Executive Directors, the evaluation is on the basis of Key Performance Indicators ("KPI"), which would be identified every year for Executive Directors and weights assigned for each measure of performance keeping in view the distinct roles of each Executive Director. The identified KPI for Executive Directors shall be approved by the Board, pursuant to the recommendation of the NRC.

- **Senior Management/KMP/Employees**

  The Human Resource Department ("HR Department") would assign the responsibility of carrying out the evaluation of the aforementioned persons every year ending March 31st, to the reporting superior/ department heads. KPI are identified well in advance at the commencement of the financial year. Performance benchmarks are set and evaluation of employees is done by the respective reporting Manager(s)/Management vis-a-vis the performance benchmarks. The payment of remuneration/annual increment to the aforementioned persons is determined after the satisfactory completion of evaluation process.

  The HR Department of the Company is authorized to design the framework for evaluating the Senior Management Personnel/ KMPs/Employees. The objective of carrying out the evaluation by the Company is to identify and match rewards with performance.

c) Criteria for Remuneration

In determining the criteria for remuneration for Directors and Senior Management, the NRC is required to ensure that:

1) the relationship between remuneration and performance benchmark is clear;
2) there is a balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
3) the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
4) the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-a-vis the annual budget achievement, individuals performance vis-a-vis Key Result Areas / KPIs, industry benchmark and current compensation trends in the market.

Performance Evaluation

Pursuant to the provisions of the Act and the provisions of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually, as well as the Audit Committee ("AC") and NRC.

Manner of Evaluation

The NRC and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, Committees and individual Directors has to be made.

It includes circulation of evaluation forms separately for evaluation of the Board and its Committees, Independent Directors/Non-Executive Directors/Executive Director and Chairman of the Company.

The process of the annual performance evaluation broadly comprises:

a) Board Evaluation:

Evaluation of the Board as a whole by the Board members, followed by collation thereof by NRC for apprising the Board.

b) Audit Committee and Nomination and Remuneration Committee Evaluation:

Evaluation of the Committees by the respective Committee members, followed by compilation thereof by NRC for submission to the Board.

c) Independent / Non-Executive Directors Evaluation:

Evaluation by other Board members excluding the Director being evaluated, followed by individual

feedback to the Directors concerned by the Chairman of the Board and summary feedback to the NRC.

d) Chairman Evaluation:

Evaluation by the other members of the Board followed by feedback thereon by the Chairman of the NRC to the Chairman of the Board and apprising the Board.

e) Evaluation of President & Whole-time Director:

Evaluation by the other members of the Board followed by feedback thereon by the Chairman of the Board to the director concerned and apprising the NRC and Board.

Employee Stock Option Scheme

The disclosures required to be made under the SEBI (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations") and any amendments thereof, together with a certificate obtained from the Statutory Auditors, confirming compliance thereto, has been appended as **Annexure A** forming part of this Report.

As required under Regulation 14 of SBEB Regulations, the details are available on the website of the Company at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx.*

Report on Corporate Governance

The Report on Corporate Governance for the year under review, is forming part of the Annual Report. The certificate from the Statutory Auditors of the Company confirming compliance with the conditions of Corporate Governance is annexed to the Corporate Governance Report.

Statutory Auditors

The Auditors, M/s. Sharp & Tannan ("S&T"), Chartered Accountants, who held office since inception were appointed as Statutory Auditors of the Company for a period of one year i.e. from the conclusion of the Seventh AGM till the conclusion of the ensuing AGM, pursuant to the provisions of Section 139(2) of the Act and the rules made thereunder.

The Management has carried out a detailed evaluation process during the year with a view to enable rotation of auditors across the Company and its subsidiaries. On the basis of the evaluation process, the Board of Directors at its meeting held on May 2, 2016 has, pursuant to the recommendation of the AC, appointed M/s. B. K. Khare & Co., Chartered Accountants and M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, as Joint Statutory Auditors for a period of five years i.e. from the conclusion of the Eighth AGM till the conclusion of the Thirteenth AGM, subject to the approval of the Members in the ensuing AGM of the Company. The aforesaid appointment is pursuant to the provisions of Section 139(2) of the Act and the rules made thereunder.

M/s. B. K. Khare & Co. and M/s. Deloitte Haskins & Sells LLP, have confirmed that their appointment, if made, will comply with the eligibility criteria in terms of Section 141(3) of the Act. Further, the Auditors have confirmed that they have subjected themselves to Peer Review process by the Institute of Chartered Accountants of India ("ICAI") and hold valid certificate Issued by the Peer Review Board of ICAI.

Particulars of Employees

The information required pursuant to the provisions of Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company has been appended as **Annexure B** of this Report. In terms of first proviso to Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars as required pursuant to provisions of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

The Board of Directors affirm that the remuneration paid to employees of the Company is as per the Remuneration Policy of the Company and none of the employees listed in the said Annexure/information is related to any Director of the Company.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Considering the Company's activities as a Core Investment Company carrying out its activities through its subsidiaries, the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to the Rule 8(3) of the

Companies (Accounts) Rules, 2014 are not relevant to its activities.

There were no foreign exchange earnings during the year (previous year ₹ Nil); the foreign exchange outgo by the Company during the year was ₹ 228.06 Lakhs (previous year ₹ 202.17 Lakhs) towards professional fees, Directors' sitting fees and travelling expenses.

Depository System

As the Members are aware, the Company's Equity Shares are compulsorily tradable in electronic form. As on March 31, 2016, out of the Company's total equity paid-up share capital comprising of 1,753,398,551 Equity Shares, only 228,096 Equity Shares were in physical form and the remaining capital is in electronic form. In view of the numerous advantages offered by the Depository System, the Members holding shares in physical form are advised to avail of the facility of dematerialization.

Subsidiary Companies

The Company conducts its business through subsidiaries for each of the business segment in which it operates. As of March 31, 2016, the Company had 15 subsidiaries (including step down subsidiaries), which is summarized in the diagram below:

Material Subsidiaries

As required under Regulations 16(1)(c) & 46 of the Listing Regulations, the Board of Directors has approved the Policy for determining Material Subsidiaries ("Policy"). The details of the Policy are available on the website of the Company at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx.*

Performance and Financial Position of each subsidiary/associate and joint venture companies

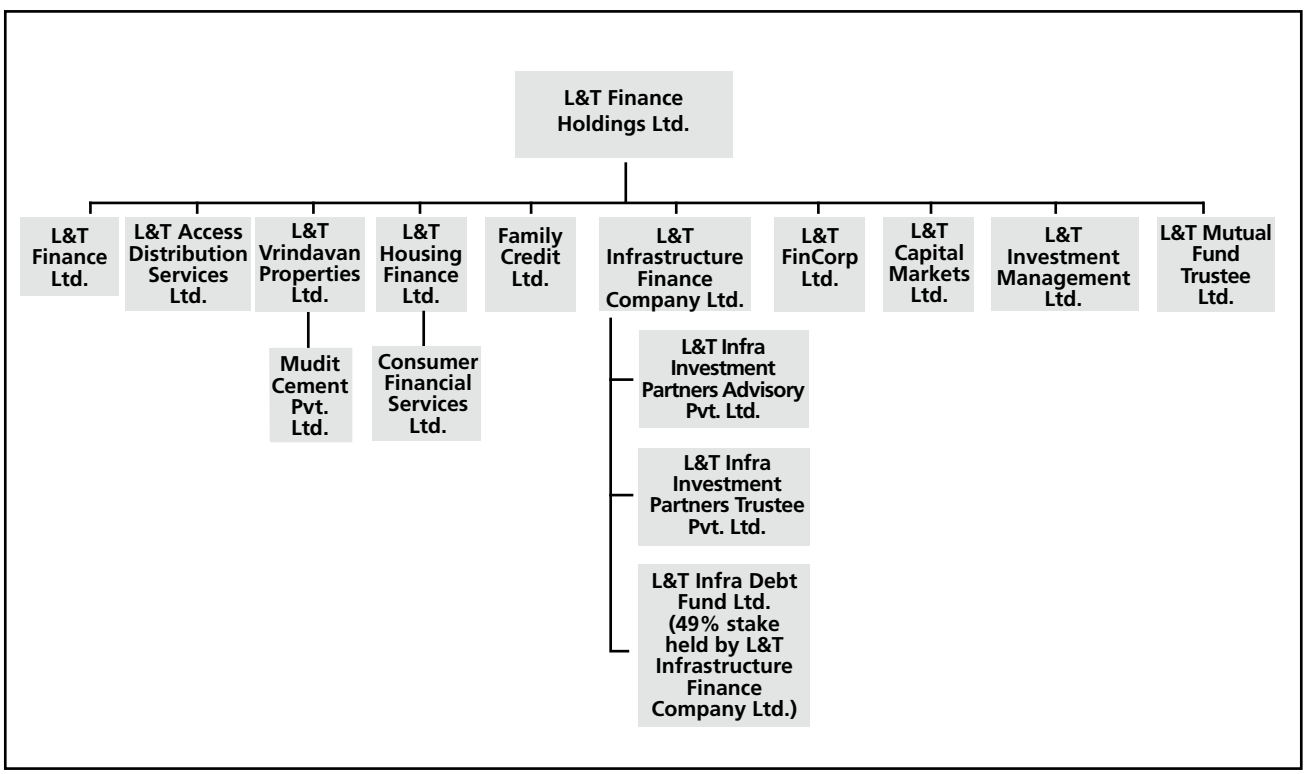
As required under Rule 5 and Rule 8(1) of the Companies (Accounts) Rules, 2014, a report on the performance and financial position of each of the subsidiaries and associates of the Company has been appended as **Annexure C** to this Report.

The Company does not have any overseas subsidiaries.

Directors' Responsibility Statement

The Board of Directors of the Company, to the best of their knowledge and belief, confirms that:

1) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;



2) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for that period;

3) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4) the directors have prepared the annual accounts on a going concern basis;

5) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

6) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Control Systems and their Adequacy

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. Testing of such systems forms a part of review by the Internal Audit function. The scope and authority of the Internal Audit function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman & Managing Director and functionally to the AC of the Company. The Internal Audit function is carried out by the Internal Audit department of L&T Financial Services Group.

The Internal Audit department monitors and evaluates the efficacy and adequacy of the internal control system in the Company and its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of the Internal Audit department, process owners undertake corrective action, if any, in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions, if any, are presented to the AC of the Board.

Meetings

The details of the Board meetings held by the Company during the FY 2015-16 are disclosed in the Corporate Governance Report annexed along with this Report.

Composition of Audit Committee

The Company has constituted an AC in terms of the requirements of the Act, Regulation 18 of Listing Regulations and RBI Regulations. The details of the same are disclosed in the Corporate Governance Report.

Vigil Mechanism

The Company has formulated and established a Vigil Mechanism Framework to enable Directors and Employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct. Under this framework, the Company has set up a "Whistle Blower Investigation Committee". The Chairman of this Whistle Blower Investigation Committee is the Chief Ethics Officer of the Company responsible for receiving, validating, investigating and reporting to the AC on this matter. The Chief Internal Auditor of L&T Financial Services Group acts as the 'Chief Ethics Officer'.

The objective of this mechanism is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal controls or fraudulent reporting of financial information.

The mechanism framed by the Company is in compliance with the requirements of the Act and Listing Regulations and available on the website of the Company at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx.*

Corporate Social Responsibility

In accordance with the requirements of the provisions of Section 135 of the Act, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report.

The Company has also formulated a CSR Policy which is available on the website of the Company at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx.* During the year, the Company was not required to incur any expenditure towards CSR activities and hence, the disclosure as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable.

Particulars of Loans given, Investments made, Guarantees given or security provided by the Company

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements.

Particulars of Contracts or Arrangements with Related Parties

The Board of Directors has approved the Related Party Transactions ("RPT") Policy, pursuant to the recommendation of the AC. In line with the requirements of the Act, RBI Regulations and Listing Regulations, the Company has formulated the Policy on RPT which is also available on the Company's website at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx.* The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

Key features of the RPT Policy are as under:

- All RPT should be referred to the AC of the Company for approval irrespective of its materiality. The AC, on the recommendation of the management, will approve certain transactions with related parties which would occur on regular basis or at regular intervals. The AC shall, at the end of each year appraise the position of the approved transactions to ensure that all necessary requirements are being complied with.
- All RPT which are not at arm's length and / or which are not in the ordinary course of business should be presented to the Board for an appropriate decision.

All RPT that were entered into during the FY 2015-16 were on an arm's length basis and were in the ordinary course of business. There were no materially significant RPT made by the Company with Promoters, Directors, KMP or Body Corporate(s), which had a potential conflict with the interest of the Company at large. Accordingly, the disclosure of RPT as required under the provisions of Section 134(3)(h) of the Act in Form AOC-2 is not applicable. The Directors draw attention of the Members to Note No. 24.4 to the Financial Statements which sets out related party disclosures.

Risk Management Framework

The Company and its subsidiaries have a risk management framework to inform the Board Members about risk assessment and minimization procedures and periodical review to ensure executive management controls risk by means of a properly designed framework. The AC is kept apprised of the proceedings of the meetings of the Risk Management Committee ("RMC") and also apprised about the risk management framework at subsidiaries.

Auditors' Report

The Auditors' Report is unqualified. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Act.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Naina R. Desai, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is appended as **Annexure D** to this Report.

There is no adverse remark, qualifications or reservation in the Secretarial Audit Report.

Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace

The Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Work Place. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right to work with dignity. During the year under review, the Company has not received any complaints in this regard.

Extract of Annual Return as required and prescribed under Section 92(3) of the Act and Rules made thereunder

The extract of Annual Return in MGT-9 as required under Section 92(3) of the Act and prescribed in Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as **Annexure E** to this Report.

Significant and Material Orders Passed by the Regulators or Courts

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future

operations. Further, no penalties have been levied by the RBI/any other Regulators during the year under review.

RBI Regulations

The Company has complied with all the applicable regulations of RBI as on March 31, 2016.

Other Disclosures

During the year under review, the Company has not obtained any registration/licence/authorisation, by whatever name called from any other financial sector regulators.

Market Capitalisation/Price Earnings Ratio/ Percentage increase/decrease in the market quotations

a. Variations in the market capitalisation of the Company: The market capitalisation as on March 31, 2016 was ₹ 1,119,544.97 Lakhs (₹ 1,080,339.54 Lakhs as on March 31, 2015).

b. Price Earnings Ratio of the Company was 16.85 as at March 31, 2016 and was 14.60 as at March 31, 2015. Considering the Company being a non-operating Core Investment Company which carries on the business through its underlying subsidiaries, the performance of the Company would be aptly reflected by its consolidated earnings. Hence, the P/E Ratio has been computed on the basis of consolidated performance.

c. Percent increase over/ decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer: The closing share price of the Company at the National Stock Exchange of India Limited on March 31, 2016 being ₹ 63.85 per equity share of face value of ₹ 10/- each has grown 1.23 times, since the Company's Initial Public Offer made in the year 2011 (Offer Price was ₹ 52/- per equity share of face value of ₹ 10/- each).

Acknowledgement

The Directors express their sincere gratitude to the Reserve Bank of India, Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, Ministry of Finance, Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, lenders, financial institutions and the Company's bankers for the ongoing support extended by them. The Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders and trust reposed by them in your Company. The Directors sincerely appreciate the commitment displayed by the employees of the Company and its subsidiaries across all levels, resulting in successful performance during the year.

For and on behalf of the Board of Directors

Y. M. Deosthalee	**Dinanath Dubhashi**
Chairman & Managing Director	Deputy Managing Director
DIN: 00001698	DIN: 03545900

Place: Mumbai
Date: May 02, 2016

ANNUAL REPORT 2015-16 - ANNEXURE 'A' TO BOARD'S REPORT

EMPLOYEE STOCK OPTION SCHEME

The Company has formulated the Employee Stock Option Scheme 2010 (ESOP Scheme - 2010) in the FY 2010-11 and Employee Stock Option Scheme 2013 (ESOP Scheme - 2013) in the FY 2013-14. The Schemes are designed to provide stock options to employees of the Company, its subsidiaries and holding company. The summary of the same is given below:

Sr. No.	Particulars	ESOP Scheme 2010	ESOP Scheme 2013
1	Options Granted	18,698,500	26,350,000
2	Pricing Formula	The exercise price for the purposes of the grant of Stock Options will be as per terms & conditions decided by the Board and / or Nomination and Remuneration Committee at the time of respective grant of Stock Options, but at a price not below the face value of the equity share and not exceeding the market price as per the SEBI Guidelines.	
3	Options Vested	11,805,799	Nil
4	Options Exercised	6,831,793	Nil
5	Total no. of shares arising as a result of exercise of option	6,831,793	Nil
6	Options lapsed	5,757,709	2,800,000
7	Variation of terms of options	N.A.	N.A.
8	Money realised by exercise of options	₹ 301,965,251	Nil
9	Total number of options in force :		
	i. Vested	4,095,548	Nil
	ii. Unvested	2,013,450	23,550,000
	Total (i+ii)	6,108,998	23,550,000
10	Employee-wise details of options granted to:		
	i. Senior Managerial Personnel	None	
	ii. Any other employee who receives a grant in any one year of options amounting to 5% or more option granted during that year	None	
	iii. Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	None	
11	Diluted Earning Per Share ("EPS") pursuant to issue of shares on exercise of option	₹ 1.25	
12	Disclosure Regarding the Compensation Cost	For calculation of Employee Compensation costs, the Company has been using the intrinsic value method of ESOP valuation (as per SEBI Guidelines). Based on fair value of options as per the Black-Scholes Model, the profits for the year ended March 31, 2016 would have been lower by ₹ 120.45 Lakhs (Previous year lower by ₹ Nil). Consequently, the basic and Diluted EPS would have been ₹1.24 (Previous year ₹ 0.88) and ₹ 1.24 (Previous year ₹ 0.88) respectively.	

Sr. No.	Particulars	ESOP Scheme 2010	ESOP Scheme 2013
13	Weighted average exercise price and Weighted average fair values	Weighted average exercise price of the options granted during the year is ₹ 44.20 (Previous year ₹ 67.63).	
		Weighted Average fair value of options granted during the year is ₹ 32.02 (Previous year ₹ 25.40).	
14	The description of the method and significant assumptions used during the year to estimate the fair value of the options	I. Risk-free interest rate – This is the rate offered in the market with virtually zero risk. Normally the yield of Government backed securities with maturity similar to that of the option is taken into consideration.	
		II. Expected life – Full life of the option is the period up to which it can be exercised.	
		III. Expected volatility – Calculated by using the closing market prices of the Company's Equity Shares during the last one year.	
		IV. Expected dividends – Yield has been calculated on the basis of dividend yield of the financial year.	
		V. The price of underlying shares in market at the time of option grant – closing market price, on previous trading day on which the options are granted, on the Stock Exchange where the volume of shares traded is more.	

Auditors' Certificate on Employee Stock Option Schemes

We have examined the books of account and other relevant records and based on our examination and the information and explanations given to us, certify that in our opinion, L&T Finance Holdings Limited ("the Company") has implemented the Employees Stock Option Schemes in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time and pursuant to the resolution passed by the shareholders in the General Meeting of the Company held on November 29, 2010 (which was further ratified by the shareholders of the Company through Postal Ballot on June 14, 2012) and special resolution passed by the shareholders of the Company through Postal Ballot on April 4, 2014.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership No. 38332

Place: Mumbai
Date: May 2, 2016

ANNUAL REPORT 2015-16 - ANNEXURE 'B' TO BOARD'S REPORT

PARTICULARS OF EMPLOYEES

Information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Particulars	Notes/Comments	
1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.[1]	N.A.[2]	
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.[1]	**Executive Directors:** Mr. Y. M. Deosthalee – 18.09% Mr. N. Sivaraman – 18.26% #Chief Financial Officer ("CFO") – N.A. Company Secretary – 20% # Mr. Sachinn Joshi has been appointed as the CFO of the Company w.e.f. October 26, 2015.	
3	The percentage increase in the median remuneration of employees in the financial year.	The median remuneration of employees in the financial year was increased by 6%.	
4	The number of permanent employees on the rolls of Company.	13 employees	
5	The explanation on the relationship between average increase in remuneration and Company performance.	The employee remuneration is linked to performance of the Company as per the terms of appointment.	
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.	Please refer below point 'a'.	
7	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Employees other than Managerial Personnel	Managerial personnel
		6%	Mr. Y. M. Deosthalee – 18.09% Mr. N. Sivaraman – 18.26%
	Justification: The Managerial Personnel are responsible for the consolidated performance of the group, unlike non-managerial personnel. Hence, it is not meaningful to compare the increase in their remuneration with that of the other employees who do not have similar responsibilities.		
8	The key parameters for any variable component of remuneration availed by the directors.	Variable compensation is an integral part of our overall compensation structure for all the Employees including Executive Directors. Variable pay is directly linked to individual performance rating and business performance. At the start of the year, Key Performance Indicators ("KPI") for every Employee (including Executive Directors), are identified well in advance. Performance benchmarks are set and yearly evaluations are done to determine whether performance benchmarks are achieved. The payment of variable component is dependent on the ratings assigned.	
9	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	None	

[1] *For the purpose of determining the ratio of remuneration and percentage increase in remuneration of directors as stipulated in Sr. No. 1 & 2 above, only remuneration of Executive Directors is considered.*

[2] *Considering that L&T Finance Holdings Limited is a non-operating Core Investment Company which carries on its business through its underlying subsidiaries and in view of the fact that the Executive Directors are entrusted with group level responsibilities, comparing the ratio of the remuneration of each Director to the median remuneration of the Employees of the Company would not be meaningful.*

a. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Name	Designation	PAT (₹ in Lakhs) [1]	Remuneration (in ₹)
Mr. Y. M. Deosthalee	Chairman & Managing Director	85,368.81	Please refer to page no. 82 of Corporate Governance Report
Mr. N. Sivaraman	President & Whole-time Director		Please refer to page no. 82 of Corporate Governance Report
Mr. N. Suryanarayanan	Company Secretary		8,941,158

[1] *Considering that L&T Finance Holdings Limited is a non-operating Core Investment Company which carries on the business through its underlying subsidiaries and in view of the fact that the Key Managerial Personnel are entrusted with group level responsibilities, the comparison is based on the consolidated performance instead of standalone performance of the Company.*

ANNUAL REPORT 2015-16 - ANNEXURE 'C' TO BOARD'S REPORT

Form AOC-I

[Statement pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014]

The statement containing salient features of the financial statement of subsidiaries, associate companies and joint ventures is given below:

Part A: Subsidiaries **(₹ in Lakhs)**

Sl. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Name of the subsidiary	L & T Finance Ltd.	L&T Infrastructure Finance Company Ltd.	Family Credit Ltd.	L&T Housing Finance Ltd.	Consumer Financial Services Ltd.	L&T Access Distribution Services Ltd.	L&T FinCorp Ltd.	L&T Infra Debt Fund Ltd	L&T Infra Investment Partners Advisory Pvt. Ltd.	L&T Infra Investment Partners Trustee Pvt. Ltd.	L&T Investment Management Ltd.	L&T Mutual Fund Trustee Ltd.	L&T Capital Markets Ltd.	L&T Vrindavan Properties Ltd.	Mudit Cement Pvt. Ltd.
Share capital[(1)]	23,842.23	84,625.43	20,430.96	12,140.00	100.00	600.00	27,296.64	[(1)]57,096.67	500.00	10.00	25,182.43	15.00	4,775.00	1,875.00	210.48
Reserves & surplus	189,644.73	201,710.63	42,765.93	47,299.68	-61.48	-1,723.82	74,649.86	15,053.24	317.59	-4.82	23,862.83	141.97	-4,078.52	7,159.01	-1,025.37
Total assets	1,524,207.15	2,423,124.82	540,352.51	758,143.47	39.39	452.80	741,784.80	261,752.66	1,073.12	7.40	52,122.93	160.15	1,455.42	50,149.02	3,642.93
Total Liabilities	1,310,720.19	2,136,788.76	477,155.62	698,703.79	0.87	1,576.62	639,838.30	189,602.75	255.53	2.22	3,077.67	3.18	758.94	41,115.01	4,457.82
Investments	14,307.24	203,733.51	4,361.05	63,883.13	-	-	32,525.56	18,175.00	859.09	6.71	7,937.00	134.00	527.62	1,909.71	-
Turnover	235,199.27	243,615.09	77,821.84	65,875.70	0.82	487.71	78,691.19	11,407.33	1,226.16	2.84	24,917.21	15.84	2,929.04	1,652.97	-
Profit before taxation	31,758.83	35,351.36	13,431.57	8,928.81	-0.14	-40.72	27,906.18	3,929.07	856.47	0.77	-5,189.56	3.87	-2,373.38	-2,170.03	-394.97
Provision for taxation	11,036.74	11,347.80	4,692.06	3,124.82	-	423.81	9,569.05	-	265.41	0.09	-	1.19		260.06	171.06
Profit after taxation	20,722.09	24,003.56	8,739.51	5,803.99	-0.14	-464.53	18,337.13	3,929.07	591.06	0.68	-5,189.56	2.68	-2,373.38	-2,430.09	-566.03
Proposed Dividend (Including dividend paid)	30,197.85	-													
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

[(1)] Include the preference share capital of ₹10,030.00 Lakhs

Names of subsidiaries which are yet to commence operations Mudit Cement Pvt. Ltd.

Names of subsidiaries which have been liquidated or sold during the year Nil

Part B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates	Feedback Infra Pvt. Ltd.	Grameen Capital India Pvt. Ltd.
1. Latest audited Balance Sheet Date	March 31, 2016	March 31, 2015
2. Shares of associates held by the Company as at March 31,2016		
No.	3,790,000	2,126,000
Amount of investment in Associates (₹ in Lakhs)	3,790	212.60
3. Description of significant influence	23.16 % of shareholding	26.00 % of shareholding
4. Reason of non consolidation of the associate	N.A.	N.A.
5. Networth attributable to Shareholding as per latest Audited Balance Sheet (₹ in Lakhs)	1,884.25	N.A.
6. Profit/ Loss for the year		
i. Considered in Consolidation (₹ in Lakhs)	300.45	-
ii. Not Considered in Consolidation (₹ in Lakhs)	-	N.A.

Names of associates or joint ventures which are yet to commence operations Nil

Names of associates or joint ventures which have been liquidated or sold during the year. Nil

ANNUAL REPORT 2015-16 - ANNEXURE 'D' TO BOARD'S REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
L&T FINANCE HOLDINGS LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **L&T FINANCE HOLDINGS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016, according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the Rules made thereunder;

(ii) The Securities Contracts ("Regulation") Act, 1956 ("SCRA") and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), **as applicable:-**

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **presently, (Prohibition of Insider Trading) Regulations, 2015;**

c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **presently, (Share Based Employee Benefits) Regulations, 2014;**

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(vi) Other specific business/industry related laws that are applicable to the Company, viz.

- **NBFC – CIC – The Reserve Bank of India Act, 1934 and all applicable Laws, Rules, Regulations, Guidelines, Circulars, Notifications, etc.**

I have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India;

ii. **The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and** the Listing Agreements entered into by the Company with Stock Exchange(s), applicable as follows:

a. Equity Shares listed on BSE Limited and National Stock Exchange of India Limited

b. The Cumulative Compulsorily Redeemable Non-Convertible Preference Shares (CCRPS) listed on BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is constituted with 2 Executive Directors, 1 Non-Executive Director, 6 Independent Directors and 1 Investor Director not liable to retire by rotation. The Independent Directors are more than 50% of the required Board strength. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and other applicable statutory provisions.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that, I was informed there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the following events / actions have taken place, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc., like -

(i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.,viz. –

(a) Issue of Equity/Preference Shares, as follows, in the legally required order in which corporate action is required:

Sl. No.	Particulars	Date of Allotment	Date of Payment of Stamp duty	Date of Issue in demat (Execution date of NSDL/ CDSL)
1	413,411 equity shares of Face Value ₹ 10/- each at ₹ 44.20 aggregating ₹ 182.73 Lakhs, under ESOP Scheme-2010.	23.04.2015	06.05.2015	NSDL - 27.04.2015 CDSL - 25.04.2015
2	Issue of 60,000,000 listed Cumulative Compulsorily Non-convertible Redeemable Preference Shares of Face value ₹100/- each for cash at par aggregating ₹ 600 Crore on private placement basis.	06.05.2015	13.05.2015	NSDL - 08.05.2015 CDSL - 08.05.2015
3	365,283 equity shares of Face Value ₹ 10/- each at ₹ 44.20 aggregating ₹161.45 Lakhs, under ESOP Scheme-2010.	23.07.2015	07.08.2015	NSDL - 29.07.2015 CDSL - 28.07.2015
4	296,499 equity shares of Face Value ₹ 10/- each at ₹ 44.20 aggregating ₹ 131.05 Lakhs, under ESOP Scheme -2010.	23.10.2015	27.10.2015	NSDL - 28.10.2015 CDSL - 27.10.2015
5	Allotment on preferential basis of 31,836,971 equity shares of Face Value ₹ 10/- each at a price of ₹ 74/- per share, fully paid up, under Investment Agreement dated 21.09.2015.	18.12.2015	18.12.2015	NSDL - 18.12.2015 CDSL - Nil
6	Allotment of Warrants on preferential basis, of 63,820,990 at a price of ₹ 74/- per warrant, with each warrant convertible into one equity share of face value of ₹ 10/- each. The tenure of these warrants shall not exceed 18 months from the date of allotment.	18.12.2015	N.A.	NSDL - 18.12.2015 CDSL - Nil
7	200,487 equity shares of Face Value ₹ 10/- each at ₹ 44.20 aggregating ₹ 88.62 Lakhs, under ESOP Scheme-2010.	22.01.2016	22.01.2016	NSDL - 30.01.2016 CDSL - 29.01.2016

(ii) Redemption / buy-back of securities –

- **Redemption of 1st and 2nd Tranche of Cumulative Compulsorily Non-convertible Redeemable Preference Shares on March 23, 2016 and March 31, 2016, respectively.**

(iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013 – **Nil.**

(iv) Merger / amalgamation / reconstruction, etc.- **Nil.**

(v) Foreign technical collaborations – **Nil.**

(vi) Other Event –

- **Increase in the Authorised Share Capital from existing ₹ 8,000 Crore (500 Crore equity shares of ₹ 10/- each and 30 Crore preference shares of ₹ 100/- each) to ₹ 10,000 Crore (500 Crore of equity shares of ₹ 10/- each and 50 Crore preference shares of ₹ 100/- each).**

NAINA R. DESAI
Practising Company Secretary
Membership No. 1351
Certificate of Practice No.13365

Place: Mumbai
Date: April 27, 2016

This Report is to be read with our letter of even date which is annexed as Annexure-1 and forms an integral part of this Report.

'Annexure - 1'

To,
The Members,
L&T FINANCE HOLDINGS LIMITED

Our Report of even date is to be read along with this Letter.

1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

NAINA R. DESAI
Practising Company Secretary
Membership No. 1351
Certificate of Practice No.13365

Place: Mumbai
Date: April 27, 2016

ANNUAL REPORT 2015-16 - ANNEXURE 'E' TO BOARD'S REPORT

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	**CIN**	L67120MH2008PLC181833
ii)	**Registration Date**	May 1, 2008
iii)	**Name of the Company**	L&T Finance Holdings Limited
iv)	**Category/Sub-Category of the Company**	Company limited by shares/ Indian Non-Government Company
v)	**Address of the Registered Office & contact details**	L&T House, N. M. Marg, Ballard Estate, Mumbai - 400001. Tel: 022 - 66217300/400 E-mail: *igrc@ltfinanceholdings.com* Website: *www.ltfinanceholdings.com*
vi)	**Whether listed company**	Yes
vii)	**Name, Address & contact details of the Registrar and Transfer Agent, if any.**	M/s. Link Intime India Private Limited (w.e.f. June 1, 2016) C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai – 400078. Tel: +91 22 2594 6970 Fax:+91 22 2594 6969 E-mail: *rnt.helpdesk@linkintime.co.in*

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

Sl. No.	Name & Description of main products / services	NIC Code of the product /service	% to total turnover of the Company
1	Non-Banking Financial Institution – Core Investment Company (NBFC-CIC)	64200	81.53%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	**Larsen and Toubro Limited** L&T House, N. M. Marg, Ballard Estate, Mumbai – 400001, Maharashtra, India.	L99999MH1946PLC004768	Holding Company	66.71	2(46)
2	**L&T Infrastructure Finance Company Limited** Mount Poonamallee Road, Manapakkam, Chennai – 600089, Tamil Nadu, India.	U67190TN2006PLC059527	Subsidiary Company	100	2(87)
3	**L&T Finance Limited** L&T House, N. M. Marg, Ballard Estate, Mumbai – 400001, Maharashtra, India.	U65990MH1994PLC083147	Subsidiary Company	100	2(87)
4	**L&T FinCorp Limited** L&T House, N. M. Marg, Ballard Estate, Mumbai – 400001, Maharashtra, India.	U65910MH1997PLC108179	Subsidiary Company	100	2(87)
5	**L&T Investment Management Limited** L&T House, N. M. Marg, Ballard Estate, Mumbai – 400001, Maharashtra, India.	U65991MH1996PLC229572	Subsidiary Company	100	2(87)
6	**L&T Mutual Fund Trustee Limited** L&T House, N. M. Marg, Ballard Estate, Mumbai – 400001, Maharashtra, India.	U65993MH1996PLC211198	Subsidiary Company	100	2(87)
7	**L&T Access Distribution Services Limited** Mount Poonamallee Road, Manapakkam, Chennai – 600089, Tamil Nadu, India.	U65100TN2011PLC083348	Subsidiary Company	100	2(87)
8	**L&T Vrindavan Properties Limited** Mount Poonamallee Road, Manapakkam, Chennai – 600089, Tamil Nadu, India.	U70200TN2011PLC081100	Subsidiary Company	100	2(87)
9	**L&T Housing Finance Limited** L&T House, N. M. Marg, Ballard Estate, Mumbai – 400001, Maharashtra, India.	U45200MH1994PLC259630	Subsidiary Company	100	2(87)
10	**Family Credit Limited** Technopolis, 7th Floor, A- Wing, Plot No. - 4, Block - BP, Sector -V, Salt Lake, Kolkata – 700091, West Bengal, India.	U65910WB1993FLC060810	Subsidiary Company	100	2(87)
11	**L&T Capital Markets Limited** L&T House, N. M. Marg, Ballard Estate, Mumbai – 400001, Maharashtra, India.	U67190MH2013PLC240261	Subsidiary Company	100	2(87)
12	**L&T Infra Investment Partners Advisory Private Limited** Plot No. 177, CTS No.6970,6971, Vidyanagari Marg,CST Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra, India.	U67190MH2011PTC218046	Subsidiary Company	100	2(87)
13	**L&T Infra Investment Partners Trustee Private Limited** Plot No. 177, CTS No.6970,6971, Vidyanagari Marg,CST Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra, India.	U67190MH2011PTC220896	Subsidiary Company	100	2(87)
14	**L&T Infra Debt Fund Limited** Plot No. 177, CTS No.6970,6971, Vidyanagari Marg,CST Road, Kalina, Santacruz (East), Mumbai – 400098, Maharashtra, India.	U67100MH2013PLC241104	Subsidiary Company	100	2(87)
15	**Mudit Cement Private Limited** Unit No. B-3, B-4, B-7, B-8, B-9, 2nd Floor, Samyak Tower, 39 Pusa Road, New Delhi – 110005, Delhi, India.	U26942DL1990PTC041941	Subsidiary Company	100	2(87)
16	**Consumer Financial Services Limited** Unit No.505 & 506, DLF Tower B, District Centre, Jasola, New Delhi – 110025, Delhi, India.	U67120DL2001PLC199088	Subsidiary Company	100	2(87)
17	**Feedback Infra Private Limited** 311, 3rd Floor, Vardhaman Plaza, Pocket 7, Plot No.6, Sector 12, Dwarka, New Delhi – 110078, Delhi, India.	U74899DL1990PTC040630	Associate Company	23.16	2(6)
18	**Grameen Capital India Private Limited** 402, 36 Turner Road, Bandra West, Mumbai - 400050, Maharashtra, India.	U65923MH2007PTC168721	Associate Company	26	2(6)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

(i) Category – wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2015)				No. of Shares held at the end of the year (As on March 31, 2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt (s).	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	1,254,936,010	-	1,254,936,010	72.95	1,169,709,304	-	1,169,709,304	66.71	-6.24
e) Bank/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub - total (A) (1)	**1,254,936,010**	**-**	**1,254,936,010**	**72.95**	**1,169,709,304**	**-**	**1,169,709,304**	**66.71**	**-6.24**
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**1,254,936,010**	**-**	**1,254,936,010**	**72.95**	**1,169,709,304**	**-**	**1,169,709,304**	**66.71**	**-6.24**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	12,312,210	-	12,312,210	0.72	22,007,081	-	22,007,081	1.26	0.54
b) Banks/FI	10,101,563	-	10,101,563	0.59	10,175,006	-	10,175,006	0.58	- 0.01
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	80,619,323	-	80,619,323	4.69	154,383,103	-	154,383,103	8.80	4.11
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2015)				No. of Shares held at the end of the year (As on March 31, 2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
j) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	**103,033,096**	**-**	**103,033,096**	**5.99**	**186,565,190**	**-**	**186,565,190**	**10.64**	**4.65**
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	55,385,257	205	55,385,462	3.22	58,228,933	205	58,229,138	3.32	0.10
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	189,337,206	24,541	189,361,747	11.01	184,362,051	27,891	184,389,942	10.52	-0.49
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	52,624,834	200,000	52,824,834	3.07	55,363,630	200,000	55,563,630	3.17	0.10
c) Qualified Foreign Investor (Individuals)	-	-	-	-	-	-	-	-	-
d) Others (specify)									
i) Non Resident Repatriates	6,373,120	-	6,373,120	0.37	6,833,177	-	6,833,177	0.39	0.02
ii) Non Resident Non Repatriates	1,686,451	-	1,686,451	0.10	1,709,291	-	1,709,291	0.10	0.00
iii)Trusts	2,043,797	-	2,043,797	0.12	2,320,525	-	2,320,525	0.13	0.01
iv) Directors & their Relatives & Friends	1,022,474	-	1,022,474	0.06	2,622,474	-	2,622,474	0.15	0.09
v) Private Equity Funds	53,618,909	-	53,618,909	3.12	53,618,909	-	53,618,909	3.06	-0.06
vi) Non domestic companies	-	-	-	-	31,836,971	-	31,836,971	1.82	1.82
Sub-total (B)(2)	**362,092,048**	**224,746**	**362,316,794**	**21.06**	**396,895,961**	**228,096**	**397,124,057**	**22.65**	**1.59**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**465,125,144**	**224,746**	**465,349,890**	**27.05**	**583,461,151**	**228,096**	**583,689,247**	**33.29**	**6.24**
C. Shares held by Custodian for GD`& ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**1,720,061,154**	**224,746**	**1,720,285,900**	**100.00**	**1,753,170,455**	**228,096**	**1,753,398,551**	**100.00**	**-**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 1, 2015)			Shareholding at the end of the year (As on March 31, 2016)			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Larsen and Toubro Limited	1,254,936,010	72.95	-	1,169,709,304	66.71	-	-6.24
	Total	**1,254,936,010**	**72.95**	**-**	**1,169,709,304**	**66.71**	**-**	**-6.24**

(iii) Change in Promoters' Shareholding

Sl. No.	Name of the Promoter	Date	Shareholding at the beginning of the year (As on April 1, 2015)		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	
			No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Larsen and Toubro Limited**					
	At the beginning of the year	April 1, 2015	1,254,936,010	72.95		
	Sale	September 21, 2015	(85,226,706)	0.48	1,169,709,304	66.71
	At the end of the year	March 31, 2016			1,169,709,304	66.71

Note: above % is calculated on the basis of total shares of the Company as on respective date i.e. transaction date.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs

Sl. No.	Name of the Shareholder	Date	Shareholding at the beginning of the year (As on April 1, 2015)		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Citigroup Global Markets Mauritius Private Limited**					
	At the beginning of the year	April 1, 2015	68,36,000	0.40		
	Purchase	May 15, 2015	87,536	0.01	69,23,536	0.40
	Sale	May 29, 2015	(28,17,884)	0.16	41,05,652	0.24
	Sale	June 5, 2015	(65,652)	0.00	40,40,000	0.23
	Sale	June 12, 2015	(64,000)	0.00	39,76,000	0.23
	Sale	June 19, 2015	(1,76,000)	0.01	38,00,000	0.22
	Sale	June 26, 2015	(16,000)	0.00	37,84,000	0.22
	Purchase	July 17, 2015	2,72,000	0.02	40,56,000	0.24
	Purchase	August 7, 2015	1,80,000	0.01	42,36,000	0.25

Sl. No.	Name of the Shareholder	Date	Shareholding at the beginning of the year (As on April 1, 2015)		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Sale	August 28, 2015	(14,68,000)	0.09	27,68,000	0.16
	Purchase	September 25, 2015	8,51,66,295	4.95	8,79,34,295	5.11
	Sale	September 30, 2015	(7,32,000)	0.04	8,72,02,295	5.07
	Purchase	October 9, 2015	53,23,000	0.31	9,25,25,295	5.38
	Purchase	October 16, 2015	40,37,363	0.23	9,65,62,658	5.61
	Purchase	October 23, 2015	1,776	0.00	9,65,64,434	5.61
	Sale	October 30, 2015	(80,000)	0.00	9,64,84,434	5.61
	Purchase	November 6, 2015	64,000	0.00	9,65,48,434	5.61
	Sale	November 27, 2015	(9,04,000)	0.05	9,56,44,434	5.56
	Purchase	December 4, 2015	20,000	0.00	9,56,64,434	5.56
	Purchase	December 11, 2015	50,42,558	0.29	10,07,06,992	5.85
	Purchase	January 8, 2016	8,000	0.00	10,07,14,992	5.74
	Sale	January 29, 2016	(2,40,000)	0.01	10,04,74,992	5.73
	Sale	February 12, 2016	(32,000)	0.00	10,04,42,992	5.73
	Sale	February 26, 2016	(32,000)	0.00	10,04,10,992	5.73
	Sale	March 4, 2016	(16,96,000)	0.10	9,87,14,992	5.63
	Purchase	March 25, 2016	2,88,000	0.02	9,90,02,992	5.65
	Purchase	March 31, 2016	3,92,000	0.02	9,93,94,992	5.67
	At the end of the year	March 31, 2016			9,93,94,992	5.67
2	**MACE CIPEF Limited**					
	At the beginning of the year	April 1, 2015	5,15,95,484	3.00		
	At the end of the year	March 31, 2016			5,15,95,484	2.94
3	**BC Investments VI Limited**					
	At the beginning of the year	April 1, 2015	Nil	N.A.		
	Preferential Allotment	December 18, 2015	3,18,36,971	1.82	3,18,36,971	1.82
	At the end of the year	March 31, 2016			3,18,36,971	1.82
4	**Hasham Investment and Trading Company Private Limited**					
	At the beginning of the year	April 1, 2015	Nil	N.A.		
	Purchase	May 1, 2015	2,54,55,222	1.48	2,54,55,222	1.48
	At the end of the year	March 31, 2016			2,54,55,222	1.45

Sl. No.	Name of the Shareholder	Date	Shareholding at the beginning of the year (As on April 1, 2015)		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	**Government Pension Fund Global**					
	At the beginning of the year	April 1, 2015	20,00,000	0.12		
	Purchase	May 1, 2015	5,00,000	0.03	25,00,000	0.15
	Purchase	May 15, 2015	26,12,413	0.15	51,12,413	0.30
	Purchase	May 22, 2015	28,75,272	0.17	79,87,685	0.46
	Purchase	May 29, 2015	11,14,626	0.06	91,02,311	0.53
	Purchase	June 5, 2015	20,86,451	0.12	1,11,88,762	0.65
	Purchase	June 26, 2015	1,00,000	0.01	1,12,88,762	0.66
	Purchase	June 30, 2015	1,00,000	0.01	1,13,88,762	0.66
	Purchase	July 10, 2015	1,00,000	0.01	1,14,88,762	0.67
	Purchase	July 17, 2015	5,49,737	0.03	1,20,38,499	0.70
	Purchase	July 24, 2015	12,41,924	0.07	1,32,80,423	0.77
	Purchase	August 7, 2015	6,00,000	0.03	1,38,80,423	0.81
	Purchase	August 14, 2015	3,00,000	0.02	1,41,80,423	0.82
	Purchase	August 28, 2015	1,00,000	0.01	1,42,80,423	0.83
	Purchase	September 4, 2015	22,33,838	0.13	1,65,14,261	0.96
	Purchase	September 11, 2015	15,27,348	0.09	1,80,41,609	1.05
	Purchase	September 18, 2015	20,908	0.00	1,80,62,517	1.05
	Purchase	September 25, 2015	2,40,000	0.01	1,83,02,517	1.06
	Purchase	October 9, 2015	2,00,000	0.01	1,85,02,517	1.08
	Purchase	February 5, 2016	4,00,000	0.02	1,89,02,517	1.08
	Purchase	February 12, 2016	1,00,000	0.01	1,90,02,517	1.08
	At the end of the year	March 31, 2016			1,90,02,517	1.08
6	**M/s. Napean Trading and Investment Co. Private Limited**					
	At the beginning of the year	April 1, 2015	Nil	N.A.		
	Purchase	April 10, 2015	15,57,878	0.09	15,57,878	0.09
	Purchase	April 17, 2015	10,00,000	0.06	25,57,878	0.15
	Purchase	May 15, 2015	15,00,000	0.09	40,57,878	0.24
	Purchase	May 22, 2015	5,00,000	0.03	45,57,878	0.26
	Purchase	August 28, 2015	57,50,000	0.33	1,03,07,878	0.60
	Purchase	September 11, 2015	10,54,000	0.06	1,13,61,878	0.66
	Purchase	September 18, 2015	2,00,000	0.01	1,15,61,878	0.67
	Sale	January 22, 2016	(4,23,851)	0.02	1,11,38,027	0.64
	At the end of the year	March 31, 2016			1,11,38,027	0.64

Sl. No.	Name of the Shareholder	Date	Shareholding at the beginning of the year (As on April 1, 2015)		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7	**HDFC Trustee Company Limited - HDFC Top 200 Fund**					
	At the beginning of the year	April 1, 2015	98,37,000	0.57		
	At the end of the year	March 31, 2016			98,37,000	0.56
8	**Life Insurance Corporation of India**					
	At the beginning of the year	April 1, 2015	60,93,518	0.35		
	At the end of the year	March 31, 2016			60,93,518	0.35
9	**Vanguard Total International Stock Index Fund**					
	At the beginning of the year	April 1, 2015	28,73,701	0.17		
	Purchase	May 1, 2015	1,89,771	0.01	30,63,472	0.18
	Purchase	July 17, 2015	4,40,187	0.03	35,03,659	0.20
	Purchase	September 4, 2015	5,16,523	0.03	40,20,182	0.23
	Purchase	March 31, 2016	5,12,361	0.03	45,32,543	0.26
	At the end of the year	March 31, 2016			45,32,543	0.26
10	**Subria CGPE Limited**					
	At the beginning of the year	April 1, 2015	45,00,000	0.26		
	At the end of the year	March 31, 2016			45,00,000	0.26

(v) Shareholding of Directors and Key Managerial Personnel ("KMP")

Sl. No.	Name of the Director/KMP	Date	Shareholding at the beginning of the year (As on April 1, 2015)		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Mr. Y. M. Deosthalee (Chairman & Managing Director)**					
	At the beginning of the year	April 1, 2015	2,481,091	0.144		
	Purchase	April 29, 2015	100,000	0.006	2,581,091	0.150
	At the end of the year	March 31, 2016			2,581,091	0.150
2	**Mr. N. Sivaraman (President & Whole-time Director)**					
	At the beginning of the year	April 1, 2015	Nil	N.A		
	At the end of the year	March 31, 2016			Nil	N.A

Sl. No.	Name of the Director/KMP	Date	Shareholding at the beginning of the year (As on April 1, 2015)		Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
3	**Mr. R. Shankar Raman (Non-Executive Director)**					
	At the beginning of the year	April 1, 2015	24,461	0.001		
	At the end of the year	March 31, 2016			24,461	0.001
4	**Mr. B. V. Bhargava (Independent Director)**					
	At the beginning of the year	April 1, 2015	Nil	N.A		
	At the end of the year	March 31, 2016			Nil	N.A
5	**Mr. S. V. Haribhakti (Independent Director)**					
	At the beginning of the year	April 1, 2015	Nil	N.A		
	At the end of the year	March 31, 2016			Nil	N.A
6	**Mr. P. V. Bhide (Independent Director)**					
	At the beginning of the year	April 1, 2015	Nil	N.A		
	At the end of the year	March 31, 2016			Nil	N.A
7	**Ms. Kamakshi Rao (Independent Director)**					
	At the beginning of the year	April 1, 2015	Nil	N.A		
	At the end of the year	March 31, 2016			Nil	N.A
8	**Mr. Harsh Mariwala (Independent Director)**					
	At the beginning of the year	April 1, 2015	Nil	N.A		
	At the end of the year	March 31, 2016			Nil	N.A
9	**Mr. Thomas Mathew T. (Independent Director)**					
	At the beginning of the year	April 1, 2015	Nil	N.A		
	At the end of the year	March 31, 2016			Nil	N.A
10	**Mr. Amit Chandra (Nominee Director)**					
	At the beginning of the year	April 1, 2015	Nil	N.A		
	At the end of the year	March 31, 2016			Nil	N.A
11	**Mr. N. Suryanarayanan (Company Secretary)**					
	At the beginning of the year	April 1, 2015	2,829	0.00		
	At the end of the year	March 31, 2016			2,829	0.00
12	**Mr. Sachinn Joshi (Chief Financial Officer)**					
	At the beginning of the year	April 1, 2015	Nil	N.A		
	At the end of the year	March 31, 2016			Nil	N.A

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	-	5,543,925,273	-	5,543,925,273
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**5,543,925,273**	**-**	**5,543,925,273**
Change in Indebtedness during the financial year				
Additions	-	17,049,159,009	-	17,049,159,009
Reduction	-	(16,543,925,273)	-	(16,543,925,273)
Net Change	-	505,233,736	-	505,233,736
Indebtedness at the end of the financial year				
i) Principal Amount	-	6,049,159,009	-	6,049,159,009
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**6,049,159,009**	**-**	**6,049,159,009**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director (MD), Whole-time Directors (WTD) and/or Manager

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		Mr. Y. M. Deosthalee (Chairman & Managing Director)[1]	Mr. N. Sivaraman (President & Whole-time Director)	
1	Gross salary: (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	40,755,200	75,234,256	115,989,456
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	2,198,000	2,198,000
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission: -as % of profit -others (specify)	- -	- -	- -
5	Others, please specify	-	-	-
	Total (A)	**40,755,200**	**77,432,256**	**118,187,456**
	Ceiling as per the Act	**₹ 380,024,900 (being 10% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)**		

[1] Excludes adjustment in respect of variable remuneration, which has been waived by Mr. Y. M. Deosthalee both for the FY 2014-15 and FY 2015-16.

B. Remuneration to other directors

(Amount in ₹)

Particulars of Remuneration	Name of the Directors								Total Amount
	Independent Directors						Non Executive Directors		
	Mr. B. V. Bhargava	Mr. S. V. Haribhakti	Mr. P. V. Bhide	Mr. Harsh Mariwala	Ms. Kamakshi Rao	Mr. Thomas Mathew T.	Mr. R. Shankar Raman	Mr. Amit Chandra	
(a) Fee for attending Board and Committee meetings	240,000	440,000	420,000	440,000	40,000	120,000	Nil	60,000	1,760,000
(b) Commission	640,000	1,870,000	1,240,000	1,865,000	1,200,000	540,000	-	385,000	7,740,000
(c) Others, please specify	-	-	-	-	-	-	-	-	-
Total (B)	**880,000**	**2,310,000**	**1,660,000**	**2,285,000**	**1,240,000**	**660,000**	**-**	**445,000**	**9,500,000**
Total Managerial Remuneration = (A) + (B)									**132,167,456**
Overall Ceiling as per the Act.	**₹ 418,027,390 (being 11% of Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)**								

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of the Key Managerial Personnel			Total Amount
		CEO	Mr. N. Suryanarayanan (Company Secretary)	CFO	
1	Gross Salary: (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	8,941,158	11,176,175	20,117,333
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	2,400	2,400
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	500,000 Stock Options	-
3	Sweat Equity	-	-	-	-
4	Commission:				
	-as % of profit	-	-	-	-
	-others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	**-**	**8,941,158**	**11,178,575**	**20,119,733**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES (Under the Companies Act , 2013): NONE

Report on Corporate Governance

(Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

A. L&T Finance Holdings Limited ("the Company") Philosophy on Corporate Governance

At L&T Financial Services Group (LTFS), we believe that corporate governance is a continuous journey towards sustainable value creation for all the stakeholders, which is driven by our values of integrity, team focus, structured innovation, implementation, performance and client focus. Our Corporate Governance principles are a reflection of our culture, our policies, our relationship with stakeholders and our commitment to values. Our governance policies, structures and processes contribute to the growth of our businesses and the Board ensures that we have appropriate governance arrangement in place, both to support our operations and protect our shareholders' interest.

The Securities and Exchange Board of India ("SEBI") had recently issued the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with an aim to consolidate and streamline the provisions of existing listing agreements for different segments of capital markets such as equity shares (including convertible instruments), non-convertible debt securities, etc. and disclosure norms in relation thereto. The Listing Regulations mandated by SEBI have been fully complied with. A Report on compliance with the Listing Regulations as prescribed by SEBI is given below:

B. Board of Directors

The members of the Board of Directors of the Company are eminent personalities from various fields and are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company. The Board of Directors is responsible for and committed to sound principles of Corporate Governance in the Company.

1. Composition of Board:

The Company is in compliance with the provisions of Section 149 of the Companies Act, 2013 ('the Act') and Regulation 17 of the Listing Regulations. An effective monitoring system is in place to ensure a transparent board nomination process with diversity of thought, experience, knowledge, perspective and gender on the Board. As on the date of this Report, the Board consists of ten Directors comprising six Independent Directors, two Executive Directors, one Non-Executive Director and one Nominee Director. Commensurate with the size of the Company, complexity and nature of various underlying businesses, the composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the businesses carried on through its subsidiaries. Mr. Y. M. Deosthalee is the Chairman & Managing Director of the Company. The Board of Directors at its meeting held on April 13, 2016, appointed Mr. Dinanath Dubhashi as a Whole-time Director w.e.f. April 14, 2016, designated as the Deputy Managing Director of the Company.

All the Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of the definition of 'Independent Director' stipulated under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. These confirmations have been placed before the Board. None of the Independent Directors hold office as an Independent Director in more than seven equity listed companies as stipulated under Regulation 25 of the Listing Regulations. Further, no Whole-time Director of the Company is serving as an Independent Director in any company. None of the Directors of the Company are inter-se related to each other.

Board Procedure:

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board meetings (including Committee meetings) of the Company as well as of its subsidiaries are scheduled in advance and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is noted in the subsequent Board meeting.

The business/department heads communicate with the Company Secretary in advance with regard to matters requiring the approval of the Board to enable inclusion of the same in the agenda for the Board meetings. The detailed agenda as approved by the Chairman & Managing Director together with the relevant attachments is circulated amongst the Directors in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

Where it is not practicable to circulate any document in advance or if the agenda is of a confidential nature, the same is tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the approval of the Chair and majority of the Independent Directors. Senior Management Personnel are invited to the Board / Committee meeting(s) to provide additional inputs for the items being discussed by the Board of Directors/ Committees thereof as and when necessary. The Board members interact with the Chief Executive Officers of the various operating subsidiary companies frequently at the Board meetings.

Further, presentations are made on business operations to the Board by the respective heads of various businesses of LTFS. Additionally, presentations are made on various matters including the financial statements, operations related issues, risk management, the regulatory environment or any other issue which the Board wants to be apprised of.

The Company Secretary is responsible for preparation of the Agenda and convening of the Board and Committee meetings. The Company Secretary attends all the meetings of the Board and its Committees, advises / assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings.

With a view to leveraging technology and reducing paper consumption, the Company has adopted a web-based application for transmitting Board / Committee Agenda and Minutes. The Directors of the Company receive the Agenda in electronic form through this application, which can be accessed only through i-Pad. The application meets the high standards of security and integrity that is required for storage and transmission of Board / Committee Agenda in electronic form.

The draft Minutes of the proceedings of the meetings of the Board of Directors/Committee(s) are circulated to all the members of the Board or the Committee for their perusal, within fifteen days from the date of the conclusion of the Meeting. Comments, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairman & Managing Director. The Minutes are approved by the members of the Board/Committee(s), prior to the next meeting and confirmed thereat.

2. Meeting of Independent Directors:

Section 149(8) of the Act read with Schedule IV of the Act requires the Independent Directors of the Company to hold at least one meeting in a year, without the attendance of non-independent directors and members of the management. The Independent Directors of the Company met on April 6, 2016, pursuant to the provisions of the Act and the Listing Regulations.

3. Meetings & Attendance:

During the financial year ended March 31, 2016, nine Board meetings were held on April 23, 2015, May 22, 2015, July 3, 2015, July 23, 2015, August 4, 2015, September 21, 2015, October 24, 2015, December 23, 2015 and January 22, 2016. The meetings of the Board are generally held at the corporate office of the Company at City-2, Plot No. 177, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai – 400098.

The attendance of the members of the Board at the meetings held during the year and at the last Annual General Meeting ("AGM") and also the number of other Directorships and Memberships/Chairmanships of Committees held by them as on March 31, 2016 is as follows:

Name of the Director	Nature of Directorship	Board Meetings held during the year	No. of Board Meetings attended	Attendance at last AGM	No. of Directorships in other Public companies[1]	No. of Committee Memberships (Including in Company)[2]		No. of Independent Directorships[3]
						Member	Chairman	
Mr. Y. M. Deosthalee	CMD	9	9	Present	6	3	---	None
Mr. N. Sivaraman	WTD	9	9	Present	9	6	2	None
Mr. R. Shankar Raman	NED	9	7	Present	9	7	---	None
Mr. S. V. Haribhakti	ID	9	9	Present	9	9	5	7
Mr. B. V. Bhargava	ID	9	7	Present	6	7	5	5
Mr. P. V. Bhide	ID	9	9	Present	7	7	2	6
Ms. Kamakshi Rao	ID	9	7[4]	Absent	---	---	---	1
Mr. Harsh Mariwala	ID	9	9[4]	Absent	7	1	0	1
Mr. Thomas Mathew T.[5]	ID	9	6	Present	4	4	1	2
Mr. Amit Chandra[6]	NED/ND	9	2	N.A.	3	----	---	1

Notes:

[1] Includes private company which is subsidiary of public company and companies under Section 8 of the Act. Excludes Directorship in foreign company.

[2] Memberships include Chairmanships. Only memberships of Audit Committee and Stakeholders Relationship Committee are considered.

[3] Including Independent directorship in the Company (L&T Finance Holdings Limited). Only equity listed company considered.

[4] Includes meetings attended through Audio Call.

[5] Appointed as a Director with effect from July 23, 2015.

[6] Appointed as a Director with effect from December 23, 2015.

CMD – Chairman & Managing Director *WTD – Whole-time Director* *ND – Nominee Director*

NED – Non-Executive Director *ID – Independent Director*

4. Information to the Board:

The Board of Directors has complete access to the information within the Company, which inter alia includes –

- Annual revenue budgets and capital expenditure plans of the Company and its subsidiaries.
- Quarterly results and results of operations of subsidiaries.
- Financing plans of the Company.
- Minutes of the meetings of the Board of Directors and Committees of the Board.
- Minutes of the Board Meetings of material subsidiaries.
- Details of potential acquisitions or collaboration agreement, if any.
- Material default, if any, in the financial obligations to and by the Company or substantial non-payment for services rendered, if any.
- Any issue, which involves possible public liability claims of substantial nature, including any judgment or Order, if any, which may have strictures on the conduct of the Company.
- Developments in respect of human resources.
- Non-compliance of any regulatory, statutory nature or listing requirements and investor service such as non-payment of dividend, delay in share transfer, etc., if any.

5. Post-meeting internal communication system:

The important decisions taken at the Board/Committee Meetings are communicated to the departments/ subsidiary companies concerned promptly.

6. Performance Evaluation:

The Nomination and Remuneration Committee has approved a Policy for evaluation of the Board, its Committees and Directors and the same has been approved by the Board of Directors of the Company. The process for Board Evaluation is given in the Board's Report.

7. Succession Planning:

The Company has a mechanism in place for ensuring orderly succession for appointments to the Board and to senior management.

8. Familiarisation programme:

All new Independent Directors inducted on the Board are given an orientation. Presentations are made by Chief Executives and Senior Management giving an overview of the group structure, its businesses including of its subsidiaries, the environment in which it operates, its various regulators, Board constitution and guidelines and the major risks and risk management strategy.

The details of director's familiarization programme is available on the Company's website at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx.*

C. Board Committees

The structure of a Board and the planning of the Board's work are key elements to effective governance. Establishing Committees is one way of managing the work of the Board, thereby strengthening the Board's

governance role. The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company. The business transacted by the Board Committees is placed before the Board for noting.

Pursuant to the provisions of Act, Listing Regulations and Reserve Bank of India regulations, the Board has currently constituted the following Committees:

- Audit Committee ("AC");
- Stakeholders Relationship Committee ("SRC");
- Nomination and Remuneration Committee ("NRC");
- Corporate Social Responsibility Committee ("CSR");
- Committee of Directors ("COD");
- Asset Liability Management Committee ("ALCO");
- Risk Management Committee ("RMC").

1) Audit Committee ("AC")

Terms of reference:

The role of the AC includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the Annual Financial Statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
  a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act.
  b. Changes, if any, in accounting policies and practices and reasons for the same.
  c. Major accounting entries involving estimates based on the exercise of judgment by management.
  d. Significant adjustments made in the financial statements arising out of audit findings.
  e. Compliance with listing and other legal requirements relating to financial statements.
  f. Disclosure of any related party transactions.
  g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditors' independence and performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the functioning of the Whistle Blower Mechanism / Vigil Mechanism;
- Approving appointment of the Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- Investigation into any matter in relation to the items given above or referred to it by the Board and power to obtain professional advice from external sources and have full access to information contained in the records of the Company;
- Calling for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and discuss any related issues with the internal and statutory auditors and the management of the Company;
- Reviewing information as prescribed under the Listing Regulations.

Composition:

The AC as on March 31, 2016 comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. S. V. Haribhakti	Chairman	Independent
Mr. B. V. Bhargava	Member	Independent
Mr. R. Shankar Raman	Member	Non-Executive

Meetings and Attendance:

The AC met five times during the year on April 23, 2015, July 3, 2015, July 23, 2015, October 24, 2015 and January 22, 2016. The attendance of members at the meetings was as follows:

Name of the Director	No. of Meetings held during the year	No. of Meetings attended
Mr. S. V. Haribhakti	5	5
Mr. B. V. Bhargava	5	5
Mr. R. Shankar Raman	5	5

All the members of the Audit Committee are financially literate and have accounting or related financial management expertise. The Company Secretary is the Secretary to the Committee.

2) Stakeholders Relationship Committee ("SRC")

Terms of reference:

The role of the SRC includes the following:

- review of cases for refusal of transfer / transmission of shares, debentures and other securities, if any;
- redressal of stakeholders and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of Interest, etc.;
- reference to statutory and regulatory authorities regarding security holders' grievances; and
- otherwise ensure proper and timely attendance and redressal of security holders' queries and grievances

Composition:

The SRC as on March 31, 2016 comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. P. V. Bhide	Chairman	Independent
Mr. Harsh Mariwala	Member	Independent
Mr. R. Shankar Raman	Member	Non-Executive

Meetings and Attendance:

The SRC met four times during the year on April 23, 2015, July 23, 2015, October 24, 2015 and January 22, 2016. The attendance of members at

the meetings was as follows:

Name of the Director	No. of Meetings held during the year	No. of Meetings attended
Mr. P. V. Bhide	4	4
Mr. Harsh Mariwala	4	4
Mr. R. Shankar Raman	4	4

Details of Shareholders' Requests/Complaints:

During the year under review, the Company has resolved investor grievances expeditiously. During the year under review, the Company/its Registrar received the following complaints from SEBI/Stock Exchanges and queries from the shareholders, which were resolved within the time frame laid down by SEBI.

Particulars	Opening	Received	Resolved	Pending
Complaints :				
SEBI/Stock Exchanges [1]	0	10	9	1 [2]
Queries :				
Transmission/ Transfer	Nil	1	1	Nil
Demat/Remat	Nil	7	7	Nil

[1] SEBI – 5 (1 Pending), Stock Exchange - 5

[2] Subsequently resolved.

The Board has delegated the powers to approve transfer / transmissions of physical shares and to approve remat of shares to a Share Transfer Committee comprising of three Senior Executives. This Committee held fourteen meetings during the year for conducting the business delegated to it. Mr. N. Suryanarayanan is the Compliance Officer, who deals with matters pertaining to Shareholders' grievances.

3) Nomination and Remuneration Committee ("NRC")

Terms of reference:

The role of the NRC includes the following:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carrying out evaluation of every director's performance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- To ensure that:
  a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
  b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- To lay down the evaluation criteria for performance evaluation of Independent Directors and the Board;
- To devise a policy on Board diversity; and
- To formulate the Employee Stock Option Scheme (ESOS), decide the terms and conditions, make appropriate recommendations to the Board of Directors and administer and superintend ESOS.

Composition:

The NRC as on March 31, 2016 comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. S. V. Haribhakti	Chairman	Independent
Mr. Y. M. Deosthalee	Member	CMD
Mr. P. V. Bhide	Member	Independent
Mr. Harsh Mariwala	Member	Independent
Mr. Amit Chandra[1]	Member	Nominee

[1] Appointed as a Member of the Committee with effect from December 23, 2015.

Meetings and Attendance:

The NRC met eight times during the year on April 23, 2015, July 3, 2015, July 23, 2015, August 4, 2015, October 23, 2015, December 23, 2015,

January 22, 2016 and March 1, 2016. The attendance of members at the meetings was as follows:

Name of the Director	No. of Meetings held during the year	No. of Meetings attended
Mr. S. V. Haribhakti	8	8
Mr. Y. M. Deosthalee	8	8
Mr. P. V. Bhide	8	8
Mr. Harsh Mariwala	8	8
Mr. Amit Chandra[1]	8	1

[1] Appointed as a Member of the Committee with effect from December 23, 2015.

Remuneration Policy:

The remuneration of the Board members is based on the Company's size, its economic and financial position, industrial trends and compensation paid by peer companies. The compensation reflects each Board member's responsibility and performance. The Directors on the Board who are in the service of Larsen & Toubro Limited/ LTFS draw remuneration from Larsen & Toubro Limited/ LTFS and are not paid any commission or sitting fees for attending the meetings of the Board and/ any Committee of the Company.

While the Company pays remuneration to Executive Directors by way of salary, perquisites, retirement benefits (fixed components) and variable remuneration, the Non-Executive Directors (NEDs) are paid remuneration by way of commission. The said remuneration is based on the recommendations of the Nomination and Remuneration Committee, approval of the Board and the Members.

As required under Schedule V of the Listing Regulations, the criteria for payment to Non-Executive Directors is available on the website of the Company at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx*. Further, the performance evaluation criteria for independent directors as required under Schedule V of Listing Regulations is contained in the Board's Report.

Details of remuneration paid/payable to Directors for the year ended March 31, 2016:

a) Remuneration to Executive Directors

The Executive Directors of the Company were Mr. Y.M. Deosthalee who is designated as the Chairman & Managing Director and Mr. N. Sivaraman who was designated as the President and Whole-time Director of the Company. Mr. Deosthalee and Mr. Sivaraman were paid remuneration during the financial year 2015-16 in accordance with the terms and conditions of the Agreement entered into by the Company with them.

The details of remuneration paid / payable to the Executive Directors are as follows:

(₹ in Lakhs)

Name of the Director	Salary and Perquisites	Variable Remuneration[1] (up to)	Retirement Benefits	Total
Mr. Y. M. Deosthalee	381.54	Nil[2]	26.01	407.55[3]
Mr. N. Sivaraman	283.98	387.63	102.70	774.31[4]

[1] Based on guidelines formulated by the NRC and approved by the Board.

[2] Pursuant to the voluntary waiver of the same by the CMD for the FY 2015-16.

[3] Excludes provisions and reversal on account of waiver.

[4] Excludes adjustments relevant to the previous financial year.

- *Notice period for termination of appointment of Chairman & Managing Director and the Whole-time Director is six months on either side.*
- *No severance pay is payable on termination of appointment.*

b) Remuneration to Non-Executive Directors

The Company follows a transparent process for determining the remuneration of Non-Executive Directors. Their remuneration is governed by the role assumed, number of meetings of the Board and the committees thereof attended by them, active participation in strategic decision making and inputs to executive management on matters of strategic importance. Besides these, the Board also takes into consideration the external competitive

environment, track record, individual performance of such Directors and performance of the Company as well as the industry standards in determining the remuneration of Non-Executive Directors including Independent Directors.

In the backdrop of growing complexities and increasing regulatory requirements, the Non-Executive Directors have contributed significantly and given constructive and useful feedback from time to time. The commission proposed in respect of Non-Executive Directors for the year, subject to the approval of the Nomination and Remuneration Committee is mentioned below. The commission is paid as per limits approved by the Members, subject to a limit not exceeding 1% p.a. of the profits of the Company.

In addition to the commission, the Company pays sitting fees of ₹ 20,000 per meeting to the Non-Executive Directors for attending the meetings of the Board and Committees.

As required under the provisions of Regulation 34 and Schedule V of the Listing Regulations, the criteria for payment to Non-Executive Directors is available on the website of the Company at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx.*

The details of remuneration paid / payable to the Non-Executive Directors are as follows:

(₹ in Lakhs)

Name of the Director	Sitting Fees for Board Meeting	Sitting Fees for Committee Meeting	Commission (up to)[1]	Total
Mr. R. Shankar Raman	Nil	Nil	Nil	Nil
Mr. S. V. Haribhakti	1.80	2.60	18.70	23.10
Mr. B. V. Bhargava	1.40	1.00	6.40	8.80
Mr. P. V. Bhide	1.80	2.40	12.40	16.60
Ms. Kamakshi Rao	0.40	Nil	12.00	12.40
Mr. Harsh Mariwala	1.60	2.80	18.65	23.05
Mr. Thomas Mathew T.	1.20	Nil	5.40	6.60
Mr. Amit Chandra	0.40	0.20	3.85	4.45

[1] To be determined by the Board, subject to the recommendations of the NRC.

Details of shares/convertible instruments, if any, held by the Non-Executive Directors as on March 31, 2016 are as follows:

Name of the Director	No. of Shares
Mr. R. Shankar Raman	24,461

4) Corporate Social Responsibility Committee ("CSR")

Terms of reference:

The role of CSR is as follows:

- Formulation of CSR policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act and recommendation of the same to the Board;
- Recommending to the Board the amount to be spent on CSR from time to time; and
- Monitoring the CSR Policy of the Company from time to time.

Composition:

The CSR as on March 31, 2016 comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Y. M. Deosthalee	Chairman	CMD
Mr. N. Sivaraman	Member	WTD
Mr. Harsh Mariwala	Member	Independent

Meetings and Attendance:

The Committee met two times during the year on September 22, 2015 and February 23, 2016. The attendance of members at the meetings was as follows:

Name of the Director	No. of Meetings held during the year	No. of Meetings attended
Mr. Y. M. Deosthalee	2	2
Mr. N. Sivaraman	2	2
Mr. Harsh Mariwala	2	2

5) Committee of Directors ("COD")

Terms of reference:

The COD of the Company was constituted to facilitate the operational decisions within the broad framework laid down by the Board such as day to day operational decisions of the Company in terms of borrowing power, additional investment in subsidiaries, etc.

Composition:

The COD as on March 31, 2016 comprises:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Y. M. Deosthalee	Chairman	CMD
Mr. N. Sivaraman	Member	WTD
Mr. R. Shankar Raman	Member	Non-Executive

Meetings and Attendance:

The Committee met twelve times during the year on May 4, 2015, May 6, 2015, May 27, 2015, July 28, 2015, September 10, 2015, November 27, 2015, December 7, 2015, December 17, 2015, December 18, 2015, December 30, 2015, January 21, 2016 and February 10, 2016. The attendance of members at the meetings was as follows:

Name of the Director	No. of Meetings held during the year	No. of Meetings attended
Mr. Y. M. Deosthalee	12	9
Mr. N. Sivaraman	12	11
Mr. R. Shankar Raman	12	11

6) Asset Liability Management Committee ("ALCO")

Terms of reference:

The role of the ALCO includes the following:

- Monitoring market risk management systems, compliance with the asset liability management policy and prudent gaps and tolerance limits and reporting systems set out by the Board of Directors and ensuring adherence to the RBI Guidelines issued in this behalf from time to time;
- Monitoring the business strategy of the Company (on the assets and liabilities sides) in line with the Company's budget and decided risk management objectives;
- Reviewing the effects of various possible changes in the market conditions related to the balance sheet and recommend the action needed to adhere to the Company's internal limits; and
- Balance Sheet planning from risk-return perspective including the strategic management of interest rate and liquidity risks.

Composition:

The ALCO as on March 31, 2016 comprises:

Name of the Member	Designation in the Committee
Mr. N. Sivaraman	Chairman
Mr. R. Govindan	Member
Ms. Upma Goel[1]	Member
Dr. Rupa Rege Nitsure[2]	Member
Mr. Dinanath Dubhashi	Member
Mr. N. Suryanarayanan	Member
Mr. G. K. Shettigar	Member

[1] Appointed as a Member of the Committee with effect from April 23, 2015.

[2] Appointed as a Member of the Committee with effect from October 24, 2015.

Meetings and Attendance:

The Committee met twelve times during the year on April 30, 2015, May 31, 2015, June 18, 2015, July 31, 2015, August 28, 2015, September 30, 2015, October 14, 2015, November 30, 2015, December 31, 2015, January 15, 2016, February 12, 2016 and March 10, 2016.

7) Risk Management Committee ("RMC")

Terms of reference:

The role of the RMC includes the following:

- To manage the integrated risk which would include Liquidity Risk, Interest Rate Risk, Currency risk, etc.; and
- Such other functions as the Board may from time to time delegate.

Composition:

The RMC as on March 31, 2016 comprises:

Name of the Member	Designation in the Committee
Mr. Y. M. Deosthalee	Chairman
Mr. R. Shankar Raman	Member
Mr. N. Sivaraman	Member
Mr. Dinanath Dubhashi	Member
Mr. Deepak Punjabi[1]	Member
Mr. Amit Chandra[2]	Member

[1] *Appointed as a Member of the Committee with effect from October 24, 2015.*

[2] *Appointed as a Member of the Committee with effect from December 23, 2015.*

D. Directors on Boards of Material Subsidiaries

Atleast 1 independent director of the Company is a Director on the Board of each Material Subsidiary of the Company. As at March 31, 2016, Mr. P. V. Bhide is a Director on the Board of L&T Finance Limited and Mr. B. V. Bhargava is a Director on the Board of L&T Infrastructure Finance Company Limited.

E. Other Information

Training of Directors:

All Directors of the Company are aware and are also updated as and when required, of their roles, responsibilities and liabilities.

Information to Directors:

The Board of Directors has complete access to the information within the Company, which inter alia, includes items as mentioned in point no. B4 of the Corporate Governance Report. Presentations are made regularly to the Board and its Committees, where Directors get an opportunity to interact with the management. Independent Directors have the freedom to interact with the Company's management. Interactions happen during Board/ Committee Meetings, when Senior Management Personnel are asked to make presentations about the performance of the Company to the Board.

Statutory Auditors:

Mr. Firdosh D. Buchia has signed the Audit Report for FY 2015-16 on behalf of M/s.Sharp & Tannan, Chartered Accountants.

Code of Conduct:

The Company has laid down a Code of Conduct for all Board members including Independent Directors and Senior Management Personnel. The Code of Conduct is available on the website of the Company at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx.* The declaration of Chairman & Managing Director is given below:

To the Members of L&T Finance Holdings Limited

Sub: Compliance with Code of Conduct

I hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company as adopted by the Board of Directors.

Y. M. Deosthalee
Chairman & Managing Director

Date: May 2, 2016
Place: Mumbai

Vigil Mechanism Framework/Whistle Blower Mechanism:

The Board at its meeting held on April 23, 2014 had established a Vigil Mechanism Framework for directors and employees to report genuine concern about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The details of establishment of such mechanism has been disclosed on the website of the Company at *http://www.ltfinanceholdings.com/investors/corporate-governance.aspx.*

As on March 31, 2016, no complaint has been received by the Company from any directors or employees of the Company with respect to any wrongdoings that may have an adverse impact on the Company's image or financials of the Company.

General Body Meetings:

The Annual General Meetings (AGM) of the Company for the FY 2012-2013 and 2013-2014 were held at Birla Matushri Sabhagar, 19, Marine Lines, Mumbai - 400 020 and AGM for the FY 2014-15 was held at RAMA & SUNDRI WATUMULL AUDITORIUM, Vidyasagar, Principal K. M. Kundnani Chowk, 124, Dinshaw Wachha Road, Churchgate, Mumbai - 400020, the details of which are as under:

Year	Date	Time
2012-13	August 1, 2013	3.00 P.M.
2013-14	July 24, 2014	3.00 P.M.
2014-15	September 08, 2015	3.00 P.M.

The following Special Resolutions were passed by the Shareholders during the past three Annual General Meetings:

Year	Date	Resolution
2013-14	July 24, 2014	➢ Issue of Non-convertible Debentures/Bonds on a Private Placement basis during the Financial Year 2014-15 for an amount not exceeding ₹ 1,000 crore. ➢ Issue of Cumulative Non-convertible Redeemable Preference Shares by way of Pubic Offer or on a Private Placement basis for an amount not exceeding ₹ 1,000 crore.
2014-15	September 8, 2015	➢ Issue of Non-convertible Debentures/Bonds on a Private Placement basis during the Financial Year 2015-16 for an amount not exceeding ₹ 2,000 crore. ➢ Issue of Cumulative Non-convertible Redeemable Preference Shares by way of Pubic Offer or on a Private Placement basis for an amount not exceeding ₹ 1,500 crore. ➢ Alteration of Memorandum of Association of the Company. ➢ Alteration of Articles of Association of the Company

Postal Ballot:

The following Special Resolutions were passed through Postal Ballot during the financial year 2015-16:

Date of passing of the Resolutions	Subject matter of the Resolution	Voting Pattern				
		No. of Votes cast / %	Assent	Dissent	Abstained	Total
October 21, 2015	Issue of Equity Shares on Preferential Basis	Votes	136,53,58,974	9,49,078	1,211	136,63,09,263
		%	99.93	0.07	0.0	100.00
	Issue of Warrants on Preferential Basis	Votes	136,52,28,728	9,64,423	1,15,990	136,63,09,141
		%	99.92	0.07	0.01	100.00
	Alteration of Articles of Association of the Company	Votes	136,52,49,031	9,46,219	1,13,552	136,63,08,802
		%	99.92	0.07	0.01	100.00

The Company had appointed Mr. S. N. Ananthasubramanian, Practising Company Secretary, as the Scrutinizer for conducting the Postal Ballot process to ensure carrying out the Postal Ballot process in a fair and transparent manner. The results of Postal Ballot were also displayed on the Notice board at the Registered Office of the Company and hosted on the website of the Company at *http://www.ltfinanceholdings.com/investors/investor-information.aspx,* besides being communicated to the Stock Exchanges where the shares of the Company are listed.

Procedure for Postal Ballot:

For conducting a Postal Ballot, notice specifying the resolutions proposed to be passed through Postal Ballot along with the Postal Ballot Form containing remote e-Voting User-ID and Password and a self addressed postage prepaid business reply envelope is sent to Members. The Notice is sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice is sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s).

The Members holding shares in Physical / Demat form can opt to exercise their voting right either through Postal Ballot Form or through remote e-Voting. The detailed procedure for remote e-Voting is given in the Postal Ballot Notice and is also made available on the website of the Company at *http://www.ltfinanceholdings.com/investors/investor-information.aspx*. A Member can opt for only one mode of voting i.e. either through remote e-voting or by Postal Ballot Form. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Postal Ballot Form shall be treated as invalid

The Members are requested to send back the postal ballot forms duly filled up and signed in the postage prepaid envelopes provided to them by the Company, so as to reach the scrutinizer (in whose name the envelopes are made) on or before the 30th day from the date of issue of notice by the Company and the Remote e-voting needs to be exercised on or before close of business hours of 30th day from the start of Remote e-voting.

The scrutinizer compiles the Postal Ballot Result out of the postal ballot forms found valid and hands over the results to the Chairman. The Chairman thereupon declares Result of the Postal Ballot and the same is also displayed on a notice at the Registered Office of the Company.

Disclosures:

- During the year, there were no transactions of material nature with the Directors, Management, their relatives or the subsidiaries, that had potential conflict with the interests of the Company.
- Details of all related party transactions form a part of the accounts as required under AS 18 and the same forms part of the Annual Report.
- The Company has followed all relevant Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 as amended from time to time while preparing the Financial Statements.
- There were no instances of non-compliance on any matter related to the capital markets, during the last three years nor any penalties, strictures imposed on the Company by the Stock Exchanges(s) or SEBI or any Statutory Authority.
- The Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- The web link with respect to the Policy for determining 'material subsidiaries' and policy on dealing with related party transactions is mentioned in the Board's Report.
- The Company has also substantially complied with the discretionary requirements stipulated under Regulation 27 of the Listing Regulations.

Means of Communication:

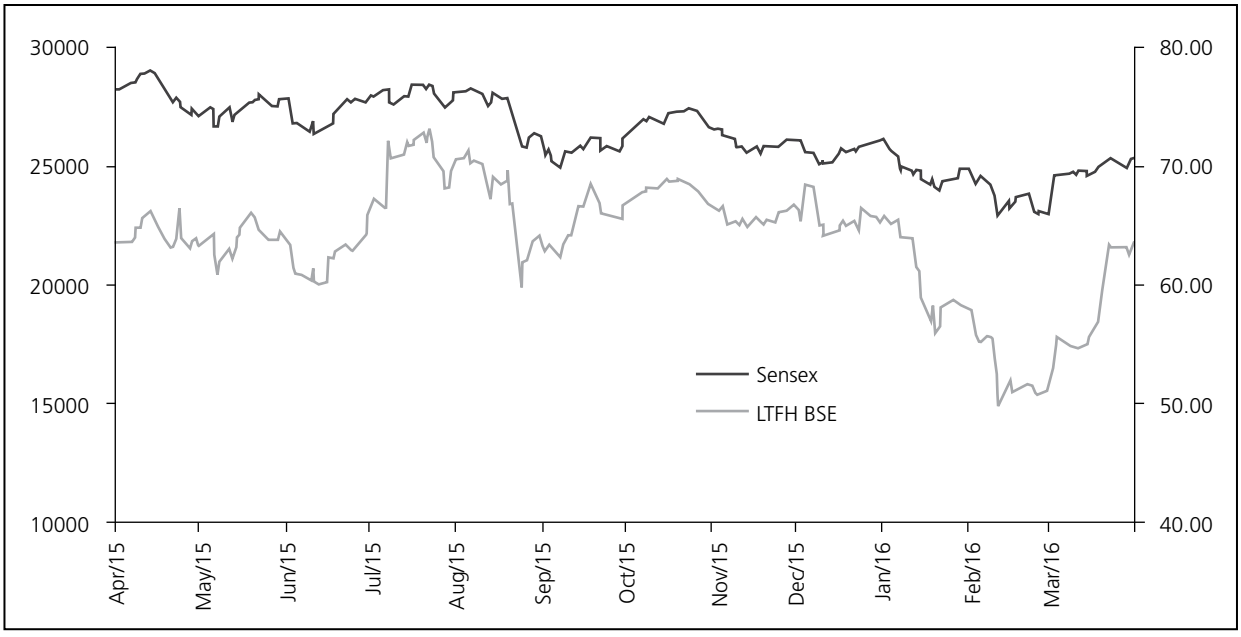
- Quarterly Results are communicated through a Press Release and newspaper advertisements in prominent national and regional dailies like The Economic Times, Business Standard, Hindu Business Line, DNA Money, Free Press Journal, Navabharat and Navshakti.
- The financial results, official news releases and presentations are also displayed on the website of the Company at *http://www.ltfinanceholdings.com/investors/financials.aspx.*
- The Annual Report is circulated to all the Members and all others like auditors, equity analysts, etc.
- Management Discussion and Analysis forms a part of the Annual Report which is mailed/ dispatched to the Members of the Company.

General Shareholders' Information:

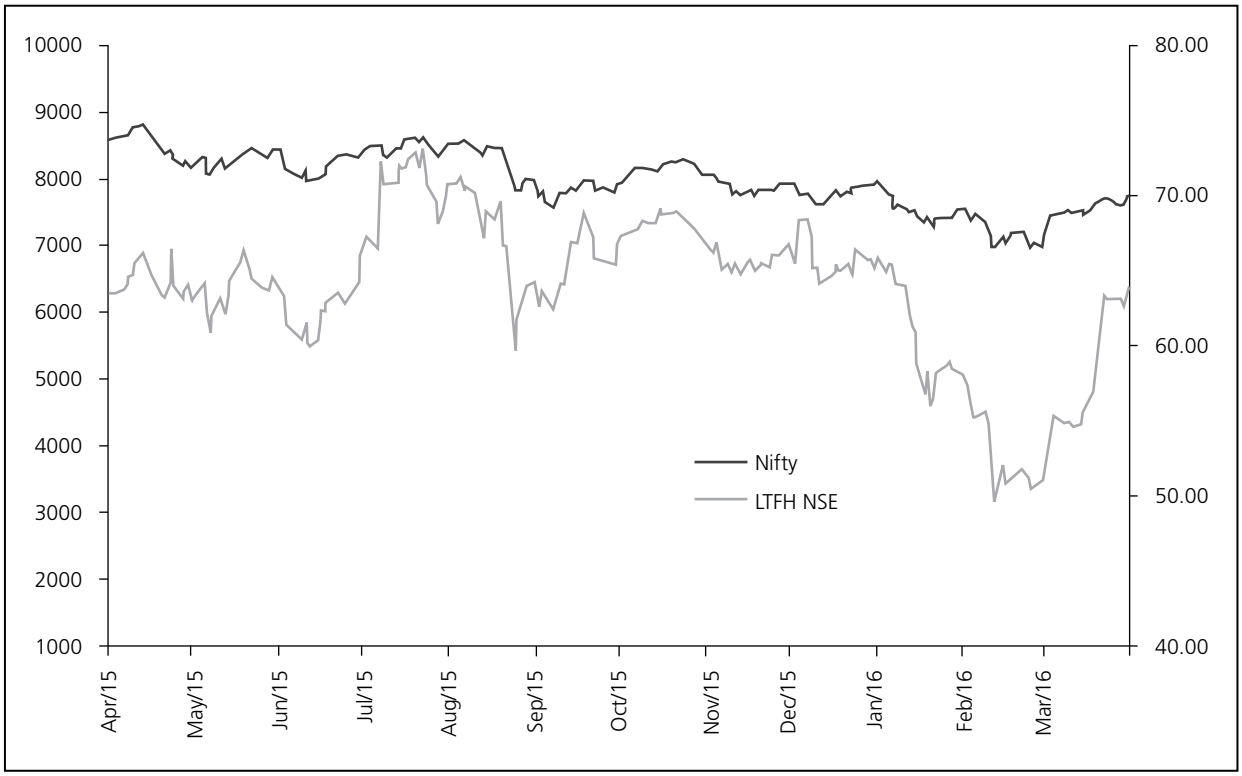
Annual General Meeting	August 23, 2016 at 3.00 P.M. Patkar Hall, SNDT Women's University, New Marine Lines (Churchgate), Mumbai - 400020
Financial Year	April 1, 2015 to March 31, 2016.
Date of Book Closure	Wednesday, August 17, 2016 to Tuesday, August 23, 2016 (both days inclusive).
Dividend Payment	The dividend of ₹ 0.80 per Equity share of face value of ₹ 10/- each, if approved by the Shareholders at the ensuing Annual General Meeting, will be credited/dispatched before September 22, 2016.
Listing on Stock Exchanges (Equity Shares)	1. BSE Limited 2. National Stock Exchange of India Limited The Company has paid the listing fees to the Stock Exchanges.
Listing of Preference Shares	All the series of Cumulative Compulsorily Redeemable Preference Shares (CCRPS) issued by the Company on a private placement basis till date are listed on BSE Limited.
Stock Code (Equity)	BSE : 533519 NSE : L&TFH
Stock Code (Preference)	BSE : 715001, 715009, 715010, 715011, 715012, 715014
CIN	L67120MH2008PLC181833

Market Price Data and Performance in comparison to broad based indices

Month	LTFH BSE Price (₹)			BSE SENSEX		
	High	Low	Month Close	High	Low	Month Close
Apr-2015	67.60	62.60	63.20	29,094.61	26,897.54	27,011.31
May-2015	68.00	60.50	64.55	28,071.16	26,423.99	27,828.44
Jun-2015	66.85	59.40	65.90	27,968.75	26,307.07	27,780.83
Jul-2015	74.80	65.20	70.55	28,578.33	27,416.39	28,114.56
Aug-2015	72.40	58.00	64.15	28,417.59	25,298.42	26,283.09
Sep-2015	69.50	61.65	66.75	26,471.82	24,833.54	26,154.83
Oct-2015	70.10	66.30	66.80	27,618.14	26,168.71	26,656.83
Nov-2015	67.90	62.35	66.75	26,824.30	25,451.42	26,145.67
Dec-2015	69.00	63.75	65.20	26,256.42	24,867.73	26,117.54
Jan-2016	66.85	55.10	58.30	26,197.27	23,839.76	24,870.69
Feb-2016	58.90	48.30	50.95	25,002.32	22,494.61	23,002.00
Mar-2016	64.40	51.10	63.60	25,479.62	23,133.18	25,341.86



Month	LTFH NSE Price (₹)			CNX-NIFTY		
	High	Low	Month Close	High	Low	Month Close
Apr-2015	67.60	62.50	63.05	8,844.80	8,144.75	8,181.50
May-2015	67.85	60.50	64.55	8,489.55	7,997.15	8,433.65
Jun-2015	66.80	59.45	66.00	8,467.15	7,940.30	8,368.50
Jul-2015	74.95	65.20	70.80	8,654.75	8,315.40	8,532.85
Aug-2015	72.40	58.10	64.25	8,621.55	7,667.25	7,971.30
Sep-2015	70.00	61.50	66.75	8,055.00	7,539.50	7,948.90
Oct-2015	70.10	66.30	66.85	8,336.30	7,930.65	8,065.80
Nov-2015	67.90	62.55	66.70	8,116.10	7,714.15	7,935.25
Dec-2015	68.95	63.55	65.15	7,979.30	7,551.05	7,946.35
Jan-2016	66.85	55.05	58.35	7,972.55	7,241.50	7,563.55
Feb-2016	59.00	48.25	51.00	7,600.45	6,825.80	6,987.05
Mar-2016	65.70	51.10	63.85	7,777.60	7,035.10	7,738.40



In case the securities are suspended from trading, the directors report shall explain the reason thereof	Not applicable
Registrar and Share Transfer Agent (RTA)	**M/s. Link Intime India Private Limited**[1] C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West) Mumbai – 400078. Tel: +91 22 2594 6970 Fax:+91 22 2594 6969 E-mail: *rnt.helpdesk@linkintime.co.in*
Share Transfer System	The Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to the Share Transfer Committee. The Company ensures that the half yearly Compliance Certificate pursuant to 40(9) and 40(10) of the Listing Regulations are filed with the Stock Exchanges.

[1] In view of directions issued by SEBI vide it's order dated March 22, 2016, the Company has appointed M/s. Link Intime India Pvt. Ltd. as the Company's new Registrar and Share Transfer Agent in place of M/s. Sharepro Services (India) Pvt. Ltd. w.e.f. June 01, 2016.

Distribution of Shareholdings as on March 31, 2016:

Category (Shares)	Shareholders		Shareholding	
	Number	%	Number	%
Up to 500	3,68,207	82.27%	6,64,45,243	3.79%
501-1000	40,226	8.99%	3,21,74,521	1.83%
1001-2000	21,645	4.84%	3,17,66,314	1.81%
2001-3000	6,678	1.49%	1,71,15,046	0.98%
3001-4000	2,976	0.66%	1,07,42,773	0.61%
4001-5000	2,248	0.50%	1,06,36,015	0.61%
5001-10000	3,210	0.72%	2,37,90,846	1.36%
10001 and above	2,377	0.53%	1,56,07,27,793	89.01%
TOTAL	**4,47,567**	**100.00%**	**1,75,33,98,551**	**100.00%**

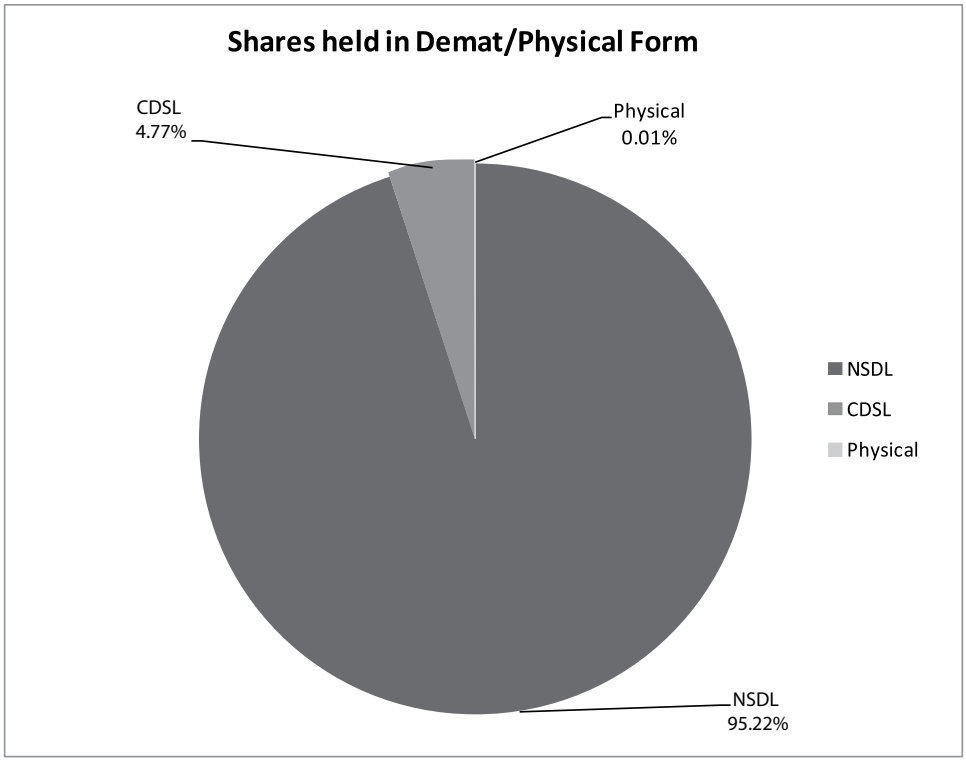
Categories of the Shareholders as on March 31, 2016:

Category	No. of Shares	%
Promoters	1,16,97,09,304	66.71%
Financial Institutions	86,86,702	0.50%
Foreign Institutional Investors & Foreign Portfolio - Corp.	23,98,38,983	13.68%
Mutual Funds	2,20,07,081	1.26%
Bodies Corporate	5,80,81,839	3.31%
Directors & Relatives	26,22,474	0.15%
Resident Individuals & Others	24,24,20,480	13.83%
Banks	14,88,304	0.08%
Non Resident Indians	85,43,384	0.49%
TOTAL	**1,75,33,98,551**	**100.00%**

Dematerialisation of Shares:

The Company's shares are required to be compulsorily traded on the Stock Exchanges in dematerialized form. The number of shares held in dematerialized and physical mode are as under:

Particulars	No. of Shares	%
NSDL	1,66,94,83,334	95.22%
CDSL	8,36,87,121	4.77%
Physical	2,28,096	0.01%
TOTAL	**1,75,33,98,551**	**100.00%**



Dematerialization of shares and liquidity	As on March 31, 2016 almost the entire equity capital was held in the dematerialized form with NSDL and CDSL. Only 2,28,096 shares were held in physical form.
Outstanding GDRs / ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	The Company does not have any outstanding GDRs / ADRs. Further, 6,38,20,990 Warrants are outstanding as on date.
Commodity price risk or foreign exchange risk and hedging activities	Not Applicable
Plant Locations	As the Company is engaged in the business of Non Banking Financial Services, this section is not applicable.
Address for correspondence	**M/s. Link Intime India Private Limited** C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (West) Mumbai – 400078. Tel: +91 22 2594 6970 Fax:+91 22 2594 6969 E-mail: *rnt.helpdesk@linkintime.co.in*
Address of the Compliance Officer	**Mr. N. Suryanarayanan,** **Company Secretary & Compliance Officer** L&T Finance Holdings Limited City - 2, Plot No. 177, C.S.T. Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai - 400 098. Phone No.: 022 - 6621 7300/400 Fax No.: 022 - 6621 7509 E-mail : *igrc@ltfinanceholdings.com*

Unclaimed Shares lying in the Suspense Accounts:

In terms of Regulation 34 and Schedule V of the Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in demat form:

Sr. No.	Particulars	No. of Shareholders	No. of Equity Shares Outstanding
(i)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year April 1, 2015.	7	789
(ii)	Number of shareholders who approached the Company for transfer of shares from suspense account during the year 2015-16.	1	100
(iii)	Number of shareholders to whom shares were transferred from suspense account during the year 2015-16.	1	100
(iv)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year March 31, 2016.	6	689

• *The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.*

Transfer of Amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 125 of the Act, the dividend/interest/refund of applications which remains unclaimed/ unpaid for a period of seven years from the date of transfer to the unpaid dividend /interest/refund account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. In terms of the provisions of Section 125 of the Act, no claim shall lie against the Company after the said transfer.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 8, 2015 (date of last Annual General Meeting) on the website of the Company at *http://www.ltfinanceholdings.com/investors/investor-information.aspx,* as also on the Ministry of Corporate Affairs website.

Securities Dealing Code

SEBI revamped the earlier regulations on insider trading and formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations") on January 15, 2015 which came into effect on May 15, 2015. The Company has also framed a new Securities Dealing Code in line with the requirements of the Insider Trading Regulations.

The objective of the Code is to prevent purchase and / or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. Under this Code, Designated Persons are prevented from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of the Compliance Officer is also required. All the Designated Employees are also required to disclose related information periodically as defined in the Code. Directors and Designated Employees who buy and / or sell shares of the Company are prohibited from entering into an opposite transaction i.e. sell or buy any shares of the Company during the next six months following the prior transactions. Directors and designated employees are also prohibited from taking positions in the derivatives segment of the Company's shares.

Mr. N. Suryanarayanan, Company Secretary has been designated as the Compliance Officer for monitoring compliances with this Code. Mr. Suryanarayanan is also appointed as the Chief Investor Relations Officer under the Code to deal with dissemination of information and disclosure of Unpublished Price Sensitive Information.

Secretarial Audit

The Board of Directors of the Company at its meeting held on January 22, 2016 has appointed Ms. Naina R. Desai, Practising Company Secretary as the Secretarial Auditor of the Company for the Financial Year 2015-16.

As stipulated by the SEBI, a Qualified Practising Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total listed and paid up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

[Issued in accordance with the provisions of Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

To the Board of Directors of L&T Finance Holdings Limited

Dear Sirs,

We have reviewed the financial statements read with the cash flow statement of L&T Finance Holdings Limited for the year ended March 31, 2016 and that to the best of our knowledge and belief, we state that;

a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2016 which are fraudulent, illegal or in violation of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems pertaining to financial reporting of the Company and there were no deficiencies in the design or operation of internal controls..

d) We have indicated to the Auditors and the Audit Committee:

(i) There are no significant changes in internal control over financial reporting during the year ended March 31, 2016;

(ii) There are no significant changes in accounting policies made during the year ended March 31, 2016; and

(iii) There have been no instances of significant fraud of which we have become aware.

Yours sincerely,

Sachinn Joshi
Chief Financial Officer

Y. M. Deosthalee
Chairman & Managing Director

Place: Mumbai
Date : May 2, 2016

Auditor's Certificate on Compliance of conditions of Corporate Governance

To the members of L&T Finance Holdings Limited

We have examined the compliance of conditions of Corporate Governance by L&T Finance Holdings Limited ("the Company") for the year ended March 31, 2016, as stipulated in Clause 49 of the Equity Listing Agreement ("Listing Agreement") entered into by the Company with the stock exchanges for the period April 1, 2015 to November 30, 2015 and as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations for the period December 1, 2015 to March 31, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement and Listing Regulations.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership No.38332

Place: Mumbai
Date: May 2, 2016

Independent Auditors' Report

To the Members of L&T Finance Holdings Limited

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of L&T Finance Holdings Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

The Company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its profit and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1 As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

2 As required by section 143 (3) of the Act, we report that:

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;

(d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'; and

(g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company – Refer note 24.12 to the financial statements.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership No. 38332

Mumbai, 2 May 2016

Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph (1) under 'Report on other legal and regulatory requirements' of our report of even date)

1. (a) The Company is maintaining proper records to show full particulars, including quantitative details and situation of all fixed assets.

   (b) As explained to us, fixed assets have been physically verified by the management, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. The frequency of physical verification is reasonable and no material discrepancies were noticed on such verification.

   (c) No immovable properties are held by the Company as at 31 March 2016. Accordingly, paragraph 1 (c) of the Order is not applicable.

2. The Company is a non-banking finance company and does not hold any inventories. Accordingly, paragraph 2 of the Order is not applicable.

3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships and other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraphs 3 (a), (b) and (c) of the Order are not applicable.

4. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Act have been complied with.

5. According to the information and explanations given to us, the Company has not accepted deposits from the public and accordingly, paragraph 5 of the Order is not applicable.

6. Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act. Accordingly, paragraph 6 of the Order is not applicable.

7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues as applicable with the appropriate authorities.

   (b) According to the information and explanations given to us, there were no undisputed amounts payable as at 31 March 2016, in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax.

8. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.

9. In our opinion and according to the information and explanations given to us, on an overall basis the moneys raised by way of further public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud by the Company nor on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by management.

11. Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

12. The Company is not a Nidhi Company. Accordingly, paragraph 12 of the Order is not applicable.

13. All transactions with the related parties are in compliance with sections 177 and 188 of the Act and the details have been disclosed as required by the applicable accounting standards.

14. The Company has made preferential allotment or private placement of shares during the year under review. The requirements of section 42 of the Act have been complied with and amounts raised have been used for the purposes for which the funds were raised.

15. The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 15 of the Order is not applicable.

16. The Company has obtained registration under section 45-IA of the Reserve Bank of India Act, 1934.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership No. 38332

Mumbai, 2 May 2016

Annexure 'B' to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on other legal and regulatory requirements' of our report of even date)

Report on the internal financial controls under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of L&T Finance Holdings Limited ('the Company') as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involved performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance

with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Firdosh D. Buchia
Partner
Mumbai, 2 May 2016 Membership No. 38332

Balance Sheet as at March 31, 2016

(₹ in Lakhs)

	Note No	As at March 31, 2016		As at March 31, 2015	
EQUITY AND LIABILITIES:					
Shareholders' funds					
(a) Share capital	2	296,679.86		308,368.59	
(b) Reserves and surplus	3	210,247.25		182,560.86	
(c) Money received against share warrants	4	11,806.88		-	
			518,733.99		**490,929.45**
Non current liabilities					
(a) Other long-term liabilities	5	13.58		13.58	
(b) Long term provisions	6	0.96		-	
			14.54		**13.58**
Current liabilities					
(a) Short term borrowings	7	59,759.17		54,900.41	
(b) Other current liabilities	8	1,890.48		1,237.33	
(c) Short term-provisions	9	15,087.75		14,279.50	
			76,737.40		**70,417.24**
TOTAL			**595,485.93**		**561,360.27**
ASSETS:					
Non - Current assets					
(a) Fixed assets	10				
(i) Tangible assets		21.39		30.99	
(ii) Intangible assets		5.79		9.46	
		27.18		40.45	
(b) Non-current investments	11	506,668.39		482,912.93	
(c) Deferred tax assets (net)	12	903.61		152.79	
(d) Long term loans and advances	13	3,789.70		1,741.16	
			511,388.88		**484,847.33**
Current assets					
(a) Current Investments	14	50,432.72		27,673.92	
(b) Current maturity of long term loans and advances	13	-		5,000.00	
(c) Cash and bank balances	15	4,027.68		3,111.99	
(d) Short term loans and advances	16	29,082.56		38,450.79	
(e) Other current assets	17	554.09		2,276.24	
			84,097.05		**76,512.94**
TOTAL			**595,485.93**		**561,360.27**
Significant accounting policies	1				
Notes forming part of the financial statements	24				

As per our report attached

SHARP & TANNAN
Chartered Accountants
Firm's registration no. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership no. 38332

Mumbai, May 2, 2016

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

Y.M. Deosthalee
Chairman & Managing Director
(DIN :00001698)

N. Suryanarayanan
Company Secretary

Mumbai, May 2, 2016

Dinanath Dubhashi
Deputy Managing Director
(DIN :03545900)

Sachinn Joshi
Chief Financial Officer

Statement of Profit and Loss for the year ended March 31, 2016

(₹ in Lakhs)

	Note No	2015-16		2014-15	
INCOME					
Revenue from operations	18	34,850.26		29,061.91	
Other income	19	7,894.84		3,631.28	
Total Income			**42,745.10**		**32,693.19**
EXPENSES					
Employee benefits expense	20	2,032.63		1,704.20	
Finance costs	21	2,707.87		3,923.98	
Depreciation and amortisation		13.26		12.94	
Administration and other expenses	22	1,202.37		1,847.67	
Provisions and contingencies	23	(20.32)		1.63	
Total Expenses			**5,935.81**		**7,490.42**
Profit before tax			**36,809.29**		**25,202.77**
Tax expense:					
- Current tax		2,249.12		-	
- MAT credit entitlement		(2,492.67)		(941.00)	
- Deferred tax		(750.82)		(19.03)	
			(994.37)		**(960.03)**
Profit for the year			**37,803.66**		**26,162.80**
Earnings Per Equity Share:					
Basic earnings per equity share (₹)			**1.25**		**0.88**
Diluted earnings per equity share (₹)			**1.25**		**0.88**
Face value per equity share (₹)			**10.00**		**10.00**
Significant accounting policies	1				
Notes forming part of the financial statements	24				

As per our report attached

SHARP & TANNAN
Chartered Accountants
Firm's registration no. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership no. 38332

Mumbai, May 2, 2016

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

Y.M. Deosthalee
Chairman & Managing Director
(DIN :00001698)

Dinanath Dubhashi
Deputy Managing Director
(DIN :03545900)

N. Suryanarayanan
Company Secretary

Sachinn Joshi
Chief Financial Officer

Mumbai, May 2, 2016

Cash Flow Statement for the year ended March 31, 2016

(₹ in Lakhs)

		2015-16	2014-15
A.	**Cash flow from operating activities**		
	Profit/(loss) before tax as per statement of profit and loss	36,809.29	25,202.77
	Adjustment for:		
	Provision on standard assets	(20.32)	1.63
	Provision for employee benefits	714.34	(13.39)
	Depreciation and amortisation	13.26	12.94
	Profit on sale of investment in associate	-	(40.50)
	Operating profit before working capital changes	**37,516.57**	**25,163.45**
	Changes in working capital		
	(Increase)/ Decrease in current and non current assets	15,579.70	(10,682.60)
	Increase/ (Decrease) in current and non current liabilities and provisions	514.85	47.27
	Cash generated from operations	**53,611.12**	**14,528.12**
	Direct taxes paid	(1,484.99)	(3.03)
	Net cash generated from operating activities (A)	**52,126.13**	**14,525.09**
B.	**Cash flows from investing activities**		
	Add : Inflows from investing activities		
	Sale of Fixed Assets	0.07	-
	Sale of long term investment	17,500.00	1,430.50
		17,500.07	1,430.50
	Less : Outflow for investing activities		
	Investment in subsidiary companies	41,255.46	11,601.81
	Purchase of current investments (net)	22,758.80	7,830.02
	Purchases of fixed assets	0.07	11.64
		64,014.33	**19,443.47**
	Net cash from/(used in) investing activities (B)	**(46,514.26)**	**(18,012.97)**

Cash Flow Statement for the year ended March 31, 2016

(₹ in Lakhs)

		2015-16	2014-15
C.	**Cash flows from financing activities**		
	Add : Inflows from financing activities		
	Proceeds from issue of share capital including securities premium	9,246.61	37,315.75
	Proceeds from issue of share warrants	11,806.88	-
	Proceeds from short term borrowings (net)	5,052.34	18,971.98
		26,105.83	56,287.73
	Less : Outflows for financing activities		
	Share/Debenture issue expenses	826.21	414.71
	Dividend paid (including dividend distribution tax)	29,975.80	23,908.06
	Repayments of long term borrowings	-	30,000.00
		30,802.01	54,322.77
	Net cash generated from/(used in) financing activities (C)	**(4,696.18)**	**1,964.96**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**915.69**	**(1,522.92)**
	Cash and cash equivalents as at beginning of the year	3,111.99	4,634.91
	Cash and cash equivalents as at end of the year	**4,027.68**	**3,111.99**

Notes:

1. Cash flow statement has been prepared under indirect method as set out in the Accounting Standard (AS) 3 "Cash Flow Statements".
2. Cash and cash equivalents represent cash and bank balances.
3. Previous year figures have been regrouped/reclassified wherever applicable.

As per our report attached

SHARP & TANNAN
Chartered Accountants
Firm's registration no. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership no. 38332

Mumbai, May 2, 2016

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

Y.M. Deosthalee
Chairman & Managing Director
(DIN :00001698)

N. Suryanarayanan
Company Secretary

Mumbai, May 2, 2016

Dinanath Dubhashi
Deputy Managing Director
(DIN :03545900)

Sachinn Joshi
Chief Financial Officer

Notes forming part of Financial Statements - March 31, 2016

Note - 1 Brief profile and significant accounting policies

1.1 Basis of Accounting

The financial statements have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP'), Accounting Standards notified under the Rule 7 of the Companies (Accounts) Rules, 2014, the provision of Section 133 of the Companies Act, 2013 along with the applicable guidelines issued by Reserve Bank of India ("RBI") for Core Investment Companies (CIC) and Non Banking Finance Company (NBFC) as applicable. The financial statements have been prepared on the accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Use of estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting year. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any change in such estimates is recognised prospectively.

1.3 Tangible and Intangible fixed assets

Tangible fixed assets are stated at cost of acquisition including any cost attributable for bringing the asset to its working condition, less accumulated depreciation.

Intangible fixed assets comprising of software licenses are stated at cost of acquisition including any cost attributable for bringing the asset to its working condition, less accumulated amortisation. Any expenses on such software licenses for support and maintenance payable annually are charged to the statement of Profit and Loss.

1.4 Revenue recognition

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- Interest income on deposits and debentures is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Profit/loss on sale of investments is recognised at the time of actual sale/ redemption.
- Dividend income is recognized when the Company's right to receive dividend is established by the reporting date

1.5 Depreciation/Amortisation

Depreciation/Amortization on fixed assets is calculated on a straight-line which reflect the management's estimate of the useful lives of respective fixed assets and are lesser than or equal to the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

- Fixed assets costing ₹ 5,000/- or less are fully depreciated in the year of installation.
- Depreciation is charged for the full month in the month of purchase/sale even used for part of the month.

1.6 Investments

The Company being regulated as a Non-Banking Financial Company (NBFC) by the RBI, investments are classified under two categories i.e. Current and Long Term and are valued in accordance with the RBI guidelines and the Accounting Standard (AS) 13 on 'Accounting for Investments'.

'Long Term Investments' are carried at acquisition / amortised cost. A provision is made for diminution, other than temporary, on an individual investment basis.

'Current Investments' are carried at the lower of cost or fair value on an individual investment basis.

1.7 Leases

Where the Company is lessee

Operating leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Notes forming part of Financial Statements - March 31, 2016

1.8 Retirement and other employee benefits

Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, short term compensated absences etc. and estimated variable remuneration are recognized in the period in which the employee renders the related service.

Post employment benefits:

(a) Defined contribution plans:

The Company's provident fund, pension and superannuation scheme are defined contribution plans. The contribution paid/payable under the scheme is recognized during the year in which the employee renders the related services.

(b) Defined benefit plan

The Company's gratuity scheme is defined benefit plan. The employee gratuity obligation is determined based on actuarial valuation using Projected Unit Credit method which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the balance sheet date.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

1.9 Income taxes

Current tax is determined as the amount of tax payable in respect of taxable income for the year as determined in accordance with the provision of Income Tax Act, 1961.

Deferred tax is recognised on timing differences, between taxable income and accounting income that originated in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are recognised with regard to all deductible timing differences to the extent it is probable that taxable profit will be available against which deductible timing differences can be utilised. When the Company carries forward unused tax losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised. The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced by the extent that it is no longer probable that sufficient taxable profit will be available to allow all or a part of the deferred tax asset to be utilised.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the Guidance Note issued by the ICAI, the said assets is created by way of a credit to the Statement of Profit and Loss.

1.10 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent assets are not recognised.

1.11 Employee stock option schemes

In respect of stock options granted pursuant to the Company's Stock Options Scheme, the intrinsic value of the options (excess of the market price of the share over the exercise price of the option) is treated as discount and accounted as employee compensation cost over the vesting period.

1.12 Share and Debenture issue expense

Expenses incurred on issue of shares and debentures are written off against securities premium account.

Notes forming part of Financial Statements - March 31, 2016

1.13 Cash flow statements

The Cash Flow Statement is prepared in accordance with indirect method as explained in the Accounting Standard on Cash Flow Statements (AS) 3 issued by the Institute of Chartered Accountants of India.

1.14 Cash and cash equivalents

Cash and Bank Balances that have insignificant risk of change in value including term deposits, which have original durations up to three months, are included in cash and cash equivalents in the Cash Flow Statement.

1.15 Earnings per share

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

1.16 Impairment of Assets

Tangible fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, which is the higher of the asset's net selling price or its value in use.

1.17 Commitments

Commitments are future liabilities for contracted expenditure. Commitments are classified and disclosed as follows:-

a. Estimated amount of contracts remaining to be executed on capital account are not provided for.

b. Other non cancellable commitments if any to the extent they are considered material and relevant in the opinion of the management.

1.18 Extraordinary and exceptional items

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to the financial statements

Notes forming part of Financial Statements - March 31, 2016

2 Share Capital

(I) Share capital authorised, issued and subscribed

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Authorised				
Equity Shares of ₹ 10 each	5,000,000,000	500,000.00	5,000,000,000	500,000.00
Preference Shares of ₹ 100 each	500,000,000	500,000.00	300,000,000	300,000.00
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10 each fully paid	1,753,398,551	175,339.86	1,720,285,900	172,028.59
8.75 % Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	-	-	75,000,000	75,000.00
9.00% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	25,000,000	25,000.00	25,000,000	25,000.00
8.40% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	13,900,000	13,900.00	13,900,000	13,900.00
8.50% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	12,440,000	12,440.00	12,440,000	12,440.00
8.35% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	10,000,000	10,000.00	10,000,000	10,000.00
8.15% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	60,000,000	60,000.00	-	-
Total Issued, Subscribed & Paid up capital		**296,679.86**		**308,368.59**

(II) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Members of the Company holding equity shares capital therein have a right to vote, on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid up equity capital of the Company held by the shareholders. The Company declares dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(III) Terms/rights attached to preference shares

The CRPS will not have voting rights other than in respect of matters directly affecting it. In the event any due and payable dividends remain unpaid for aggregate period of at least 2 years prior to the start of any general meeting of the equity shareholders, CRPS holders shall have voting rights in line with their voting rights of the equity shareholders. The CRPS will be redeemed at the end of 3 to 5 years from the date of allotment. Provided that the tenure may be extended by a further period, not exceeding 5 days from the Proposed Tenure, which shall be notified to the Investors at the time of allotment.

Notes forming part of Financial Statements - March 31, 2016

2 Share Capital

(IV) Reconciliation of the shares outstanding at the beginning and at the end of the year

Equity Shares	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	1,720,285,900	172,028.59	1,718,448,975	171,844.90
Issued during the year				
- Issued under Preferential basis	31,836,971	3,183.70	-	-
- Issued under ESOP	1,275,680	127.57	1,836,925	183.69
Outstanding at the end of the year	**1,753,398,551**	**175,339.86**	**1,720,285,900**	**172,028.59**

8.75% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	75,000,000	75,000.00	75,000,000	75,000.00
Issued/(Redeemed) during the year	(75,000,000)	(75,000.00)	-	-
Outstanding at the end of the year	**-**	**-**	**75,000,000**	**75,000.00**

9.00% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	25,000,000	25,000.00	25,000,000	25,000.00
Issued/(Redeemed) during the year	-	-	-	-
Outstanding at the end of the year	**25,000,000**	**25,000.00**	**25,000,000**	**25,000.00**

8.40% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	13,900,000	13,900.00	-	-
Issued/(Redeemed) during the year	-	-	13,900,000	13,900.00
Outstanding at the end of the year	**13,900,000**	**13,900.00**	**13,900,000**	**13,900.00**

8.50% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	12,440,000	12,440.00	-	-
Issued/(Redeemed) during the year	-	-	12,440,000	12,440.00
Outstanding at the end of the year	**12,440,000**	**12,440.00**	**12,440,000**	**12,440.00**

8.35% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	10,000,000	10,000.00	-	-
Issued/(Redeemed) during the year	-	-	10,000,000	10,000.00
Outstanding at the end of the year	**10,000,000**	**10,000.00**	**10,000,000**	**10,000.00**

8.15% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	-	-	-	-
Issued/(Redeemed) during the year	60,000,000	60,000.00	-	-
Outstanding at the end of the year	**60,000,000**	**60,000.00**	**-**	**-**

Notes forming part of Financial Statements - March 31, 2016

2 Share Capital

(V) Equity shares in the Company held by the holding company

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Larsen & Toubro Limited and it's nominee	1,169,709,304	116,970.93	1,254,936,010	125,493.60
	1,169,709,304	116,970.93	1,254,936,010	125,493.60

(VI) Details of shareholders holding more than 5% shares in the company

Equity Shares	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Larsen & Toubro Limited and it's nominee	1,169,709,304	66.71%	1,254,936,010	72.95%
Citigroup Global Markets Mauritius Private Limited	99,394,992	5.67%	-	-
	1,269,104,296		1,254,936,010	

Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Azim Hasham Premji	-	0.00%	10,109,420	7.41%
Pioneer Independent Trust	10,000,000	8.24%	10,000,000	7.33%
Bajaj Allianz General Insurance Company Limited	11,525,000	9.50%	7,500,000	5.50%
Shree Cement Limited	-	0.00%	7,296,136	5.35%

(VII) Details of shares reserved to be issued under ESOP

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Equity Shares of ₹ 10 each	29,658,998	2,965.90	33,152,519	3,315.25
	29,658,998	2,965.90	33,152,519	3,315.25

Notes forming part of Financial Statements - March 31, 2016

(₹ in Lakhs)

3 Reserves & Surplus

		As at March 31, 2016	As at March 31, 2015
a.	**Securities Premium Account**		
	As per last Balance sheet	155,958.40	155,581.05
	Add: Premium on issue of equity shares	20,935.34	792.06
	Less: Share issue expenses adjusted during the year	826.21	414.71
	Closing Balance	**176,067.53**	**155,958.40**
b.	**Employee Stock Option Outstanding Account**		
	As per last Balance sheet	637.11	677.43
	Add: Addition during the year	126.29	123.51
	Less: Stock options exercised transferred to securities premium/general reserve	143.48	163.83
	Closing Balance	**619.92**	**637.11**
c.	**Reserve u/s 45-IC of Reserve Bank of India Act, 1934**		
	As per last Balance sheet	16,895.26	11,662.26
	Add: Transferred from surplus in the Statement of Profit and Loss	7,560.74	5,233.00
	Closing Balance	**24,456.00**	**16,895.26**
d.	**General Reserve**		
	As per last Balance sheet	18.14	12.20
	Add: Transferred from Employee Stock Option Outstanding	20.08	5.94
	Add: Transferred from surplus in the Statement of Profit and Loss	-	-
	Closing Balance	**38.22**	**18.14**
e.	**Surplus in the Statement of Profit and Loss**		
	As per last Balance sheet	9,051.95	12,918.28
	Add: Profit for the year	37,803.66	26,162.80
	Less : Appropriations		
	Proposed Dividend on equity shares	14,027.19	13,762.29
	Tax on proposed equity dividend	(11.41)	11.41
	Dividend paid for previous year	6.23	5.04
	Tax on dividend paid for previous year	-	0.86
	Interim dividend paid on Cumulative Compulsorily Redeemable Preference Shares	16,207.28	11,016.53
	Transfer to reserve u/s. 45-IC of Reserve Bank of India Act,1934	7,560.74	5,233.00
	Closing Balance	**9,065.58**	**9,051.95**
		210,247.25	**182,560.86**

Notes forming part of Financial Statements - March 31, 2016

4 Money received against share warrants

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares Warrants	(₹ in Lakhs)	No. of Shares Warrants	(₹ in Lakhs)
Money received against share warrants	63,820,990	11,806.88	-	-
Total	**63,820,990**	**11,806.88**	**-**	**-**

Money received against share warrants represents amounts received towards warrants which entitles the warrant holders, the option to apply for and be allotted equivalent number of equity shares of the face value of ₹10 each

During the current year, the Company issued 6,38,20,990 share warrants at an issue price of ₹ 74 each to BC Asia Growth Investments on a preferential basis, having option to apply for and be allotted an equivalent number of equity shares of a face value of ₹ 10 each at a premium of ₹ 64 each determined in accordance with Regulation 76 of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"). The holder of the warrants has paid upfront 25% of the price per warrant (i.e ₹ 18.50 per warrant); the balance can be exercised within 18 months.

5 Other long term liabilities (₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Security Deposit	13.58	13.58
Total other long term liabilities	**13.58**	**13.58**

6 Long term provision (₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
For contingent provisions against standard assets	0.96	-
Total long term provision	**0.96**	**-**

7 Short term borrowings (₹ in Lakhs)

	As at March 31, 2016		As at March 31, 2015	
Unsecured				
Commercial Papers				
Face Value	60,000.00		55,000.00	
Less : Unexpired discount	732.42	59,267.58	538.84	54,461.16
Cash Credit		491.59		439.25
Total short term borrowings		**59,759.17**		**54,900.41**

Notes forming part of Financial Statements - March 31, 2016

8 Other current liabilities

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Statutory dues	49.56	46.64
Accrued expenses	1,129.46	1,113.66
Unclaimed dividend- For Equity Shares	73.58	52.83
Unclaimed redemption proceeds and dividend- For Preference Shares	625.75	-
Other liabilities	12.13	24.20
Total other current liabilities	**1,890.48**	**1,237.33**

9 Short-term provisions

(₹ in Lakhs)

		As at March 31, 2016		As at March 31, 2015
For employee benefit				
- Gratuity	206.57		-	
- Leave Encashment	678.19		387.31	
- Super Annuation Fund	88.45		9.87	
		973.21		**397.18**
Proposed Dividend on equity shares		14,027.19		13,762.29
Tax on proposed equity dividend		-		11.41
Contingent provisions against standard assets		87.35		108.62
Total short-term provisions		**15,087.75**		**14,279.50**

Note 10 : Fixed assets

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2015	Additions	Deductions	As at March 31, 2016	Upto March 31, 2015	For the year	Deductions	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015
Tangible Assets										
Motor Car	50.11	-	-	50.11	22.64	6.97	-	29.61	20.50	27.47
Computers	8.65	-	0.58	8.07	5.41	2.56	0.51	7.46	0.61	3.24
Office Equipments	0.95	0.07	-	1.02	0.67	0.07	-	0.74	0.28	0.28
Intangible Assets										
Computer Software	15.85	-	-	15.85	6.39	3.67	-	10.06	5.79	9.46
Total	**75.56**	**0.07**	**0.58**	**75.05**	**35.11**	**13.27**	**0.51**	**47.87**	**27.18**	**40.45**
Previous year	63.92	11.64		75.56	22.17	12.94	-	35.11	40.45	

Notes forming part of Financial Statements - March 31, 2016

11. Non current investments

	As at March 31, 2016 No. of Shares / Debentures	As at March 31, 2016 (₹ in Lakhs)	As at March 31, 2015 No. of Shares / Debentures	As at March 31, 2015 (₹ in Lakhs)
Trade Investments (valued at cost unless stated otherwise)				
A. Unquoted equity instruments				
(I) Investment in subsidiaries				
L&T Finance Limited (Equity Shares of ₹ 10 each fully paid)	238,422,269	116,598.16	238,422,269	116,598.16
L&T Infrastructure Finance Company Limited (Equity Shares of ₹ 10 each fully paid)	846,254,276	145,509.85	829,233,000	137,509.85
L&T FinCorp Limited (Equity Shares of ₹ 10 each fully paid)	272,966,428	65,105.91	272,966,428	65,105.91
L&T Vrindavan Properties Limited (formerly : L&T Unnati Finance Limited) (Equity Shares of ₹ 10 each fully paid)	18,750,000	1,875.00	18,750,000	1,875.00
L&T Access Distribution Services Limited (formerly : L&T Access Financial Advisory Services Limited (Equity Shares of ₹ 10 each fully paid)	6,000,000	600.00	6,000,000	600.00
L&T Housing Finance Limited (Equity Shares of ₹ 10 each fully paid)	121,400,000	46,787.84	81,423,078	26,799.38
Family Credit Limited (Equity Shares of ₹ 10 each fully paid)	204,309,160	25,205.89	204,309,160	25,205.89
L&T Capital Markets Limited (Equity Shares of ₹ 10 each fully paid)	47,750,000	4,775.00	22,750,000	2,275.00
L&T Investment Management Limited (Equity Shares of ₹ 10 each fully paid)	251,824,329	86,755.74	240,875,445	81,828.74
L&T Mutual Fund Trustee Company Limited (Equity Shares of ₹ 10 each fully paid)	150,000	15.00	150,000	15.00
L&T Infra Debt Fund Limited (Equity Shares of ₹ 10 each fully paid)	109,933,333	12,940.00	71,000,000	7,100.00
B. Quoted investment in debentures				
L&T FinCorp Limited (Debentures of ₹ 1,000,000 each)	-	-	1,000	10,000.00
Family Credit Limited (Debentures of ₹ 1,000,000 each)	-	-	750	7,500.00
L&T Vrindavan Properties Limited (formerly : L&T Unnati Finance Limited) (Debentures of ₹ 2,500,000 each)	20	500.00	20	500.00
Total		**506,668.39**		**482,912.93**

Particulars	**As at March 31, 2016 (₹ in Lakhs)**	**As at March 31, 2015 (₹ in Lakhs)**
Aggregate amount of quoted investments (Market value of ₹ 500 lakh) (Previous Year ₹ 18,000 lakh)	500.00	18,000.00
Aggregate amount of unquoted investments	506,168.39	464,912.93

Notes forming part of Financial Statements - March 31, 2016

12 Deferred tax assets (net)

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Deferred tax assets		
For contingent provisions against standard assets	6.12	13.15
Difference between book and tax depreciation	0.46	-
Other item giving rise to timing difference	897.03	140.36
Total	**903.61**	**153.51**
Deferred tax liabilities		
Difference between book and tax depreciation	-	0.72
Total	**-**	**0.72**
Total deferred tax assets (net)	**903.61**	**152.79**

13 Long term loans and advances

	As at March 31, 2016		As at March 31, 2015	
	Current Maturity	Non Current	Current Maturity	Non Current
	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)	(₹ in Lakhs)
Advance taxes (net)	-	36.03	-	800.16
MAT Credit Entitlement	-	3,433.67	-	941.00
Loan to a subsidiary company	-	-	5,000.00	-
Inter Corporate deposits	-	320.00	-	-
Total long term loans and advances	**-**	**3,789.70**	**5,000.00**	**1,741.16**

14 Current investments

	As at March 31, 2016		As at March 31, 2015	
	No. of Units	(₹ in Lakhs)	No. of Units	(₹ in Lakhs)
Non Trade Investments (valued at cost unless stated otherwise)				
Unquoted investments				
L&T Liquid Fund Direct Plan - Growth	1,053,369	21,830.00	1,123,107	21,536.00
L&T Flexi Bond Fund Direct Plan - Growth	9,887,214	1,593.91	9,977,252	1,500.00
L&T Short Term Opportunities Fund Direct Plan - Growth	110,797,408	16,157.69	22,505,490	3,036.10
L&T Arbitrage Opportunities Fund Direct Plan - Growth	-	-	14,999,658	1,601.82
L&T Triple Ace Fund Direct Plan - Growth	26,895,341	10,536.09	-	-
L&T Low Duration Fund Direct Plan - Growth	2,357,432	315.03	-	-
Total current investments		**50,432.72**		**27,673.92**

Notes forming part of Financial Statements - March 31, 2016

15 Cash and bank balances

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents		
Balances with Banks:		
In Current Accounts	2,527.68	611.95
In Deposit Accounts (Deposits with original maturity of less than three months)	1,500.00	2,500.00
Cash on hand	-	0.04
Total cash and bank balances	**4,027.68**	**3,111.99**

16 Short term loans and advances

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Inter corporate deposits	29,082.56	38,450.79
Total short term loans and advances	**29,082.56**	**38,450.79**

17 Other current assets

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Receivable from group companies	119.19	457.50
Interest accrued but not due	329.10	1,326.82
Security deposits	30.65	355.36
Advances recoverable in cash or in kind	75.15	136.56
Total other current assets	**554.09**	**2,276.24**

18 Revenue from operations

(₹ in Lakhs)

	2015-16		2014-15	
Dividend income:				
From subsidiaries companies	30,197.85		24,722.77	
From other companies	-		-	
		30,197.85		24,722.77
Interest income				
Interest income		4,652.41		4,339.14
Total revenue from operations		**34,850.26**		**29,061.91**

Notes forming part of Financial Statements - March 31, 2016

19 Other income

(₹ in Lakhs)

	2015-16	2014-15
Profit on sale of investments	6,498.55	1,596.18
Dividend income on current investments	10.36	71.21
Management fees	1,311.00	1,944.35
Others	74.93	19.54
Total other income	**7,894.84**	**3,631.28**

20 Employee benefits expense

(₹ in Lakhs)

		2015-16		2014-15
Salaries		1,022.84		1,543.26
Contribution to and provision for:				
Provident fund	86.75		118.01	
Gratuity	415.04		(29.54)	
Leave Encashment	299.30		16.15	
Superannuation Fund	164.49		50.50	
		965.58		155.12
Expenses on Employees Stock Option Plans		36.72		-
Staff welfare		7.49		5.82
Total employee benefits expense		2,032.63		1,704.20

21 Finance costs

(₹ in Lakhs)

	2015-16	2014-15
Interest on debentures	-	124.15
Commercial paper discounting charges	2,666.72	3,156.22
Interest on short term borrowing	1.62	537.26
Interest on CRPS Application Refund / Allotment	7.45	31.82
Others	32.08	74.53
Total finance costs	**2,707.87**	**3,923.98**

Notes forming part of Financial Statements - March 31, 2016

22 Administration and other expenses

(₹ in Lakhs)

	2015-16		2014-15	
Professional fees		586.36		841.35
Rent		-		2.72
Travelling and conveyance		84.77		120.57
Printing and stationery		122.02		87.27
Telephone, postage and telegrams		56.99		52.83
Advertising and publicity		119.80		223.20
Filing fees		0.01		0.04
Directors' sitting fees		22.32		21.70
Non Executive Directors Remunerations		43.61		71.00
Auditors remuneration				
Audit fees	3.50		3.50	
Tax Audit Fees	1.00		1.00	
Limited Review Fees	7.50		7.50	
Other Services	2.08	14.08	4.06	16.06
Rates & Taxes		0.46		7.00
Corporate support charges		-		191.12
Repairs & Maintenance		15.00		4.37
Listing and Custodian fees		85.19		74.57
Corporate social responsibilities		5.79		115.20
Exchange loss/(gain)		(0.07)		(4.26)
Donation		0.60		4.25
Miscellaneous expenses		45.44		18.68
Total administration and other expenses		**1,202.37**		**1,847.67**

23 Provisions and contingencies

(₹ in Lakhs)

	2015-16	2014-15
Loss on sale of non current investments	-	450.00
Reversal of provisions	-	(450.00)
Provision for standard assets	(20.32)	1.63
Total provisions and contingencies	**(20.32)**	**1.63**

Notes forming part of Financial Statements - March 31, 2016

Note No. 24 : Notes on Financial Statements

24.1 Stock option scheme

a) In respect of stock options granted pursuant to Company's stock options scheme, the intrinsic value of the options (excess of market price of the share over the exercise price of the option) is treated as discount and accounted as employee compensation over the vesting period.

b) The grant of options to the employees under the stock option scheme is on the basis of their performance and other eligibility criteria. The options allotted under scheme 2010 are vested over a period of 4 years in ratio of 15%, 20%, 30% and 35% respectively from the date of grant, subject to the discretion of the management and fulfillment of certain conditions. The options granted under scheme 2013 are vest in a graded manner over a period of four year with15 %, 20%, 30 % and 35 % of grants vesting each year, commencing from the end of 24 month from the date of grant.

c) Options allotted under scheme 2010 can be exercised anytime within a period of 7 years from the date of grant and would be settled by way of equity. The option granted under scheme 2013 can be exercised anytime within a period of 8 years from the date of grant. Management has discretion to modify the exercise period.

d) The option granted under scheme 2010 is at exercise price of ₹ 44.20. The option granted under scheme 2013 was at exercise price ₹ 67.85 which was at the last closing price on National stock exchange preceding the date of grant.

e) During the year ended March 31, 2016, 9,00,000 options were allotted under scheme 2010

f) The details of the grants are summarised below:

Sr. No.	Particulars	2015-16	2014-15
1	Options granted and outstanding at the beginning of the year	3,31,52,519	91,06,625
2	Options granted during the year	9,00,000	2,66,00,000
3	Options cancelled/ lapsed during the year	31,17,841	7,17,181
4	Options exercised during the year	12,75,680	18,36,925
5	Options granted and outstanding at the end of the year of which –		
	- Options vested	40,95,548	43,39,694
	- Options yet to vest	2,55,63,450	2,88,12,825
6	Weighted average remaining contractual life of options (in years)	6.47	7.32

g) During the year, the Company has debited to the Statement of Profit and Loss ₹ 36.72 lakh (previous year ₹ Nil) {net of recovery from its subsidiary companies during the year ₹ 95.46 lakh (previous year ₹ 123.72 lakh) } towards the stock options granted to their employees, pursuant to the employee stock option schemes.

h) Total carrying amount of liabilities arising from employee share-based payment plans as on March 31, 2016 is ₹ 845.97 lakh (previous year: ₹ 813.27 lakh), including ₹ 415.97 lakh (previous year : ₹ 416.28 lakh) for which the options have vested to employees as on March 31, 2016.

i) Weighted average fair values of options granted during the year is ₹ 32.02 (previous year: ₹ 25.40) per options.

Notes forming part of Financial Statements - March 31, 2016

j) Had the Company opted for accounting of employee compensation cost under 'Fair value Method', Profit after tax would have been lower by ₹ 120.45 lakh (Previous year: ₹ Nil) and Earnings per share (Basic and diluted) would have been ₹ 1.24 (Previous year: ₹ 0.88)

k) The Fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

Sr. No.	Particulars	2015-16	2014-15
a)	Weighted average risk-free interest rate	7.52%	7.90%
b)	Weighted average expected life of options	3.68 years	4.34 years
c)	Weighted average expected volatility	31.78%	33.15%
d)	Weighted average expected dividends	₹ 2.94 per option	₹ 3.47 per option
e)	Weighted average share price	₹ 65.73 per option	₹ 67.84 per option
f)	Weighted average exercise price	₹ 44.20 per share	₹ 67.63 per share
g)	Method used to determine expected volatility	Expected volatility is based on the historical volatility of the Company shares price applicable to the expected life of each option.	

24.2 Disclosure pursuant to Accounting Standard (AS) 15 Revised "Employee Benefits" :

i) **Defined Contribution Plans :**

Amount of ₹ 251.24 lakh (previous year ₹ 168.51 lakh) is recognised as an expense and included in employee benefits expenses in the statement of profit and loss.

ii) **Defined Benefit Plans (Gratuity):**

a) The amounts recognised in Balance Sheet are as follows:

(₹ in Lakhs)

Particulars		Gratuity Plan	
		As at March 31, 2016	As at March 31, 2015
A.	Amount to be recognized in Balance Sheet		
	Present Value of Defined Benefit Obligation		
	- Wholly Funded	1,063.35	620.70
	- Wholly Unfunded	-	-
	Less: Fair value of Plan Assets	(856.78)	(906.05)
	Amount not recognised as an assets (limits in para 59(b))	-	96.99
B.	Amounts reflected in the Balance Sheet		
	- Liability	206.57	-
	- Assets	-	188.36
	Net Liability/(asset)	206.57	(188.36)

Notes forming part of Financial Statements - March 31, 2016

b) The amount recognised in profit and loss account are as follows:

(₹ in Lakhs)

Particulars		Gratuity Plan	
		2015-16	2014-15
1	Current Service Cost	43.58	41.65
2	Interest on Defined Benefit Obligation	45.61	53.51
3	Expected Return on Plan Assets	(65.52)	(66.98)
4	Actuarial Losses/(Gains)	488.37	(53.70)
5	Amount not recognised as an assets (limits in para 59(b))	(97.00)	(4.03)
6	Total, included in "Employee Benefit Expenses"	415.04	(29.54)
	Actual Return on Plan Assets	(29.27)	67.36

c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

(₹ in Lakhs)

Particulars	Gratuity Plan	
	As at March 31, 2016	As at March 31, 2015
Opening balance of the present value of defined benefit obligation	620.70	545.11
Add: Current Service Cost	43.58	41.65
Add: Interest Cost	45.61	53.51
Add/(less): Actuarial Losses/(Gain)	393.58	(53.32)
Add: Past service cost	-	-
Add: Transferred from holding Company	-	-
Add : Actuarial losses / (Gain) due to curtailments	-	-
Add: Liabilities Extinguished on Settlements	-	38.37
Less: Benefits paid	(40.12)	(4.62)
Closing balance of the present value of defined benefit obligation	1,063.35	620.70
Expected employer's contribution next year	-	-

Notes forming part of Financial Statements - March 31, 2016

d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

(₹ in Lakhs)

Particulars	Gratuity Plan	
	As at March 31, 2016	As at March 31, 2015
Opening balance of the fair value of the plan assets	906.05	842.31
Add: Expected Return on plan assets*	65.52	66.98
Add/(less): Actuarial gains/(losses)	(94.79)	0.38
Add: Assets Distributed on Settlements	-	-
Add: Contributions by Employer	20.12	1.00
Add: Assets Acquired on Acquisition/(Distributed on Divestiture)	-	-
Add: Exchange Difference on Foreign Plans	-	-
Less: Benefits Paid	(40.12)	(4.62)
Closing balance of the plan assets	856.78	906.05

The trust formed by the Company manages the investment of gratuity fund. Expected return on plan assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

e) The broad categories of plan assets as a percentage of total plan assets, are as follows:

Particulars		Gratuity Plan	
		As at March 31, 2016	As at March 31, 2015
1	Government of India Securities	0%	0%
2	Corporate Bonds	0%	0%
3	Special Deposit Scheme	0%	0%
4	Equity Shares of Listed Companies	0%	0%
5	Property	0%	0%
6	Insurer Managed Funds	100%	100%
7	Others	0%	0%

f) Principal actuarial assumption at the balance sheet date (expressed as weighted averages):

Particulars		As at March 31, 2016	As at March 31, 2015
1.	Discount rate	7.60%	7.90%
2.	Expected return on plan assets	8.00%	8.00%
3.	Salary escalation rate :	6.00%	6.00%

Notes forming part of Financial Statements - March 31, 2016

g) The amounts pertaining to experience adjustments are as follows:

(₹ in Lakhs)

	As at March 31				
Particulars	**2016**	**2015**	**2014**	**2013**	**2012**
- Defined Benefit Obligation	(1,063.35)	(620.70)	(545.11)	(706.34)	(93.87)
- Plan Assets	856.78	906.05	842.31	-	-
- Surplus /(Deficit)	(206.57)	285.35	297.20	(706.34)	(93.87)
Exp. Adjustment on Plan Liabilities	392.96	(108.11)	(214.53)	472.07	-
Exp. Adjustment on Plan Asset	(94.79)	0.38	48.52	-	-

24.3 Segment Reporting : Accounting Standard – 17

The Company operates mainly in the business segment of investment activity. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of Accounting Standard (AS) 17 on 'Segment Reporting'.

24.4 Related Party Disclosures: Accounting Standard - 18

a. List of Related Parties and Relationships

A. Holding Company

1. Larsen & Toubro Limited

B. Subsidiary Companies

1. L&T Finance Limited
2. L&T Infrastructure Finance Company Limited
3. L&T FinCorp Limited
4. L&T Vrindavan Properties Limited
5. L&T Access Distribution Services Limited
6. L&T Investment Management Limited
7. L&T Mutual Fund Trustee Limited
8. L&T Infra Investment Partners Advisory Private Limited
9. L&T Infra Investment Partners Trustee Private Limited
10. L&T Housing Finance Limited
11. Family Credit Limited
12. L&T Capital Markets Limited
13. Consumer Financial Services Limited
14. L&T Infra Debt Fund Limited
15. Mudit Cement Private Limited

Notes forming part of Financial Statements - March 31, 2016

C. Fellow Subsidiary (with whom Company has undertaken transaction during current or previous year)

1. L&T Metro Rail (Hyderabad) Limited
2. L&T Infrastructure Development Projects Limited
3. L&T General Insurance Company Limited

D. Associate Company

1. Feedback Infrastructure Services Private Limited

E. Key Management Personnel

1. Y. M. Deosthalee – Chairman & Managing Director
2. N. Sivaraman – President & Wholetime Director

b. Related Party Transactions:

(Exclusive of service tax)

Sr. No.	Nature of Transactions	2015-16 (₹ in Lakhs)	2014-15 (₹ in Lakhs)
1	**Subscription to Equity shares of**		
	• L&T Capital Markets Limited	2,500.00	600.00
	• L&T Housing Finance Limited	19,988.46	-
	• L&T Infra Debt Fund Limited	5,840.00	-
	• L&T Investment Management Limited	4,927.00	501.82
	• L&T Infrastructure Finance Company Limited	8,000.00	-
2	**Inter Corporate Borrowing taken**		
	• Larsen & Toubro Limited	-	20,000.00
3	**Inter Corporate Deposits given**		
	• L&T Finance Limited	3,60,950.00	1,29,690.00
	• L&T Infrastructure Finance Company Limited	4,77,360.00	69,125.00
	• L&T FinCorp Limited	4,31,765.00	1,71,245.00
	• L&T Access Distribution Services Limited	1,456.39	1,358.24
	• Family Credit Limited	3,28,850.00	58,150.00
	• L&T Vrindavan Properties Limited	19,146.17	29,981.53
	• L&T Housing Finance Limited	2,29,095.00	68,870.00
	• L&T Capital Markets Limited	-	75.00

Notes forming part of Financial Statements - March 31, 2016

Sr. No.	Nature of Transactions	2015-16 (₹ in Lakhs)	2014-15 (₹ in Lakhs)
4	**Investment in NCD**		
	• Family Credit Limited	-	500.00
	• L&T FinCorp Limited	-	10,000.00
5	**Interest paid on Inter Corporate Borrowing**		
	• Larsen & Toubro Limited	-	535.62
6	**Professional Fees paid**		
	• Larsen & Toubro Limited	1.03	1.12
7	**Corporate Support Charges paid**		
	• L&T Finance Limited	-	180.00
8	**Corporate Support Charges recovery**		
	• L&T Finance Limited	259.84	-
	• L&T FinCorp Limited	22.56	-
	• L&T Housing Finance Limited	6.08	-
	• L&T Infrastructure Finance Company Limited	93.81	-
	• L&T Infra Debt Fund Limited	4.70	-
	• L&T Investment Management Limited	14.30	-
	• Family Credit Limited	6.08	-
9	**Reimbursement of Expense to**		
	• Larsen & Toubro Limited	9.58	16.61
10	**Reimbursement of Expense from**		
	• L&T Finance Limited	8.06	-
	• L&T Metro Rail (Hyderabad) Limited	1.28	-
	• L&T Investment Management Limited	36.80	-
	• L&T Housing Finance Limited	95.20	-
	• L&T Infrastructure Development Projects Limited	-	1.28
11	**ESOP charges recovered**		
	• L&T Finance Limited	94.37	118.40
	• L&T Infrastructure Finance Company Limited	0.85	2.73
	• L&T Access Distribution Services Limited	0.07	0.22
	• L&T Infra Investment Partners Advisory Private Limited	-	0.57
	• L&T Vrindavan Properties Limited	0.01	(0.09)
	• L&T FinCorp Limited	0.02	4.15
	• L&T Capital Market Limited	0.12	(5.10)
	• L&T Investment Management Limited	-	2.19

Notes forming part of Financial Statements - March 31, 2016

Sr. No.	Nature of Transactions	2015-16 (₹ in Lakhs)	2014-15 (₹ in Lakhs)
	• L&T Housing Finance Limited	-	0.23
	• Family Credit Limited	0.02	0.15
	• L&T Infra Debt Fund Limited	-	0.10
12	**Interest Income on Inter Corporate Deposit**		
	• L&T Finance Limited	631.57	219.81
	• L&T Infrastructure Finance Company Limited	304.16	95.93
	• L&T FinCorp Limited	669.09	228.24
	• L&T Access Distribution Services Limited	140.66	122.19
	• Family Credit Limited	438.44	62.53
	• L&T Housing Finance Limited	411.31	96.31
	• L&T Vrindavan Properties Limited	1,483.85	2,352.98
	• L&T Capital Markets Limited	-	0.06
13	**Interest Income on NCD**		
	• L&T Finance Limited	-	10.01
	• Family Credit Limited	378.12	972.31
	• L&T Vrindavan Properties Limited	52.00	52.00
	• L&T FinCorp Limited	143.20	126.76
14	**Management fees income**		
	• L&T Finance Limited	478.00	696.10
	• L&T Infrastructure Finance Company Limited	308.75	735.10
	• L&T Investment Management Limited	185.00	277.10
	• L&T Capital Markets Limited	154.00	236.05
	• L&T FinCorp Limited	185.25	-
15	**Dividend income**		
	• L&T Finance Limited	30,197.85	12,781.82
	• L&T Infrastructure Finance Company Limited	-	11,940.96
16	**Deputation cost recovered**		
	• L&T General Insurance Company Limited	382.22	319.93
	• L&T Infrastructure Finance Company Limited	-	54.72
17	**Managerial remuneration #**		
	• Y.M. Deosthalee	308.15	696.51
	• N. Sivaraman	819.12	704.73

Managerial Remuneration excludes provision for gratuity, pension and leave encashment, since it is provided on actuarial basis for the Company as a whole.

Notes forming part of Financial Statements - March 31, 2016

c. Amount due to/from related parties:

(₹ in Lakhs)

Sr. No.	Nature of Transactions	As at March 31, 2016	As at March 31, 2015
1	**Receivable from/ (Payable to)**		
	• L&T Finance Limited	17.03	31.63
	• L&T Infrastructure Finance Company Limited	(0.99)	1.06
	• L&T FinCorp Limited	-	0.02
	• L&T Vrindavan Properties Limited	0.42	412.36
	• L&T General Insurance Company Limited	102.73	-
	• Family Credit Limited	-	0.15
	• L&T Capital Markets Limited	-	0.15
	• L&T Access Distribution Services Limited	-	0.09
	• L&T Housing Finance Limited	-	0.01
	• L&T Infrastructure Development Projects Limited	-	1.44
	• Larsen & Toubro Limited	9.57	10.60
2	**Interest accrued but not due on Inter Corporate Deposit Given**		
	• L&T Access Distribution Services Limited	68.46	60.39
	• L&T Vrindavan Properties Limited	260.12	820.16
3	**Interest accrued but not due on NCD given**		
	• L&T Vrindavan Properties Limited	0.57	0.85
	• Family Credit Limited	-	318.65
	• L&T FinCorp Limited	-	126.76
4	**Outstanding Balance of Inter-Corporate Deposits**		
	• L&T Finance Limited	9,075.00	9,200.00
	• L&T Access Distribution Services Limited	1,456.39	1,317.24
	• L&T Vrindavan Properties Limited	18,871.17	27,933.55
5	**Outstanding Balance of Loans & Advances given to**		
	• L&T Investment Management Limited	-	5,000.00
6	**Outstanding Balance of NCD**		
	• Family Credit Limited	-	7,500.00
	• L&T Vrindavan Properties Limited	500.00	500.00
	• L&T FinCorp Limited	-	10,000.00
7	**Security Deposit given to**		
	• L&T Vrindavan Properties Limited	30.63	30.63

Notes forming part of Financial Statements - March 31, 2016

24.5 Earnings Per Share: Accounting Standard - 20

(₹ in Lakhs)

		2015-16	2014-15
Basic			
Profit after tax (₹ in Lakhs)		37,803.66	26,162.80
Less : Dividend on Cumulative Compulsorily Redeemable Preference Shares		16,207.28	11,016.53
Profit attributable to equity shareholders (₹ in Lakhs)	A	21,596.38	15,146.27
Number of equity shares			
Weighted average number of equity shares outstanding	B	1,730,229,294	1,719,284,453
Basic EPS before and after extraordinary items (₹)	A/B	1.25	0.88
Diluted			
Profit after tax (after deducting proposed preference dividend) (₹ in Lakhs)	A	21,596.38	15,146.27
Add: Weighted average number of equity shares outstanding	B	1,730,229,294	1,719,284,453
Add: Weighted average no. of potential equity shares on account of employee stock options	C	1,010,108	18.40,351
Weighted average number of shares outstanding for diluted EPS	D=B+C	1,731,239,403	1,721,124,804
Diluted EPS before and after extraordinary items (₹)	A/D	1.25	0.88
Face value of shares (₹)		10.00	10.00

24.6 The Company has no amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2016. This information is given in respect of such vendors as could be identified as "Micro/Medium/Small Enterprises" on the basis of information available with the company.

24.7 Expenditure in foreign currency:

For Professional and Other Fees (including reimbursement) ₹ 205.16 lakh (previous year ₹ 193.66 lakh)

For Directors Sitting Fees and commission (including reimbursements) ₹ 22.90 lakh (previous year ₹ 8.51 lakh)

24.8 The Company does not have contingent liability as at March 31, 2016 (previous year performance guarantee ₹ 945.00 lakh).

24.9 During the year, the Company has allotted 12,75,680 equity shares of ₹ 10 each, fully paid up, on exercise of options by employees, in accordance with the Company's stock option schemes and 3,18,36,971 equity shares of ₹ 10 each, fully paid up, on preferential basis.

24.10 The directors recommend payment of final dividend of ₹ 0.80 per equity share of ₹ 10 each on the number of shares outstanding on the record date. Provision for final dividend has been made in the books of accounts for the 1,753,398,551 equity shares outstanding as at March 31, 2016 amounting to ₹ 14,027.19 lakh.

24.11 In terms of provision of sub-section 1A of Section 115-O of the Income Tax Act, 1961, dividend distribution tax payable by the Company is net of dividend distribution tax paid by its subsidiary companies amounting to ₹ 6,147.57 lakh, relating to dividend of ₹ 30,197.85 lakh declared by them.

24.12 There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2016.

Notes forming part of Financial Statements - March 31, 2016

24.13 The Company, during the current year has issued 60,000,000 Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid up.

24.14 Schedule to the Balance Sheet of a Non-Banking Financial Company as required by RBI as per their Circular RBI/ 2008-09/ 116 DNBS(PD).CC.No.125/ 03.05.002/ 2008-2009, Guidelines for NBFC-ND-SI as regards capital adequacy, liquidity and disclosure norms:

1) Capital Risk Adequacy Ratio :

	Items	2015-16	2014-15
i)	CRAR (%)	86.10%	87.97%
ii)	CRAR – Tier I Capital (%)	65.42%	63.49%
iii)	CRAR – Tier II Capital (%)	20.68%	24.48%

2) Exposure to Real Estate Sector :

(₹ in Lakhs)

		Category	2015-16	2014-15
a)	**Direct exposure**		Nil	Nil
	(i)	Residential Mortgages – Lending secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 lakh may be shown separately)		
	(ii)	Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	500	500
	(iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures - a. Residential b. Commercial Real Estate	Nil	Nil
b)	**Indirect exposure**	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	Nil	Nil

Notes forming part of Financial Statements - March 31, 2016

3) Asset Liability Management:
Maturity pattern of certain items of assets and liabilities

(₹ in Lakhs)

As at March 31, 2016	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities:									
Borrowings from banks	491.59	-	-	-	-	-	-	-	491.59
Market Borrowings	11,500.00	30,500.00	18,000.00	-	-	-	-	-	60,000.00
Assets:									
Advances	5.00	658.80	1,058.15	2,596.00	24,764.61	320.00	-	-	29,402.56
Investments	50,432.72	-	-	-	500.00	-	-	506,168.39	557,101.11

(₹ in Lakhs)

As at March 31, 2015	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities:									
Borrowings from banks	-	-	-	-	439.25	-	-	-	439.25
Market Borrowings	25,000.00	30,000.00	-	-	-	-	-	-	55,000.00
Assets:									
Advances	5,399.39	5,474.00	105.00	4,225.00	28,247.40	-	-	-	43,450.79
Investments	27,673.92	-	-	-	-	500.00	-	482,412.93	510,586.85

24.15 Schedule to the Balance Sheet of a non-deposit taking Non-Banking Financial Company (as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2015.

Notes forming part of Financial Statements - March 31, 2016

Liability Side:

1. Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid

(₹ in Lakhs)

	Particular	As at March 31, 2016		As at March 31,2015	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(a)	Debentures :				
	Secured	-	-	-	-
	Unsecured (Other than falling within the meaning of Public Deposits)	-	-	-	-
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans	-	-	-	-
(d)	Inter-Corporate Loans and borrowings	-	-	-	-
(e)	Commercial Paper (net of unexpired discount charges)	59,267.58	-	54,461.16	-
(f)	Other Loans (Cash Credit)	491.59	-	439.25	-

Asset Side:

2. Break-up of Loans and Advances including bills receivables [Other than those included in (3) below]

(₹ in Lakhs)

		As at March 31, 2016 Amount Outstanding	As at March 31, 2015 Amount Outstanding
(a)	Secured	-	-
(b)	Unsecured	29,402.56	43,450.79

3. Break-up of Leased Assets and Stock on Hire and hypothecation loans counting towards AFC activities

(₹ in Lakhs)

		As at March 31, 2016 Amount Outstanding	As at March 31, 2015 Amount Outstanding
(i)	Lease assets including lease rentals under sundry debtors :		
(a)	Financial Lease		
(b)	Operating Lease	Nil	Nil
(ii)	Stock on hire including hire charges under sundry debtors		
(a)	Assets on Hire		
(b)	Repossessed Assets	Nil	Nil
(iii)	Other loans counting towards AFC activities		
(a)	Loans where assets have been repossessed		
(b)	Loans other than (a) above	Nil	Nil

Notes forming part of Financial Statements - March 31, 2016

Break-up of Investments

(₹ in Lakhs)

	As at March 31, 2016 Amount Outstanding	As at March 31, 2015 Amount Outstanding
Current Investments		
1. Quoted		
(i) Shares : (a) Equity		
(b) Preference	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity		
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	50,432.72	27,673.92
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
Long Term Investments		
1. Quoted		
(i) Shares : (a) Equity		-
(b) Preference	-	-
(ii) Debentures and Bonds	500.00	18,000.00
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted :		
(i) Shares : (a) Equity	506,168.39	464,912.93
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify) Sec deposits & share application money	-	-

Notes forming part of Financial Statements - March 31, 2016

4. Borrower group-wise classification of assets financed as in (2) and (3) above:

(₹ in Lakhs)

	As at March 31, 2016			As at March 31, 2015		
	Secured	**Unsecured**	**Total**	**Secured**	**Unsecured**	**Total**
1. Related Parties						
(a) Subsidiaries	-	29,402.56	29,402.56	-	43,450.79	43,450.79
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties		-	-	-	-	-
Total	**-**	**29,402.56**	**29,402.56**	**-**	**43,450.79**	**43,450.79**

5. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(₹ in Lakhs)

Category	**As at March 31, 2016**		**As at March 31, 2015**	
	Market Value / Break up or fair value or NAV	**Book Value (Net of Provisions)**	**Market Value / Break up or fair value or NAV**	**Book Value (Net of Provisions)**
1. Related Parties				
(a) Subsidiaries	506,668.39	506,668.39	482,912.93	482,912.93
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	50,432.72	50,432.72	27,695.50	27,673.92
Total	**557,101.11**	**557,101.11**	**510,608.43**	**510,586.85**

6. Other Information

(₹ in Lakhs)

Particulars	**As at March 31, 2016 Amount**	**As at March 31, 2015 Amount**
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt	-	-

Notes forming part of Financial Statements - March 31, 2016

24.16 "The Company has obtained the Certificate of Registration from the RBI as a Non-Banking Financial Institution - Core Investment Company (NBFC-CIC) on September 11, 2013 under Section 45-IA of the Reserve Bank of India Act, 1934

24.17 Core Investment Company ("CIC") Compliance Ratios:

Sr No.	Particulars	As at March 31, 2016	As at March 31, 2015
i.	Investments & Loans to group companies as a proportion of Net Assets (%)	94.84%	98.42%
ii.	Investments in equity shares & compulsorily convertible instruments of group companies as a proportion of Net Assets (%)	89.55%	86.93%
iii.	Capital Adequacy Ratio (%) [Adjusted Net Worth/Risk Weighted Assets]	65.42%	63.49%
iv.	Leverage Ratio(Times) [Outside Liabilities/Adjusted Net worth]	0.20	0.20

24.18 Previous year figures have been regrouped/ reclassified wherever necessary.

As per our report attached

SHARP & TANNAN
Chartered Accountants
Firm's registration no. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership no. 38332

Mumbai, May 2, 2016

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

Y.M. Deosthalee
Chairman & Managing Director
(DIN :00001698)

Dinanath Dubhashi
Deputy Managing Director
(DIN :03545900)

N. Suryanarayanan
Company Secretary

Sachinn Joshi
Chief Financial Officer

Mumbai, May 2, 2016

Independent Auditors' Report

To the Members of L&T Finance Holdings Limited

Report on the audit of the consolidated financial statements

We have audited the accompanying consolidated financial statements of L&T Finance Holdings Limited ('the Holding Company') and its subsidiaries and associate (the Holding Company and its subsidiaries and associate together referred to as 'the Group') which comprise the consolidated balance sheet as at 31 March 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies (hereinafter referred to as 'the consolidated financial statements').

Management's responsibility for the consolidated financial statements

The Holding Company's board of directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. The respective board of directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective board of directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative to do so.

The respective board of directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) in the case of the consolidated balance sheet of the state of affairs of the Group as at 31 March 2016;

b) in the case of the consolidated statement of profit and loss, of the profit of the Group for the year ended on that date; and

c) in the case of the consolidated cash flow statement, of the cash flow of the Group for the year ended on that date.

Other matters

We did not audit the financial statements of four subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets

of Rs. 2,735,927.38 lakhs as at 31 March 2016, total revenues of Rs. 279,642.61 lakhs and net cash outflows amounting to Rs. 54,493.50 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of section 143(3) and (11) of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

We further report that in respect of an associate, we did not carry out the audit. The consolidated financial statements include the net carrying cost of investments of Rs. 4,750.87 lakhs and current year share of net profit of Rs. 300.45 lakhs in respect of the associate. These financial statements have been audited by another auditor, whose report has been furnished to us, and our opinion on the consolidated financial statements, to the extent they have been derived from such financial statements is based solely on the report of such auditor.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on other legal and regulatory requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:

   (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   (c) the consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

   (e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2016, taken on record by the board of directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies and its associate company, incorporated in India is disqualified as on 31 March 2016, from being appointed as a director in terms of section 164(2) of the Act;

   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'A'; and

   (g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      (1) the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates – refer Note 29.10 to the consolidated financial statements;

      (2) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

      (3) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associate company, incorporated in India.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Firdosh D. Buchia
Partner

Mumbai, 2 May 2016 Membership No. 38332

Annexure 'A' To the Independent Auditors' Report

Annexure 'A' To the Independent Auditor's Report of even date on the Consolidated financial statements of L&T Finance Holdings Limited

(Referred to in paragraph 1(f) under 'Report on other legal and regulatory requirements')

Report on the internal financial controls under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of L&T Finance Holdings Limited (hereinafter referred to as 'the Holding Company') and its subsidiary companies and its associate company, which are incorporated in India as of 31 March 2016, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

The respective board of directors of the of the Holding company, its subsidiary companies and its associate company, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involved performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or

disposition of the Company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act, on the adequacy and operating effectiveness of the internal financial control over financial reporting in so far as it relates to four subsidiary companies and one associate company, which are companies incorporated in India, is based on corresponding reports of the auditors of such companies incorporated in India.

SHARP & TANNAN
Chartered Accountants
Firm's Registration No. 109982W
by the hand of

Firdosh D. Buchia
Partner
Mumbai, 2 May 2016 Membership No. 38332

Consolidated Balance Sheet as at March 31, 2016

(₹ in Lakhs)

	Note No	As at March 31, 2016		As at March 31, 2015	
EQUITY AND LIABILITIES:					
Shareholders' funds					
Share capital	**2**	296,679.86		308,368.59	
Reserves and surplus	**3**	532,368.43		465,618.84	
Money received against share warrants	**4**	11,806.88		-	
			840,855.17		773,987.43
Minority interest			10,030.00		10,030.00
Non-current liabilities					
Long-term borrowings	**5**	3,703,112.74		2,940,091.40	
Other long term liabilities	**6**	58,297.93		60,400.59	
Long-term provisions	**7**	34,676.72		26,683.78	
			3,796,087.39		3,027,175.77
Current liabilities					
Short-term borrowings	**8**	669,552.90		598,869.67	
Current maturities of long term borrowings	**5**	788,900.16		670,102.69	
Trade payables	**9**	6,870.97		7,222.49	
Other current liabilities	**10**	237,781.63		166,316.77	
Short-term provisions	**11**	24,555.08		20,511.83	
			1,727,660.74		1,463,023.45
TOTAL			**6,374,633.30**		**5,274,216.65**
ASSETS:					
Non-current assets					
Fixed assets	**12**				
Tangible assets		66,549.66		53,149.12	
Intangible assets		826.30		1,342.96	
Capital work-in-progress		2,218.74		17,334.70	
Intangible assets under development		23.14		20.26	
Goodwill on consolidation		63,891.06		63,891.06	
Non-current investments	**13**	134,000.64		104,314.61	
Deferred tax assets (net)	**14**	39,927.68		28,978.83	
Long-term loans and advances	**15**	40,252.83		27,935.18	
Long-term loans and advances towards financing activities	**16**	4,388,120.40		3,457,198.70	
Other non-current assets	**17**	43,537.58		38,484.17	
			4,779,348.03		3,792,649.59
Current assets					
Current investments	**18**	222,326.72		160,607.01	
Trade receivables	**19**	2,669.12		2,137.19	
Cash and bank balances	**20**	40,153.43		86,232.95	
Short-term loans and advances towards financing activities	**21**	311,468.07		271,122.76	
Current maturities of long term loans and advances towards financing activities	**16**	906,949.55		847,991.90	
Other current assets	**22**	111,718.38		113,475.25	
			1,595,285.27		1,481,567.06
TOTAL			**6,374,633.30**		**5,274,216.65**
Significant accounting policies	**1**				
Notes forming part of the consolidated financial statements	**29**				

As per our report attached

SHARP & TANNAN
Chartered Accountants
Firm's registration no. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership no. 38332

Mumbai, May 2, 2016

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

Y.M. Deosthalee
Chairman & Managing Director
(DIN :00001698)

N. Suryanarayanan
Company Secretary

Mumbai, May 2, 2016

Dinanath Dubhashi
Deputy Managing Director
(DIN :03545900)

Sachinn Joshi
Chief Financial Officer

Consolidated Statement of Profit and Loss for the year ended March 31, 2016

(₹ in Lakhs)

	Note No	2015-16		2014-15	
INCOME:					
Revenue from operations	**23**	728,878.92		619,622.86	
Other income	**24**	18,190.04		14,122.07	
Total Income			**747,068.96**		**633,744.93**
EXPENSES:					
Finance costs	**25**	412,413.64		356,778.73	
Employee benefits expense	**26**	48,768.77		35,227.05	
Administration and other expenses	**27**	74,236.51		62,928.39	
Allowances and write offs	**28**	78,102.13		66,167.50	
Depreciation and amortisation		8,281.38		9,550.41	
Total expenses			**621,802.43**		**530,652.08**
Profit before exceptional and extraordinary items and taxes			**125,266.53**		**103,092.85**
Exceptional items	**29.16**		-		14,389.42
Profit before extraordinary items and taxes			**125,266.53**		**117,482.27**
Extraordinary items			-		-
Profit before tax			**125,266.53**		**117,482.27**
Tax expense:					
Current tax			53,339.24		41,781.13
MAT Credit			(2,492.67)		(2,267.69)
Deferred tax			(10,948.85)		(7,102.64)
Tax expense			**39,897.72**		**32,410.80**
Profit after tax			**85,368.81**		**85,071.47**
Add : Share in profit of associate company			300.45		396.43
Profit for the year			85,669.26		85,467.90
Earnings per equity share:	**29.9**				
Basic earnings per equity share before and after extraordinary items (₹)			3.79		4.30
Diluted earnings per equity share before and after extraordinary items (₹)			3.79		4.29
Face value per equity share (₹)			10.00		10.00
Notes forming part of the consolidated financial statements	**29**				

As per our report attached

SHARP & TANNAN
Chartered Accountants
Firm's registration no. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership no. 38332

Mumbai, May 2, 2016

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

Y.M. Deosthalee
Chairman & Managing Director
(DIN :00001698)

Dinanath Dubhashi
Deputy Managing Director
(DIN :03545900)

N. Suryanarayanan
Company Secretary

Sachinn Joshi
Chief Financial Officer

Mumbai, May 2, 2016

Consolidated Cash Flow Statement for the year ended March 31, 2016

(₹ in Lakhs)

		2015-16	2014-15
A.	**Cash flow from operating activities**		
	Adjustments for:		
	Depreciation and amortisation	8,281.38	9,550.41
	(Profit)/ Loss on sale of investments (net)	(9,360.40)	(6,331.79)
	(Profit)/ Loss on sale of fixed assets (net)	2,295.99	910.31
	Provision for compensated absences/leave encashment	981.03	567.32
	Provision for Gratuity	310.97	214.17
	Cumulative interest on long term NCDs, payable at maturity	10,308.75	3,295.55
	Provision for diminution in value of investments	5,485.43	4,265.11
	Loss on foreclosure of loans and bad debts write offs	51,231.44	50,926.96
	Loss on sale of investments in associate	-	450.00
	Provision for non-performing assets	11,614.45	8,620.42
	Provision for advances and receivables	(45.93)	(3,752.18)
	Provision for standard assets	9,490.49	2,536.04
	Provision for restructured assets	326.25	3,121.15
	Operating profit before working capital changes	**216,186.38**	**191,855.74**
	Changes in working capital		
	(Increase)/ Decrease in trade and other receivables and advances	(55,002.98)	(151,552.48)
	Increase/ (Decrease) in trade and other payables	68,860.29	29,632.97
	Cash generated from operations	**230,043.69**	**69,936.23**
	Direct taxes paid	(61,078.18)	(45,524.59)
	Loans disbursed (net of repayments)	(1,062,541.98)	(685,839.97)
	Net cash flow from operating activities (A)	**(893,576.47)**	**(661,428.33)**
B.	**Cash flow from investing activities**		
	Add : Inflow from investing activities		
	Proceeds from sale of fixed assets	1,299.84	2,293.73
	Sale of current investments (net)	-	19,821.08
		1,299.84	22,114.81
	Less : Outflow from investing activities		
	Purchase of fixed assets (including capital work in progress)	9,220.01	12,175.84
	Purchase of non current investments	34,871.01	9,702.35
	Purchase of current investments (net)	52,359.31	-
		96,450.33	21,878.19
	Net cash from/(used in) investing activities (B)	**(95,150.49)**	**236.62**

Consolidated Cash Flow Statement for the year ended March 31, 2016

(₹ in Lakhs)

	2015-16	2014-15
C. Cash flow from financing activities		
Add : Inflow from financing activities		
Proceeds from issue of share capital including securities premium	9,246.59	37,315.75
Proceeds from issue of preference share capital (Minority Interest)	-	10,030.00
Proceeds from issue of share warrants	11,806.88	-
Net proceeds from long term borrowings	884,116.56	479,553.18
Net proceeds from short term borrowings	77,133.33	144,153.88
	982,303.36	671,052.81
Less : Outflow from financing activities		
Shares / Debenture issue expenses	2,947.44	1,019.38
Dividend paid (including dividend distribution tax)	36,715.55	28,863.44
	39,662.99	29,882.82
Net cash generated from/(used in) financing activities (C)	**942,640.37**	**641,169.99**
Net cash increase / (decrease) in cash and cash equivalents (A+B+C)	**(46,086.59)**	**8,108.62**
Cash and cash equivalents as at beginning of the year	85,903.33	77,794.71
Cash and cash equivalents as at end of the year	**39,816.74**	**85,903.33**
Reconciliation of Cash and Cash Equivalents		
Closing Balance as per Balance Sheet	40,153.43	86,232.95
Less : Deposits with original maturity for more than 3 months	336.69	329.62
Cash and cash equivalents as at end of the year	39,816.74	85,903.33

Notes:

1. Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 Cash Flow Statements.
2. Purchase of fixed assets includes movements of capital work in progress during the year.
3. Cash and cash equivalents represent cash and bank balances.
4. Previous year figures have been regrouped/reclassified wherever applicable.

As per our report attached

SHARP & TANNAN
Chartered Accountants
Firm's registration no. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership no. 38332

Mumbai, May 2, 2016

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

Y.M. Deosthalee
Chairman & Managing Director
(DIN :00001698)

Dinanath Dubhashi
Deputy Managing Director
(DIN :03545900)

N. Suryanarayanan
Company Secretary

Sachinn Joshi
Chief Financial Officer

Mumbai, May 2, 2016

Notes forming part of Consolidated Financial Statements - March 31, 2016

1. Significant accounting policies.

1.1 Basis of Accounting

The financial statements have been prepared in accordance with the generally accepted accounting principles in India ('Indian GAAP'), Accounting Standards notified under the Rule 7 of the Companies (Accounts) Rules, 2014, the provision of Section 133 of the Companies Act, 2013 along with the applicable guidelines issued by Reserve Bank of India ("RBI") for Non Banking Finance Company (NBFC) as applicable. The financial statements have been prepared on the accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 Use of Estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any change in such estimates is recognised prospectively.

1.3 Revenue Recognition

(a) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

(b) Interest from interest-bearing assets is recognised on an accrual basis over the life of the asset. Interest and other dues in the case of non-performing loans is recognised upon realisation, as per the income recognition and asset classification norms prescribed by the RBI.

(c) Revenues from the various services that the Company renders are recognised when the following criteria are met: persuasive evidence of an arrangement exists, the services have been rendered, the fee or commission is fixed or determinable, and collectability is reasonably assured.

(d) Dividend is accounted when the right to its receipt is established.

(e) Guarantee fees is recognised on pro-rata basis over the period of the guarantee.

(f) Investment management fees are recognised on an accrual basis in accordance with the Investment Management Agreement and SEBI Regulations, based on average Assets Under Management ("AUM") of L&T Mutual Fund schemes over the period of the agreement in terms of which services are performed.

Portfolio management fees are recognised on an accrual basis in accordance with Portfolio Management Agreement entered into with respective clients over the period of the agreement in terms of which the services are rendered.

1.4 Tangible and Intangible Fixed Assets

Tangible fixed assets except for land, are stated at cost of acquisition including any cost attributable for bringing the asset to its working condition, less accumulated depreciation.

Intangible fixed assets comprising of software licenses are stated at cost of acquisition including any cost attributable for bringing the asset to its working condition, less accumulated amortisation. Any expenses on such software licenses for support and maintenance payable annually are charged to the statement of Profit and Loss.

1.5 Depreciation and amortisation on Fixed Assets

- Depreciation/amortisation on fixed assets is calculated on a straight-line which reflect the management's estimate of the useful lives of respective fixed assets and are lesser than or equal to the useful life as prescribed in Schedule II of the Companies Act, 2013.
- Leasehold improvements is amortized over the period of lease term.
- Fixed assets costing ₹ 5,000/- or less are fully depreciated in the year of purchase.

Notes forming part of Consolidated Financial Statements - March 31, 2016

- Depreciation is charged for the full month in the month of purchase/sale even used for part of the month.

1.6 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

Investments have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

1.7 Advances

Advances are classified under four categories i.e. (i) Standard Assets, (ii) Sub-standard Assets, (iii) Doubtful Assets and (iv) Loss Assets in accordance with the RBI Guidelines.

In respect of Loans and Debentures / Bonds in the nature of an advance, where interest is not serviced, provision for diminution is made as per the parameter applicable to Non-Performing Advances.

Provision on restructured advances / corporate debt restructure advances is made at in accordance with the guidelines issued by the RBI.

Provision on Standard Assets is made as per the provisioning policy of the Company subject to minimum as stipulated in RBI Guidelines or where additional specific risks are identified by the management, based on such identification.

1.8 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Interest cost in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

1.9 Leases

Where the company is lessee

Finance leases, which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss.

Operating leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases.

Where the company is lessor

Leases in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss

Notes forming part of Consolidated Financial Statements - March 31, 2016

on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

1.10 Retirement and Other Employee Benefits

- **Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, short term compensated absences etc. and expected cost of bonus/variable pay are recognized in the period in which the employee renders the related service.

- **Post Employment Benefits:**

(a) Defined Contribution Plans:

The Company's superannuation scheme, state governed provident fund scheme are defined contribution plans. The contribution paid/payable under the scheme is recognized during the period in which the employee renders the related services.

(b) Defined Benefit Plans:

The employee's gratuity fund scheme and provident fund scheme managed by trust are the company's defined benefit plans. Wherever applicable the present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities of a maturity period equivalent to the weighted average maturity profile of the related obligation at the balance sheet date.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as expense on a straight-line basis over the average period until the benefits become vested.

- **Long Term Employee Benefits:**

The obligation for long term employee benefits such as long term compensated absences is recognised as defined benefits plan.

1.11 Earnings Per Share

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20 – Earnings Per Share. Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

1.12 Foreign Currency Transactions, Forward Contracts and Derivatives

Foreign currency transactions are accounted at the exchange rates prevailing on the date of each transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are reported using the closing rate. Gains and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of Profit and Loss.

Notes forming part of Consolidated Financial Statements - March 31, 2016

The Company has exercised the option granted under notification F.No.17/33/2008/CL-V dated March 31, 2009, issued by the Ministry of Corporate Affairs and subsequent Notification No G.S.R.913(E) (F.No. 17/133/2008-CL.V) dated December 29, 2011 and is accordingly, amortising the foreign currency translation differences on long term foreign currency monetary items over the shorter of their maturity period and the balance period upto March 31, 2020. The unamortised balance as at the period end is presented as "Foreign Currency Monetary Item Translation Difference Account" on the assets side of the Balance Sheet.

Premium in respect of forward contracts is charged to statement of Profit and Loss over the period of the contract. Forward contracts outstanding as at the Balance Sheet date are revalued at the closing rate.

Currency interest rate swaps

Currency interest rate swaps in the nature of hedge, booked with the objective of managing the currency and interest rate risk on foreign currency liabilities are recorded on accrual basis and these transactions are not marked to market. The foreign currency balances on account of principal of currency interest rate swaps outstanding as at the Balance Sheet date are revalued using the closing rate.

1.13 Principles of Consolidation

The consolidated financial statements relate to L&T Finance Holdings Limited ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"

b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

c) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated statement of profit and loss being the profit or loss on disposal of investment in subsidiary.

d) Investment in associate companies has been accounted under the equity method as per Accounting Standard (AS) 23 "Accounting for Investments in Associates in Consolidated Financial Statements".

e) The Company accounts for its share in change in net assets of the associates, post acquisition, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its statement of profit and loss account to the extent such change is attributable to the associates' Profit and Loss account and through its reserves for the balance, based on available information.

f) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

g) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

1.14 Income Taxes

Current tax is determined as the amount of tax payable in respect of taxable income for the year as determined in accordance with the provision of Income Tax Act, 1961.

Deferred tax is recognised on timing differences, between taxable income and accounting income

Notes forming part of Consolidated Financial Statements - March 31, 2016

that originated in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are recognised with regard to all deductible timing differences to the extent it is probable that taxable profit will be available against which deductible timing differences can be utilised. When the Company carries forward unused tax losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised. The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced by the extent that it is no longer probable that sufficient taxable profit will be available to allow all or a part of the deferred tax asset to be utilised.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the Guidance Note issued by the ICAI, the said assets is created by way of a credit to the Statement of Profit and Loss.

1.15 Impairment of Assets

Tangible fixed assets and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, which is the higher of the asset's net selling price or its value in use.

1.16 Provisions and Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent assets are not recognised.

1.17 Employee Stock Compensation Cost

The Employees Stock Option Scheme (the Scheme) provides for grant of equity shares of L&T Finance Holdings Limited (the holding company) to employees of the subsidiaries. The scheme provides that employees are granted an option to subscribe to equity share of the holding company that vest in a graded manner. The options may be exercised with in specified period. The holding company follows the intrinsic value method to account for its stock based employee compensation plans. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

1.18 Cash Flow Statement

The Cash Flow Statement is prepared in accordance with indirect method as explained in the Accounting Standard on Cash Flow Statements (AS) 3 issued by the Institute of Chartered Accountants of India.

1.19 Cash and Cash Equivalents

Cash and Bank Balances that have insignificant risk of change in value including term deposits, which have original durations up to three months, are included in cash and cash equivalents in the Cash Flow Statement.

1.20 Expenses incurred on issue of shares/debentures are written off against securities premium accounts.

1.21 Extraordinary and exceptional items

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to the financial statements.

Notes forming part of Consolidated Financial Statements - March 31, 2016

2. Share capital

(I) Share capital authorised, issued and subscribed

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Authorised Shares				
Equity shares of ₹ 10 each	5,000,000,000	500,000.00	5,000,000,000	500,000.00
Preference Shares of ₹ 100 each	500,000,000	500,000.00	300,000,000	300,000.00
Issued, Subscribed & Paid up shares				
Equity shares of ₹ 10 each fully paid up	1,753,398,551	175,339.86	1,720,285,900	172,028.59
8.75% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	-	-	75,000,000	75,000.00
9.00% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	25,000,000	25,000.00	25,000,000	25,000.00
8.40% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	13,900,000	13,900.00	13,900,000	13,900.00
8.50% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	12,440,000	12,440.00	12,440,000	12,440.00
8.35% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	10,000,000	10,000.00	10,000,000	10,000.00
8.15% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each fully paid	60,000,000	60,000.00	-	-
		296,679.86		**308,368.59**

(II) Reconciliation of the Number of shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	1,720,285,900	172,028.59	1,718,448,975	171,844.90
Issued during the year				
- Issued under preferential basis	31,836,971	3,183.70	-	-
- Issued under ESOP	1,275,680	127.57	1,836,925	183.69
Outstanding at the end of the year	**1,753,398,551**	**175,339.86**	**1,720,285,900**	**172,028.59**
8.75% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each				
	No. of Shares	**₹ in Lakhs**	**No. of Shares**	**₹ in Lakhs**
At the beginning of the year	75,000,000	75,000.00	75,000,000	75,000.00
Issued/(Redeemed) during the year	(75,000,000)	(75,000.00)	-	-
Outstanding at the end of the year	**-**	**-**	**75,000,000**	**75,000.00**
9.00% Cumulative Compulsorily Redeemable Preference Shares (CRPS) of ₹ 100 each				
	No. of Shares	**₹ in Lakhs**	**No. of Shares**	**₹ in Lakhs**
At the beginning of the year	25,000,000	25,000.00	25,000,000	25,000.00
Issued/(Redeemed) during the year	-	-	-	-
Outstanding at the end of the year	**25,000,000**	**25,000.00**	**25,000,000**	**25,000.00**

Notes forming part of Consolidated Financial Statements - March 31, 2016

2. Share capital

8.40% Cumulative Compulsorily Redeemable	As at March 31, 2016		As at March 31, 2015	
Preference Shares (CRPS) of ₹ 100 each	**No. of Shares**	**₹ in Lakhs**	**No. of Shares**	**₹ in Lakhs**
At the beginning of the year	13,900,000	13,900.00	-	-
Issued/(Redeemed) during the year	-	-	13,900,000	13,900.00
Outstanding at the end of the year	**13,900,000**	**13,900.00**	**13,900,000**	**13,900.00**

8.50% Cumulative Compulsorily Redeemable	As at March 31, 2016		As at March 31, 2015	
Preference Shares (CRPS) of ₹ 100 each	**No. of Shares**	**₹ in Lakhs**	**No. of Shares**	**₹ in Lakhs**
At the beginning of the year	12,440,000	12,440.00	-	-
Issued/(Redeemed) during the year	-	-	12,440,000	12,440.00
Outstanding at the end of the year	**12,440,000**	**12,440.00**	**12,440,000**	**12,440.00**

8.35% Cumulative Compulsorily Redeemable	As at March 31, 2016		As at March 31, 2015	
Preference Shares (CRPS) of ₹ 100 each	**No. of Shares**	**₹ in Lakhs**	**No. of Shares**	**₹ in Lakhs**
At the beginning of the year	10,000,000	10,000.00	-	-
Issued/(Redeemed) during the year	-	-	10,000,000	10,000.00
Outstanding at the end of the year	**10,000,000**	**10,000.00**	**10,000,000**	**10,000.00**

8.15% Cumulative Compulsorily Redeemable	As at March 31, 2016		As at March 31, 2015	
Preference Shares (CRPS) of ₹ 100 each	**No. of Shares**	**₹ in Lakhs**	**No. of Shares**	**₹ in Lakhs**
At the beginning of the year	-	-	-	-
Issued/(Redeemed) during the year	60,000,000	60,000.00	-	-
Outstanding at the end of the year	**60,000,000**	**60,000.00**	**-**	**-**

(III) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Members of the Company holding equity shares capital therein have a right to vote, on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid up equity capital of the Company held by the shareholders. The Company declares dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of Consolidated Financial Statements - March 31, 2016

(IV) Terms/rights attached to preference shares

The CRPS will not have voting rights other than in respect of matters directly affecting it. In the event any due and payable dividends remain unpaid for aggregate period of at least 2 years prior to the start of any general meeting of the equity shareholders, CRPS holders shall have voting rights in line with their voting rights of the equity shareholders. The CRPS will be redeemed at the end of 3 to 5 years from the date of allotment. Provided that the tenure may be extended by a further period, not exceeding 5 days from the Proposed Tenure, which shall be notified to the Investors at the time of allotment.

(V) Shares held by holding company

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Larsen & Toubro Limited and it's nominee				
Equity Shares of ₹ 10 each fully paid	1,169,709,304	116,970.93	1,254,936,010	125,493.60

(VI) Details of shareholders holding more than 5% shares in the company

Equity Shares	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Larsen & Toubro Limited and it's nominee	1,169,709,304	66.71%	1,254,936,010	72.95%
Citigroup Global Markets Mauritius Private Limited	99,394,992	5.67%	-	-

Preference Shares	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Azim H Premji	-	0.00%	10,109,420	7.41%
Pioneer Independent Trust	10,000,000	8.24%	10,000,000	7.33%
Bajaj Allianz General Insurance Company Limited	11,525,000	9.50%	7,500,000	5.50%
Shree Cement Limited	-	0.00%	7,296,136	5.35%

(VII) Details of shares reserved to be issued under ESOP

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares of ₹ 10 each	29,658,998	2,965.90	33,152,519	3,315.25

Notes forming part of Consolidated Financial Statements - March 31, 2016

3 Reserves & Surplus **(₹ in Lakhs)**

		As at March 31, 2016	As at March 31, 2015
(I)	**Securities premium account**		
	Balance as per last financial statements	146,030.21	146,257.53
	Addition during the year	20,935.32	792.06
	Less: Share issue expenses adjusted during the year	893.46	414.71
	Less: Debenture issue expenses adjusted during the year (net of tax)	1,663.03	604.67
	Less: Redemption premium on Cumulative Compulsorily Redeemable Prefrence Shares	320.92	-
	Closing Balance	**164,088.12**	**146,030.21**
(II)	**Debenture redemption reserve**		
	Balance as per last financial statements	39,407.16	36,749.00
	Add: Transferred from surplus in the statement of Profit and Loss	6,598.76	2,658.16
	Less: Transferred to General Reserve	1,787.39	
	Closing Balance	**44,218.53**	**39,407.16**
(III)	**Reserve u/s 45-IC of RBI Act, 1934**		
	Balance as per last financial statements	91,741.29	72,809.66
	Add: Transferred from surplus in the statement of Profit and Loss	22,707.58	18,931.63
	Closing Balance	**114,448.87**	**91,741.29**
(IV)	**General reserves**		
	Balance as per last financial statements	18.14	12.20
	Add: Transferred from Debenture redemption reserve	1,787.39	-
	Add: Transferred from Employee Stock Option Outstanding Account	20.08	5.94
	Closing Balance	**1,825.61**	**18.14**
(V)	**Reserve u/s 36(1)(viii) of Income tax Act**		
	Balance as per last financial statements	25,150.00	20,352.00
	Add: Transferred from surplus in the statement of Profit and Loss	11,312.62	4,798.00
	Closing Balance	**36,462.62**	**25,150.00**

Notes forming part of Consolidated Financial Statements - March 31, 2016

3 Reserves & Surplus **(₹ in Lakhs)**

		As at March 31, 2016	As at March 31, 2015
(VI)	**Employee Stock Option Outstanding Account**		
	Balance as per last financial statements	637.11	677.43
	Addition during the year	126.29	123.51
	Less: Allotment of shares	123.40	157.89
	Less: Transferred to General Reserve	20.08	5.94
	Closing Balance	**619.92**	**637.11**
(VII)	**Capital reserve on consolidation**	**49,235.93**	**49,235.93**
(VIII)	**Reserve u/s 29C of National Housing Bank**		
	Balance as per last financial statements	1,555.49	205.49
	Add: Transferred from surplus in the statement of Profit and Loss	1,160.80	1,350.00
	Closing Balance	**2,716.29**	**1,555.49**
(IX)	**Surplus in the statement of Profit and Loss**		
	Balance as per last financial statements	111,843.49	84,421.15
	Add: Net profit for the year	85,669.26	85,467.90
	Less : Appropriations		
	Dividend paid for previous year	6.23	5.04
	Proposed Dividend @ ₹ 0.80 per equity share	14,027.19	13,762.29
	Redemption premium on Cumulative Compulsorily Redeemable Prefrence Shares	-	254.60
	Interim Dividend on Cumulative Compulsorily Redeemable Preference Shares	16,708.77	11,016.53
	Dividend Distribution Tax	6,238.26	4,955.37
	Transfer to/(from) Debenture Redemption Reserve	6,598.76	2,658.16
	Depreciation rate adjustment	-	313.91
	Transfer to reserve u/s 36(1)(viii) of Income tax Act, 1961	11,312.62	4,798.00
	Transfer to reserve u/s 29-C of National Housing Bank	1,160.80	1,350.00
	Transfer to reserve u/s 45-IC of RBI Act, 1934	22,707.58	18,931.64
Net surplus in the statement of profit and loss		**118,752.54**	**111,843.51**
Total reserves and surplus		**532,368.43**	**465,618.84**

Notes forming part of Consolidated Financial Statements - March 31, 2016

4 Money received against share warrants

(₹ in Lakhs)

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares Warrants	₹ in Lakhs	No. of Shares Warrants	₹ in Lakhs
Money received against share warrants	63,820,990	11,806.88	-	-
Closing Balance	**63,820,990**	**11,806.88**	**-**	**-**

Money received against share warrants represents amounts received towards warrants which entitles the warrant holders, the option to apply for and be allotted equivalent number of equity shares of the face value of ₹ 10 each

During the current year, the Company issued 6,38,20,990 share warrants at a price of ₹ 74 each to BC Asia Growth Investments VI on a preferential basis, having option to apply for and be allotted an equivalent number of equity shares of a face value of ₹ 10 each at a premium of ₹ 64 each determined in accordance with Regulation 76 of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"). The holder of the warrants has paid upfront 25% of the price per warrant (i.e ₹ 18.50 per warrant) ; the balance can be exercised within 18 months.

5 Long term borrowings

		As at March 31, 2016		As at March 31, 2015	
		Non current portion	Current maturities	Non current portion	Current maturities
(I)	**Secured**				
	Redeemable non convertible debentures	1,376,300.94	468,672.55	1,237,952.03	219,446.00
	Less : Buy Back	(1,615.64)	-	(1,157.91)	-
	Term loans				
	- From banks	1,164,668.00	300,351.11	1,004,788.94	428,573.36
	- Foreign currency loan	16,563.75	19,876.50	21,875.00	18,750.00
	Demand loan/Line of Credit	85.69	-	3,333.34	3,333.33
	Total I	**2,556,002.74**	**788,900.16**	**2,266,791.40**	**670,102.69**
(II)	**Unsecured**				
	Redeemable non convertible debentures	225,150.00	-	129,000.00	-
	Perpetual debt	58,000.00	-	25,000.00	-
	Cash credit/Line of Credit	863,960.00	-	519,300.00	-
	Total II	**1,147,110.00**	**-**	**673,300.00**	**-**
	Total Long Term Borrowings (I + II)	**3,703,112.74**	**788,900.16**	**2,940,091.40**	**670,102.69**

5.(I).(i) Security: The Debentures are secured by way of first/second charge, having pari passu rights, as the case may be, on the company's specified immovable properties and specified Lease/Term Loan receivables.

5. (I).(ii) During the year, the Company has bought back and extinguished Nil (Previous year 3,547) nos. of debentures of ₹ 1,000 each aggregating to ₹ Nil (Previous year ₹ 35.47 Lakhs). Apart from this, the Company has bought back and is holding 45,773 nos. (Previous year 32,618 nos.) debentures of ₹ 1000 each aggregating to ₹ 457.73 Lakhs (Previous year ₹ 326.18 Lakhs) as on March 31, 2016, pending extinguishment / re-issue of the same.

5.(I).(iii) Utilisation of Proceeds: The funds raised through the above issues have been utilized for the Company's financing activities, repayment of existing loans and for its business operations including capital expenditure and working capital requirements.

5.(I).(iv) Term loan from bank is secured by hypothecation of specified lease/term loan receivables.

Secured:

Non-Current:

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Private Placement

(₹ in Lakhs)

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
A of FY 2013-14	₹ 10 lakhs each	05-Apr-13	40,000.00	40,000.00	-	9.05%	05-Apr-18	Redeemable at par at the end of 1826 days from the date of allotment
D of FY 2013-14 Opt 2	₹ 10 lakhs each	20-May-13	5,000.00	-	5,000.00	8.90%	20-May-16	Redeemable at par at the end of 1096 days from the date of allotment
D of FY 2013-14 Opt 1	₹ 10 lakhs each	20-May-13	5,500.00	-	5,500.00	8.90%	20-May-16	Redeemable at par at the end of 1096 days from the date of allotment
G of FY 2013-14	₹ 10 lakhs each	11-Oct-13	10,500.00	-	10,500.00	10.20%	11-Oct-16	Redeemable at par at the end of 1096 days from the date of allotment
H of FY 2013-14 Opt 1	₹ 10 lakhs each	29-Oct-13	17,400.00	-	17,400.00	9.95%	28-Oct-16	Redeemable at par at the end of 1095 days from the date of allotment
H of FY 2013-14 Opt 2	₹ 10 lakhs each	29-Oct-13	500.00	-	500.00	9.95%	20-Oct-16	Redeemable at par at the end of 1087 days from the date of allotment
H of FY 2013-14 Opt 3	₹ 10 lakhs each	29-Oct-13	1,000.00	-	1,000.00	NSE M+155 bps	28-Oct-16	Redeemable at par at the end of 1095 days from the date of allotment
A of FY 2014-15 Opt 1	₹ 25 lakhs each	26-May-14	550.00	-	550.00	9.75%	09-May-16	Redeemable at par at the end of 714 days from the date of allotment
A of FY 2014-15 Opt 2	₹ 25 lakhs each	26-May-14	10,000.00	-	10,000.00	9.74%	15-Apr-16	Redeemable at par at the end of 690 days from the date of allotment
A of FY 2014-15 Opt 3	₹ 25 lakhs each	26-May-14	5,000.00	-	5,000.00	9.76%	09-May-16	Redeemable at par at the end of 714 days from the date of allotment
A of FY 2014-15 Opt 4	₹ 25 lakhs each	26-May-14	12,000.00	-	12,000.00	9.75%	23-May-16	Redeemable at par at the end of 728 days from the date of allotment
B of FY 2014-15 Opt 1	₹ 25 lakhs each	30-May-14	15,000.00	-	15,000.00	9.66%	30-May-16	Redeemable at par at the end of 731 days from the date of allotment
B of FY 2014-15 Opt 2	₹ 25 lakhs each	30-May-14	4,500.00	-	4,500.00	9.65%	30-May-16	Redeemable at par at the end of 731 days from the date of allotment
D of FY 2014-15	₹ 25 lakhs each	09-Jun-14	35,200.00	-	35,200.00	9.60%	09-Jun-16	Redeemable at par at the end of 731 days from the date of allotment
E of FY 2014-15 Opt 1	₹ 25 lakhs each	13-Jun-14	27,000.00	-	27,000.00	9.44%	13-Jun-16	Redeemable at par at the end of 731 days from the date of allotment
E of FY 2014-15 Opt 2	₹ 25 lakhs each	13-Jun-14	21,500.00	-	21,500.00	9.35%	13-May-16	Redeemable at par at the end of 700 days from the date of allotment
G of FY 2014-15	₹ 25 lakhs each	23-Sep-14	5,000.00	-	5,000.00	9.36%	29-Sep-16	Redeemable at par at the end of 737 days from the date of allotment
I of FY 2014-15 Opt 3	₹ 25 lakhs each	07-Nov-14	900.00	900.00	-	9.31%	07-Nov-17	Redeemable at par at the end of 1096 days from the date of allotment
J of FY 2014-15 Opt 1	₹ 25 lakhs each	12-Nov-14	3,000.00	-	3,000.00	8.87%	20-Oct-16	Redeemable at par at the end of 708 days from the date of allotment
K of FY 2014-15 Opt 1	₹ 25 lakhs each	30-Jan-15	12,500.00	-	12,500.00	8.60%	30-Jan-17	Redeemable at par at the end of 731 days from the date of allotment
K of FY 2014-15 Opt 2	₹ 25 lakhs each	30-Jan-15	12,500.00	12,500.00	-	8.62%	28-Jul-17	Redeemable at par at the end of 910 days from the date of allotment
L of FY 2014-15 Opt 1	₹ 25 lakhs each	13-Feb-15	3,000.00	-	3,000.00	9.04%	13-Feb-17	Redeemable at par at the end of 731 days from the date of allotment
L of FY 2014-15 Opt 2	₹ 25 lakhs each	13-Feb-15	2,400.00	-	2,400.00	9.05%	21-Feb-17	Redeemable at par at the end of 739 days from the date of allotment
L of FY 2014-15 Opt 3	₹ 25 lakhs each	13-Feb-15	500.00	500.00	-	9.03%	04-Apr-17	Redeemable at par at the end of 781 days from the date of allotment
L of FY 2014-15 Opt 4	₹ 25 lakhs each	13-Feb-15	1,025.00	1,025.00	-	9.02%	17-Apr-17	Redeemable at par at the end of 794 days from the date of allotment
L of FY 2014-15 Opt 5	₹ 25 lakhs each	13-Feb-15	1,675.00	-	1,675.00	9.05%	27-Feb-17	Redeemable at par at the end of 745 days from the date of allotment
A of FY 2015-16 Opt 1	₹ 25 lakhs each	17-Apr-15	475.00	475.00	-	8.81%	04-Apr-17	Redeemable at par at the end of 718 days from the date of allotment
A of FY 2015-16 Opt 2	₹ 25 lakhs each	17-Apr-15	3,575.00	3,575.00	-	8.81%	06-Apr-17	Redeemable at par at the end of 720 days from the date of allotment
A of FY 2015-16 Opt 3	₹ 25 lakhs each	17-Apr-15	5,500.00	5,500.00	-	8.80%	17-Apr-17	Redeemable at par at the end of 731 days from the date of allotment
A of FY 2015-16 Opt 4	₹ 25 lakhs each	17-Apr-15	2,200.00	2,200.00	-	8.81%	27-Apr-17	Redeemable at par at the end of 741 days from the date of allotment
A of FY 2015-16 Opt 5	₹ 25 lakhs each	17-Apr-15	175.00	175.00	-	8.86%	12-Apr-18	Redeemable at par at the end of 1091 days from the date of allotment
A of FY 2015-16 Opt 6	₹ 25 lakhs each	17-Apr-15	6,000.00	6,000.00	-	8.86%	16-Apr-18	Redeemable at par at the end of 1095 days from the date of allotment
A of FY 2015-16 Opt 7	₹ 25 lakhs each	17-Apr-15	11,000.00	11,000.00	-	8.85%	17-Apr-18	Redeemable at par at the end of 1096 days from the date of allotment
A of FY 2015-16 Opt 8	₹ 25 lakhs each	17-Apr-15	2,225.00	2,225.00	-	8.86%	19-Apr-18	Redeemable at par at the end of 1098 days from the date of allotment
A of FY 2015-16 Opt 9	₹ 25 lakhs each	17-Apr-15	1,800.00	1,800.00	-	8.86%	24-Apr-18	Redeemable at par at the end of 1103 days from the date of allotment

Secured:

Non-Current:

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Private Placement (₹ in Lakhs)

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
B of FY 2015-16 Opt 1	₹ 25 lakhs each	11-May-15	3,000.00	3,000.00	-	8.78%	03-Apr-17	Redeemable at par at the end of 693 days from the date of allotment
B of FY 2015-16 Opt 2	₹ 25 lakhs each	11-May-15	4,900.00	4,900.00	-	8.80%	02-May-17	Redeemable at par at the end of 722 days from the date of allotment
B of FY 2015-16 Opt 3	₹ 25 lakhs each	11-May-15	1,050.00	1,050.00	-	8.86%	15-May-17	Redeemable at par at the end of 735 days from the date of allotment
B of FY 2015-16 Opt 4	₹ 25 lakhs each	11-May-15	600.00	600.00	-	8.85%	30-Apr-18	Redeemable at par at the end of 1085 days from the date of allotment
B of FY 2015-16 Opt 5	₹ 25 lakhs each	11-May-15	200.00	200.00	-	8.86%	07-May-18	Redeemable at par at the end of 1092 days from the date of allotment
B of FY 2015-16 Opt 6	₹ 25 lakhs each	11-May-15	4,000.00	4,000.00	-	8.85%	04-Apr-17	Redeemable at par at the end of 694 days from the date of allotment
C of FY 2015-16 Opt 1	₹ 25 lakhs each	20-May-15	625.00	625.00	-	8.91%	14-May-18	Redeemable at par at the end of 1090 days from the date of allotment
C of FY 2015-16 Opt 2	₹ 25 lakhs each	20-May-15	3,000.00	3,000.00	-	8.91%	15-May-18	Redeemable at par at the end of 1091 days from the date of allotment
C of FY 2015-16 Opt 3	₹ 25 lakhs each	20-May-15	1,500.00	1,500.00	-	8.91%	18-May-18	Redeemable at par at the end of 1094 days from the date of allotment
C of FY 2015-16 Opt 4	₹ 25 lakhs each	20-May-15	4,700.00	4,700.00	-	8.90%	11-Jun-18	Redeemable at par at the end of 1118 days from the date of allotment
C of FY 2015-16 Opt 5	₹ 25 lakhs each	20-May-15	2,600.00	2,600.00	-	8.87%	20-May-20	Redeemable at par at the end of 1827 days from the date of allotment
C of FY 2015-16 Opt 6	₹ 25 lakhs each	20-May-15	1,500.00	-	1,500.00	8.77%	20-Feb-17	Redeemable at par at the end of 642 days from the date of allotment
C of FY 2015-16 Opt 7	₹ 25 lakhs each	20-May-15	1,225.00	1,225.00	-	8.81%	15-May-17	Redeemable at par at the end of 726 days from the date of allotment
C of FY 2015-16 Opt 8	₹ 25 lakhs each	20-May-15	3,200.00	3,200.00	-	8.91%	22-May-18	Redeemable at par at the end of 1098 days from the date of allotment
D of FY 2015-16 Opt 1	₹ 25 lakhs each	27-May-15	1,500.00	1,500.00	-	8.80%	27-Apr-17	Redeemable at par at the end of 701 days from the date of allotment
D of FY 2015-16 Opt 2	₹ 25 lakhs each	27-May-15	500.00	500.00	-	8.80%	26-May-17	Redeemable at par at the end of 730 days from the date of allotment
D of FY 2015-16 Opt 3	₹ 25 lakhs each	27-May-15	4,050.00	4,050.00	-	8.88%	27-May-19	Redeemable at par at the end of 1461 days from the date of allotment
E of FY 2015-16 Opt 1	₹ 25 lakhs each	04-Jun-15	2,700.00	-	2,700.00	8.68%	24-Feb-17	Redeemable at par at the end of 631 days from the date of allotment
E of FY 2015-16 Opt 2	₹ 25 lakhs each	04-Jun-15	300.00	300.00	-	8.80%	20-Jun-17	Redeemable at par at the end of 747 days from the date of allotment
E of FY 2015-16 Opt 3	₹ 25 lakhs each	04-Jun-15	3,700.00	3,700.00	-	8.85%	04-Jun-18	Redeemable at par at the end of 1096 days from the date of allotment
E of FY 2015-16 Opt 4	₹ 25 lakhs each	04-Jun-15	500.00	500.00	-	8.85%	04-Jun-18	Redeemable at par at the end of 1096 days from the date of allotment
E of FY 2015-16 Opt 5	₹ 25 lakhs each	04-Jun-15	1,700.00	1,700.00	-	8.85%	22-Nov-18	Redeemable at par at the end of 1267 days from the date of allotment
E of FY 2015-16 Opt 6	₹ 25 lakhs each	04-Jun-15	2,000.00	2,000.00	-	8.85%	24-Dec-18	Redeemable at par at the end of 1299 days from the date of allotment
E of FY 2015-16 Opt 7	₹ 25 lakhs each	04-Jun-15	2,500.00	2,500.00	-	8.88%	04-Jun-19	Redeemable at par at the end of 1461 days from the date of allotment
F of FY 15-16 OPT I	₹ 25 lakhs each	12-Jun-15	2,500.00	-	2,500.00	8.78%	21-Feb-17	Redeemable at par at the end of 620 days from the date of allotment
F of FY 15-16 OPT 2	₹ 25 lakhs each	12-Jun-15	250.00	250.00	-	8.82%	31-May-17	Redeemable at par at the end of 719 days from the date of allotment
F of FY 15-16 OPT 3	₹ 25 lakhs each	12-Jun-15	300.00	300.00	-	8.82%	12-Jun-17	Redeemable at par at the end of 731 days from the date of allotment
F of FY 15-16 OPT 4	₹ 25 lakhs each	12-Jun-15	225.00	225.00	-	8.82%	19-Jun-17	Redeemable at par at the end of 738 days from the date of allotment
F of FY 15-16 OPT 5	₹ 25 lakhs each	12-Jun-15	150.00	150.00	-	8.80%	24-Jul-17	Redeemable at par at the end of 773 days from the date of allotment
F of FY 15-16 OPT 6	₹ 25 lakhs each	12-Jun-15	2,200.00	2,200.00	-	8.80%	01-Aug-17	Redeemable at par at the end of 781 days from the date of allotment
G of FY 2015-16 OPT 1	₹ 25 lakhs each	26-Jun-15	17,500.00	17,500.00	-	8.90%	26-Jun-17	Redeemable at par at the end of 731 days from the date of allotment
G of FY 2015-16 OPT 2	₹ 25 lakhs each	26-Jun-15	2,925.00	2,925.00	-	8.90%	27-Jul-17	Redeemable at par at the end of 762 days from the date of allotment
G of FY 2015-16 OPT 3	₹ 25 lakhs each	26-Jun-15	1,000.00	1,000.00	-	8.91%	20-Jun-18	Redeemable at par at the end of 1090 days from the date of allotment
G of FY 2015-16 OPT 4	₹ 25 lakhs each	26-Jun-15	500.00	500.00	-	8.90%	26-Jun-18	Redeemable at par at the end of 1096 days from the date of allotment

Secured:

Non-Current:

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Private Placement

(₹ in Lakhs)

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
H of FY 2015-16 OPT 1	₹ 25 lakhs each	08-Jul-15	3,500.00	3,500.00	-	8.93%	02-Jul-18	Redeemable at par at the end of 1090 days from the date of allotment
H of FY 2015-16 OPT 2	₹ 25 lakhs each	08-Jul-15	3,500.00	3,500.00	-	8.93%	05-Jul-18	Redeemable at par at the end of 1093 days from the date of allotment
H of FY 2015-16 OPT 3	₹ 25 lakhs each	08-Jul-15	6,000.00	6,000.00	-	8.92%	06-Jul-18	Redeemable at par at the end of 1094 days from the date of allotment
H of FY 2015-16 OPT 4	₹ 25 lakhs each	08-Jul-15	2,600.00	2,600.00	-	8.93%	17-Jul-18	Redeemable at par at the end of 1105 days from the date of allotment
I of FY 2015-16 OPT 1	₹ 25 lakhs each	19-Aug-15	3,000.00	3,000.00	-	8.80%	16-Aug-18	Redeemable at par at the end of 1093 days from the date of allotment
I of FY 2015-16 OPT 2	₹ 25 lakhs each	19-Aug-15	2,500.00	2,500.00	-	8.80%	17-Aug-18	Redeemable at par at the end of 1094 days from the date of allotment
I of FY 2015-16 OPT 3	₹ 25 lakhs each	19-Aug-15	1,800.00	1,800.00	-	8.80%	03-Sep-18	Redeemable at par at the end of 1111 days from the date of allotment
J of FY 15-16 OPT I	₹ 25 lakhs each	27-Aug-15	3,000.00	3,000.00	-	8.81%	20-Aug-18	Redeemable at par at the end of 1089 days from the date of allotment
K of FY 15-16	₹ 25 lakhs each	26-Oct-15	10,000.00	10,000.00	-	8.61%	25-Sep-17	Redeemable at par at the end of 700 days from the date of allotment
L of FY 15-16 OPT 1	₹ 25 lakhs each	29-Oct-15	12,500.00	12,500.00	-	8.61%	29-Sep-17	Redeemable at par at the end of 701 days from the date of allotment
L of FY 15-16 OPT 2	₹ 25 lakhs each	29-Oct-15	10,000.00	10,000.00	-	8.61%	25-Sep-17	Redeemable at par at the end of 697 days from the date of allotment
M of FY 15-16	₹ 25 lakhs each	30-Nov-15	10,000.00	10,000.00	-	8.56%	28-Feb-18	Redeemable at par at the end of 821 days from the date of allotment
N of FY 15-16	₹ 25 lakhs each	29-Mar-16	18,500.00	18,500.00	-	8.90%	29-Apr-19	Redeemable at par at the end of 1126 days from the date of allotment
E of FY 2013 - 14 Opt III	₹ 25 lakhs each	26-Dec-13	325.00	-	325.00	10.05%	22-Dec-16	Redeemable at par at the end of 1092 days from the date of allotment
A of FY 2014 - 15 Opt II	₹ 25 lakhs each	03-Jun-14	1,500.00	-	1,500.00	9.67%	03-Jun-16	Redeemable at par at the end of 731 days from the date of allotment
C of FY 2014-15 Opti III	₹ 25 lakhs each	27-Aug-14	700.00	-	700.00	9.70%	16-Aug-16	Redeemable at par at the end of 720 days from the date of allotment
C of FY 2014-15 Opti IV	₹ 25 lakhs each	27-Aug-14	1,475.00	-	1,475.00	9.70%	19-Sep-16	Redeemable at par at the end of 754 days from the date of allotment
C of FY 2014-15 Opti V	₹ 25 lakhs each	27-Aug-14	1,500.00	-	1,500.00	9.70%	26-Aug-16	Redeemable at par at the end of 730 days from the date of allotment
E of FY 2014-15	₹ 25 lakhs each	22-Sep-14	1,900.00	-	1,900.00	9.71%	13-Sep-16	Redeemable at par at the end of 722 days from the date of allotment
H of FY 2014-15 Opt I	₹ 25 lakhs each	13-Oct-14	375.00	-	375.00	9.65%	27-Sep-16	Redeemable at par at the end of 715 days from the date of allotment
H of FY 2014-15 Opt II	₹ 25 lakhs each	13-Oct-14	875.00	-	875.00	9.66%	10-Oct-16	Redeemable at par at the end of 728 days from the date of allotment
I of FY 2014-15	₹ 25 lakhs each	28-Oct-14	1,000.00	1,000.00	-	9.57%	27-Oct-17	Redeemable at par at the end of 1095 days from the date of allotment
L of FY 2014-15 Opt I	₹ 25 lakhs each	26-Dec-14	1,050.00	-	1,050.00	9.07%	19-Dec-16	Redeemable at par at the end of 724 days from the date of allotment
L of FY 2014-15 Opt II	₹ 25 lakhs each	26-Dec-14	2,000.00	-	2,000.00	9.07%	22-Dec-16	Redeemable at par at the end of 727 days from the date of allotment
L of FY 2014-15 Opt III	₹ 25 lakhs each	26-Dec-14	900.00	900.00	-	9.06%	06-Dec-17	Redeemable at par at the end of 1076 days from the date of allotment
N of FY 2014-15 Opt I	₹ 25 lakhs each	21-Jan-15	10,000.00	-	10,000.00	9.20%	15-Feb-17	Redeemable at par at the end of 756 days from the date of allotment
N of FY 2014-15 Opt II	₹ 25 lakhs each	21-Jan-15	12,000.00	12,000.00	-	9.20%	19-Jan-18	Redeemable at par at the end of 1094 days from the date of allotment
O of FY 2014-15 Opt I	₹ 25 lakhs each	18-Feb-15	2,500.00	-	2,500.00	9.15%	17-Feb-17	Redeemable at par at the end of 730 days from the date of allotment
P of FY 2014-15 Opt I	₹ 25 lakhs each	24-Feb-15	500.00	500.00	-	9.15%	07-Feb-18	Redeemable at par at the end of 1079 days from the date of allotment
P of FY 2014-15 Opt II	₹ 25 lakhs each	24-Feb-15	500.00	500.00	-	9.24%	23-Feb-18	Redeemable at par at the end of 1095 days from the date of allotment
P of FY 2014-15 Opt III	₹ 25 lakhs each	24-Feb-15	15,000.00	15,000.00	-	9.22%	15-Jun-18	Redeemable at par at the end of 1207 days from the date of allotment
P of FY 2014-15 Opt IV	₹ 25 lakhs each	24-Feb-15	2,500.00	2,500.00	-	9.25%	24-Feb-20	Redeemable at par at the end of 1826 days from the date of allotment
P of FY 2014-15 Opt V	₹ 25 lakhs each	24-Feb-15	2,200.00	2,200.00	-	9.24%	06-Mar-18	Redeemable at par at the end of 1106 days from the date of allotment
Q of FY 2014-15	₹ 100 Lakhs each	13-Mar-15	15,000.00	15,000.00	-	9.10%	28-Mar-18	Redeemable at par at the end of 1111 days from the date of allotment

Secured:

Non-Current:

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Private Placement

(₹ in Lakhs)

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
A of FY 15-16 Opt I	₹ 25 lakhs each	29-Apr-15	2,450.00	2,450.00	-	8.87%	25-Apr-17	Redeemable at par at the end of 727 days from the date of allotment
A of FY 15-16 Opt II	₹ 25 lakhs each	29-Apr-15	1,700.00	1,700.00	-	8.87%	26-Apr-17	Redeemable at par at the end of 728 days from the date of allotment
A of FY 15-16 Opt III	₹ 25 lakhs each	29-Apr-15	1,825.00	1,825.00	-	8.87%	04-May-17	Redeemable at par at the end of 736 days from the date of allotment
A of FY 15-16 Opt IV	₹ 25 lakhs each	29-Apr-15	850.00	850.00	-	8.92%	23-Apr-18	Redeemable at par at the end of 1090 days from the date of allotment
C of FY 15-16 Opt I	₹ 25 lakhs each	27-May-15	250.00	250.00	-	8.90%	09-May-17	Redeemable at par at the end of 713 days from the date of allotment
C of FY 15-16 Opt II	₹ 25 lakhs each	27-May-15	1,650.00	1,650.00	-	8.91%	22-May-17	Redeemable at par at the end of 726 days from the date of allotment
C of FY 15-16 Opt III	₹ 25 lakhs each	27-May-15	500.00	500.00	-	8.91%	24-May-17	Redeemable at par at the end of 728 days from the date of allotment
C of FY 15-16 Opt IV	₹ 25 lakhs each	27-May-15	1,500.00	1,500.00	-	8.91%	29-May-17	Redeemable at par at the end of 733 days from the date of allotment
D of FY 15-16 Opt I	₹ 25 lakhs each	12-Jun-15	900.00	-	900.00	8.75%	28-Dec-16	Redeemable at par at the end of 565 days from the date of allotment
D of FY 15-16 Opt II	₹ 25 lakhs each	12-Jun-15	400.00	400.00	-	8.91%	05-Jun-17	Redeemable at par at the end of 724 days from the date of allotment
D of FY 15-16 Opt III	₹ 25 lakhs each	12-Jun-15	2,500.00	2,500.00	-	8.91%	07-Jun-17	Redeemable at par at the end of 726 days from the date of allotment
D of FY 15-16 Opt IV	₹ 25 lakhs each	12-Jun-15	600.00	600.00	-	8.91%	12-Jun-17	Redeemable at par at the end of 731 days from the date of allotment
E of FY 15-16 Opt I	₹ 25 lakhs each	23-Jun-15	200.00	200.00	-	8.95%	06-Jun-17	Redeemable at par at the end of 714 days from the date of allotment
E of FY 15-16 Opt II	₹ 25 lakhs each	23-Jun-15	2,800.00	2,800.00	-	8.96%	19-Jun-17	Redeemable at par at the end of 727 days from the date of allotment
E of FY 15-16 Opt III	₹ 25 lakhs each	23-Jun-15	500.00	500.00	-	8.95%	07-Jan-19	Redeemable at par at the end of 1294 days from the date of allotment
F of FY 15-16	₹ 25 lakhs each	30-Jun-15	1,800.00	1,800.00	-	8.96%	26-Jun-17	Redeemable at par at the end of 727 days from the date of allotment
G of FY 15-16 Opt I	₹ 25 lakhs each	13-Jul-15	5,000.00	5,000.00	-	8.99%	06-Jul-17	Redeemable at par at the end of 724 days from the date of allotment
G of FY 15-16 Opt II	₹ 25 lakhs each	13-Jul-15	1,000.00	1,000.00	-	8.98%	13-Jul-17	Redeemable at par at the end of 731 days from the date of allotment
H of FY 15-16 Opt I	₹ 25 lakhs each	21-Jul-15	1,550.00	1,550.00	-	8.92%	12-Jul-17	Redeemable at par at the end of 722 days from the date of allotment
H of FY 15-16 Opt II	₹ 25 lakhs each	21-Jul-15	5,000.00	5,000.00	-	8.91%	21-Jul-17	Redeemable at par at the end of 731 days from the date of allotment
I of FY 15-16 Opt I	₹ 25 lakhs each	08-Sep-15	1,000.00	1,000.00	-	8.99%	29-Aug-17	Redeemable at par at the end of 721 days from the date of allotment
I of FY 15-16 Opt II	₹ 25 lakhs each	08-Sep-15	20,000.00	20,000.00	-	8.99%	08-Sep-17	Redeemable at par at the end of 731 days from the date of allotment
I of FY 15-16 Opt III	₹ 25 lakhs each	08-Sep-15	1,000.00	1,000.00	-	8.99%	28-Nov-17	Redeemable at par at the end of 812 days from the date of allotment
L of FY 15-16	₹ 25 lakhs each	28-Sep-15	5,000.00	5,000.00	-	8.90%	29-May-17	Redeemable at par at the end of 609 days from the date of allotment
A of FY 14-15 Opt 1	₹ 25 lakhs each	28-May-14	7,500.00	-	7,500.00	9.89%	28-May-16	Redeemable at par on maturity date
A of FY 14-15 Opt 2	₹ 25 lakhs each	28-May-14	450.00	450.00	-	9.75%	15-May-17	Redeemable at par on maturity date
B of FY 14-15	₹ 25 lakhs each	30-May-14	1,000.00	-	1,000.00	9.68%	06-Apr-16	Redeemable at par on maturity date
E of FY 14-15 OPT I	₹ 25 lakhs each	03-Jul-14	750.00	750.00	-	9.71%	03-Jul-17	Redeemable at par on maturity date
E of FY 14-15 OPT II	₹ 25 lakhs each	03-Jul-14	1,000.00	1,000.00	-	9.79%	28-Jun-19	Redeemable at par on maturity date
F of FY 14-15	₹ 25 lakhs each	28-Aug-14	6,000.00	6,000.00	-	9.75%	28-Aug-19	Redeemable at par on maturity date
G of FY 14-15 OPT 1	₹ 25 lakhs each	05-Sep-14	3,100.00	-	3,100.00	9.71%	30-Aug-16	Redeemable at par on maturity date
G of FY 14-15 OPT 2	₹ 25 lakhs each	05-Sep-14	500.00	-	500.00	9.70%	05-Sep-16	Redeemable at par on maturity date
G of FY 14-15 OPT 3	₹ 25 lakhs each	05-Sep-14	1,800.00	-	1,800.00	9.71%	13-Sep-16	Redeemable at par on maturity date
G of FY 14-15 OPT 4	₹ 25 lakhs each	05-Sep-14	500.00	-	500.00	9.70%	19-Sep-16	Redeemable at par on maturity date

Secured:

Non-Current:

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Private Placement (₹ in Lakhs)

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
G of FY 14-15 OPT 5	₹ 25 lakhs each	05-Sep-14	1,300.00	-	1,300.00	9.70%	28-Sep-16	Redeemable at par on maturity date
G of FY 14-15 OPT 6	₹ 25 lakhs each	05-Sep-14	300.00	300.00	-	9.71%	31-Aug-17	Redeemable at par on maturity date
H of FY 14-15 OPT 1	₹ 25 lakhs each	19-Sep-14	5,000.00	5,000.00	-	9.80%	17-Sep-21	Redeemable at par on maturity date
J of FY 14-15 OPT I	₹ 25 lakhs each	07-Nov-14	600.00	-	600.00	9.54%	31-Oct-16	Redeemable at par on maturity date
J of FY 14-15 OPT II	₹ 25 lakhs each	07-Nov-14	1,500.00	1,500.00	-	9.45%	07-Nov-19	Redeemable at par on maturity date
J of FY 14-15 OPT III	₹ 25 lakhs each	07-Nov-14	1,000.00	1,000.00	-	9.45%	06-Nov-21	Redeemable at par on maturity date
K of FY 14-15 OPT 1	₹ 25 lakhs each	28-Nov-14	2,400.00	2,400.00	-	9.01%	04-Dec-17	Redeemable at par on maturity date
K of FY 14-15 OPT 2	₹ 25 lakhs each	28-Nov-14	400.00	-	400.00	9.01%	24-Nov-16	Redeemable at par on maturity date
L of FY 14-15 OPT 1	₹ 25 lakhs each	15-Dec-14	1,000.00	1,000.00	-	9.15%	13-Dec-19	Redeemable at par on maturity date
L of FY 14-15-OPT 2	₹ 25 lakhs each	15-Dec-14	2,000.00	2,000.00	-	9.15%	15-Dec-21	Redeemable at par on maturity date
M of FY 14-15	₹ 25 lakhs each	07-Jan-15	4,400.00	4,400.00	-	9.07%	15-Jan-18	Redeemable at par on maturity date
N of FY 14-15 OPT 1	₹ 25 lakhs each	16-Jan-15	3,000.00	3,000.00	-	9.11%	16-Jan-18	Redeemable at par on maturity date
N of FY 14-15 OPT 2	₹ 25 lakhs each	16-Jan-15	30,000.00	30,000.00	-	9.20%	16-Jan-20	Redeemable at par on maturity date
N of FY 14-15 OPT 3	₹ 25 lakhs each	16-Jan-15	7,000.00	7,000.00	-	9.20%	14-Jan-22	Redeemable at par on maturity date
P of FY 14-15 OPT 1	₹ 25 lakhs each	24-Feb-15	2,000.00	2,000.00	-	9.10%	24-Feb-20	Redeemable at par on maturity date
P of FY 14-15 OPT 2	₹ 25 lakhs each	24-Feb-15	1,000.00	1,000.00	-	9.10%	24-Feb-22	Redeemable at par on maturity date
Q of FY 14-15 OPT 1	₹ 25 lakhs each	23-Mar-15	2,000.00	2,000.00	-	9.06%	22-Mar-18	Redeemable at par on maturity date
Q of FY 14-15 OPT 2	₹ 25 lakhs each	23-Mar-15	525.00	-	525.00	9.05%	06-Mar-17	Redeemable at par on maturity date
Q of FY 14-15 OPT 3	₹ 25 lakhs each	23-Mar-15	125.00	-	125.00	9.02%	19-Dec-16	Redeemable at par on maturity date
Q of FY 14-15 OPT 4	₹ 25 lakhs each	23-Mar-15	175.00	-	175.00	9.04%	06-Feb-17	Redeemable at par on maturity date
Q of FY 14-15 OPT 5	₹ 25 lakhs each	23-Mar-15	825.00	825.00	-	9.05%	25-Apr-18	Redeemable at par on maturity date
Q of FY 14-15 OPT 6	₹ 25 lakhs each	23-Mar-15	500.00	500.00	-	9.05%	02-Apr-18	Redeemable at par on maturity date
Q of FY 14-15 OPT 7	₹ 25 lakhs each	23-Mar-15	5,000.00	5,000.00	-	9.05%	03-Apr-18	Redeemable at par on maturity date
E of FY 15-16 OPT 1	₹ 25 lakhs each	24-Jun-15	5,000.00	5,000.00	-	9.10%	25-Jul-17	Redeemable at par on 25.07.2016-if call option exercised & on 25.07.2017-if call option not exercised
E of FY 15-16 OPT 2	₹ 25 lakhs each	24-Jun-15	500.00	500.00	-	9.11%	25-Sep-17	Redeemable at par on 23.09.2016-if call option exercised & on 25.09.2017-if call option not exercised
E of FY 15-16 OPT 2	₹ 25 lakhs each	24-Jun-15	2,000.00	2,000.00	-	9.11%	25-Sep-17	Redeemable at par on maturity date
E of FY 15-16 OPT 2	₹ 25 lakhs each	24-Jun-15	5,000.00	5,000.00	-	9.11%	25-Sep-17	Redeemable at par on maturity date
E of FY 15-16 OPT 2	₹ 25 lakhs each	24-Jun-15	2,500.00	2,500.00	-	9.11%	25-Sep-17	Redeemable at par on maturity date
E of FY 15-16 OPT 2	₹ 25 lakhs each	24-Jun-15	10,000.00	10,000.00	-	9.11%	25-Sep-17	Redeemable at par on maturity date
F of FY 15-16	₹ 25 lakhs each	29-Jun-15	30,000.00	30,000.00	-	9.11%	20-Sep-17	Redeemable at par on 20.09.2016-if call option exercised & on 20.09.2017-if call option not exercised
A of FY 15-16 OPT 1	₹ 25 lakhs each	16-Apr-15	2,500.00	2,500.00	-	8.93%	10-Apr-17	Redeemable at par on maturity date
A of FY 15-16 OPT 2	₹ 25 lakhs each	16-Apr-15	700.00	700.00	-	8.96%	20-Apr-18	Redeemable at par on maturity date
A of FY 15-16 OPT 3	₹ 25 lakhs each	16-Apr-15	500.00	500.00	-	8.95%	28-Mar-18	Redeemable at par on maturity date

Secured:

Non-Current:

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Private Placement

(₹ in Lakhs)

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
A of FY 15-16 OPT 4	₹ 25 lakhs each	16-Apr-15	1,000.00	1,000.00	-	8.95%	16-Apr-20	Redeemable at par on maturity date
A of FY 15-16 OPT 5	₹ 25 lakhs each	16-Apr-15	4,000.00	4,000.00	-	8.95%	15-Apr-22	Redeemable at par on maturity date
B of FY 15-16 OPT 1	₹ 25 lakhs each	15-May-15	900.00	900.00	-	8.81%	02-May-17	Redeemable at par on maturity date
B of FY 15-16 OPT 2	₹ 25 lakhs each	15-May-15	875.00	875.00	-	8.81%	22-May-17	Redeemable at par on maturity date
B of FY 15-16 OPT 3	₹ 25 lakhs each	15-May-15	150.00	150.00	-	8.81%	15-May-17	Redeemable at par on maturity date
B of FY 15-16 OPT 4	₹ 25 lakhs each	15-May-15	1,700.00	1,700.00	-	8.88%	12-May-17	Redeemable at par on maturity date
C of FY 15-16 OPT II	₹ 25 lakhs each	26-May-15	1,200.00	1,200.00	-	8.91%	25-May-18	Redeemable at par on maturity date
C of FY 15-16 OPT V	₹ 25 lakhs each	26-May-15	1,000.00	1,000.00	-	8.90%	26-May-25	Redeemable at par on maturity date
C of FY 15-16 OPT V	₹ 25 lakhs each	26-May-15	2,000.00	2,000.00	-	8.90%	26-May-25	Redeemable at par on maturity date
C of FY 15-16 OPT VI	₹ 25 lakhs each	26-May-15	2,500.00	2,500.00	-	8.80%	23-Jun-17	Redeemable at par on maturity date
D of FY 15-16 OPT I	₹ 25 lakhs each	05-Jun-15	1,600.00	1,600.00	-	8.80%	01-Jun-17	Redeemable at par on maturity date
D of FY 15-16 OPT II	₹ 25 lakhs each	05-Jun-15	1,600.00	1,600.00	-	8.90%	05-Jun-18	Redeemable at par on maturity date
D of FY 15-16 OPT III	₹ 25 lakhs each	05-Jun-15	1,000.00	1,000.00	-	8.88%	24-Dec-18	Redeemable at par on maturity date
D of FY 15-16 OPT IV	₹ 25 lakhs each	05-Jun-15	1,000.00	1,000.00	-	8.90%	05-Jun-20	Redeemable at par on maturity date
D of FY 15-16 OPT IV	₹ 25 lakhs each	05-Jun-15	1,000.00	1,000.00	-	8.90%	05-Jun-20	Redeemable at par on maturity date
D of FY 15-16 OPT V	₹ 25 lakhs each	05-Jun-15	1,500.00	1,500.00	-	8.90%	05-Jun-25	Redeemable at par on maturity date
D of FY 15-16 OPT V	₹ 25 lakhs each	05-Jun-15	1,000.00	1,000.00	-	8.90%	05-Jun-25	Redeemable at par on maturity date
G of FY 15-16	₹ 25 lakhs each	03-Jul-15	8,000.00	8,000.00	-	9.01%	03-Jul-18	Redeemable at par on maturity date
I of FY 15-16 OPT 1	₹ 25 lakhs each	17-Jul-15	200.00	200.00	-	8.94%	06-Jun-17	Redeemable at par on maturity date
I of FY 15-16 OPT 2	₹ 25 lakhs each	17-Jul-15	2,500.00	2,500.00	-	8.95%	17-Jul-17	Redeemable at par on maturity date
I of FY 15-16 OPT 2	₹ 25 lakhs each	17-Jul-15	2,500.00	2,500.00	-	8.95%	17-Jul-17	Redeemable at par on maturity date
I of FY 15-16 OPT 3	₹ 25 lakhs each	17-Jul-15	2,500.00	2,500.00	-	8.95%	17-Aug-17	Redeemable at par on maturity date
I of FY 15-16 OPT 4	₹ 25 lakhs each	17-Jul-15	1,000.00	1,000.00	-	8.95%	17-Jul-25	Redeemable at par on maturity date
K of FY 15-16 OPT 1	₹ 25 lakhs each	28-Jul-15	2,200.00	2,200.00	-	8.93%	27-Jul-18	Redeemable at par on maturity date
K of FY 15-16 OPT 2	₹ 25 lakhs each	28-Jul-15	2,200.00	2,200.00	-	8.93%	27-Jul-18	Redeemable at par on maturity date
K of FY 15-16 OPT 3	₹ 25 lakhs each	28-Jul-15	300.00	300.00	-	8.90%	28-Jul-22	Redeemable at par on maturity date
L of FY 15-16	₹ 25 lakhs each	14-Sep-15	3,000.00	3,000.00	-	8.96%	26-Sep-17	Redeemable at par on 26.09.2016-if call option exercised & on 26.09.2017-if call option not exercised
M of FY 15-16	₹ 25 lakhs each	23-Sep-15	5,000.00	5,000.00	-	8.97%	23-Oct-17	Redeemable at par on 21.10.2016-if call option exercised & on 23.10.2017-if call option not exercised
N of FY 15-16	₹ 25 lakhs each	28-Sep-15	10,000.00	10,000.00	-	8.90%	18-Oct-17	Redeemable at par on 18.10.2016-if call option exercised & on 18.10.2017-if call option not exercised
O of FY 15-16 OPT 3	₹ 25 lakhs each	20-Oct-15	200.00	200.00	-	8.65%	20-Oct-22	Redeemable at par on maturity date
O of FY 15-16 OPT 3	₹ 25 lakhs each	20-Oct-15	600.00	600.00	-	8.65%	20-Oct-22	Redeemable at par on maturity date
O of FY 15-16 OPT 3	₹ 25 lakhs each	20-Oct-15	450.00	450.00	-	8.65%	20-Oct-22	Redeemable at par on maturity date

Secured:

Non-Current:

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Private Placement (₹ in Lakhs)

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
O of FY 15-16 OPT 3	₹ 25 lakhs each	20-Oct-15	2,000.00	2,000.00	-	8.65%	20-Oct-22	Redeemable at par on maturity date
O of FY 15-16 OPT 1	₹ 25 lakhs each	20-Oct-15	375.00	375.00	-	8.65%	19-Oct-18	Redeemable at par on maturity date
P of FY 15-16 OPT 2	₹ 25 lakhs each	26-Oct-15	2,500.00	2,500.00	-	8.65%	26-Oct-20	Redeemable at par on maturity date
Q of FY 15-16 OPT 1	₹ 25 lakhs each	19-Nov-15	6,000.00	6,000.00	-	8.56%	18-May-18	Redeemable at par on 19.05.2017-if call option exercised & on 18.05.2018-if call option not exercised
R of FY 15-16	₹ 25 lakhs each	27-Nov-15	1,000.00	1,000.00	-	8.60%	27-Nov-20	Redeemable at par on maturity date
S of FY 15-16 Opt 1	₹ 25 lakhs each	25-Feb-16	2,000.00	2,000.00	-	8.86%	25-Feb-21	Redeemable at par on maturity date
T of FY 15-16	₹ 25 lakhs each	29-Mar-16	15,500.00	15,500.00	-	8.90%	29-Apr-19	Redeemable at par on maturity date
A of FY 2013-14	₹ 25 lakhs each	26-Mar-14	19,500.00	-	19,500.00	10.40%	24-Mar-17	Bullet payment on redemption date
E of 2010-11	₹ 10 lakhs each	16-Apr-10	7,500.00	-	7,500.00	8.91%	16-Apr-16	At the end of 6 years from the date of allotment
G of 2013-14	₹ 25 lakhs each	09-Dec-13	4,300.00	-	4,300.00	9.90%	09-Dec-16	Bullet payment on redemption date i.e., 09.12.16
H of 2013-14 - OPT I	₹ 25 lakhs each	16-Jan-14	1,500.00	-	1,500.00	9.80%	16-Jan-17	Bullet payment on redemption date i.e., 16.01.17
F of 2010-11	₹ 10 lakhs each	16-Apr-10	7,500.00	7,500.00	-	8.91%	15-Apr-17	At the end of 7 years from the date of allotment
G of 2010-11	₹ 10 lakhs each	16-Apr-10	7,500.00	7,500.00	-	8.91%	16-Apr-18	At the end of 8 years from the date of allotment
D of 2013-14	₹ 10 lakhs each	30-May-13	5,000.00	5,000.00	-	8.35%	30-May-18	Bullet payment on redemption date i.e., 30.05.18
F of 2013-14	₹ 25 lakhs each	12-Nov-13	5,100.00	5,100.00	-	9.70%	12-Nov-18	Bullet payment on redemption date i.e., 12.11.18
H of 2013-14 - OPT II	₹ 25 lakhs each	16-Jan-14	5,000.00	5,000.00	-	9.80%	16-Jan-19	Bullet payment on redemption date i.e., 16.01.19
E of 2012-13	₹ 10 lakhs each	11-Jan-13	45,000.00	45,000.00	-	9.00%	11-Jan-23	10 years from Deemed date of Allotment, redemption date is 11th Jan 23
C of 2013-14	₹ 10 lakhs each	29-May-13	11,000.00	11,000.00	-	8.35%	29-May-23	Bullet payment on redemption date i.e., 29.05.23
A of 2011-12	₹ 10 lakhs each	18-Oct-11	50,000.00	50,000.00	-	9.70%	18-Oct-28	At the end of 17 years from the date of allotment, Put call option at the end of 10 years
A of 2014-15 - OPT I	₹ 25 lakhs each	26-May-14	5,250.00	-	5,250.00	9.75%	29-Apr-16	Bullet payment on redemption date i.e., 29.04.16
A of 2014-15 - OPT II	₹ 25 lakhs each	26-May-14	1,250.00	-	1,250.00	9.75%	11-May-16	Bullet payment on redemption date i.e., 11.05.16
A of 2014-15 - OPT III	₹ 25 lakhs each	26-May-14	3,500.00	-	3,500.00	9.75%	26-May-16	Bullet payment on redemption date i.e., 26.05.16
B of 2014-15	₹ 25 lakhs each	06-Jun-14	10,000.00	10,000.00	-	9.50%	06-Jun-17	Bullet payment on redemption date i.e., 06.06.17
C of 2014-15 - OPT I	₹ 25 lakhs each	13-Jun-14	7,675.00	7,675.00	-	9.25%	13-Jun-19	Bullet payment on redemption date i.e., 13.06.19
D of 2014-15 - OPT III	₹ 25 lakhs each	18-Jun-14	1,950.00	1,950.00	-	9.25%	18-Jun-19	Bullet payment on redemption date i.e., 18.06.19
E of 2014-15 - OPT III	₹ 25 lakhs each	26-Jun-14	4,025.00	-	4,025.00	9.50%	26-Jul-16	Bullet payment on redemption date i.e., 26.07.16
E of 2014-15 - OPT IV	₹ 25 lakhs each	26-Jun-14	475.00	475.00	-	9.30%	26-Jun-19	Bullet payment on redemption date i.e., 26.06.19
F of 2014-15	₹ 25 lakhs each	04-Jul-14	1,500.00	1,500.00	-	9.30%	04-Jul-19	Bullet payment on redemption date i.e., 04.07.19
G of 2014-15 - OPT II	₹ 25 lakhs each	31-Jul-14	1,000.00	1,000.00	-	9.45%	31-Jul-17	Bullet payment on redemption date i.e., 31.07.17
I of 2014-15 - OPT I	₹ 25 lakhs each	11-Sep-14	10,075.00	10,075.00	-	9.50%	11-Sep-19	Bullet payment on redemption date i.e., 11.09.19
I of 2014-15 - OPT II	₹ 25 lakhs each	11-Sep-14	1,675.00	1,675.00	-	9.55%	11-Sep-17	Bullet payment on redemption date i.e., 11.09.17
J of 2014-15 - OPT II	₹ 25 lakhs each	19-Sep-14	1,100.00	1,100.00	-	9.55%	19-Sep-17	Bullet payment on redemption date i.e., 19.09.17
J of 2014-15 - OPT III	₹ 25 lakhs each	19-Sep-14	500.00	500.00	-	9.50%	19-Sep-19	Bullet payment on redemption date i.e., 19.09.19

Secured:

Non-Current:

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Private Placement (₹ in Lakhs)

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
K of 2014-15 - OPT II	₹ 25 lakhs each	26-Sep-14	1,500.00	1,500.00	-	9.55%	26-Sep-17	Bullet payment on redemption date i.e., 26.09.17
K of 2014-15 - OPT III	₹ 25 lakhs each	26-Sep-14	1,600.00	1,600.00	-	9.50%	26-Sep-19	Bullet payment on redemption date i.e., 26.09.19
L of 2014-15	₹ 25 lakhs each	21-Oct-14	1,050.00	1,050.00	-	9.15%	21-Oct-19	Bullet payment on redemption date i.e., 21.10.19
T of 2014-15 - OPT I	₹ 25 lakhs each	21-Jan-15	500.00	500.00	-	8.60%	19-Jan-18	Bullet payment on redemption date i.e., 19.01.18
T of 2014-15 - OPT II	₹ 25 lakhs each	21-Jan-15	14,500.00	14,500.00	-	8.65%	21-Jan-20	Bullet payment on redemption date i.e., 21.01.20
V of 2014-15 - OPT I	₹ 25 lakhs each	02-Mar-15	10,000.00	-	10,000.00	9.05%	02-Mar-17	Bullet payment on redemption date i.e., 02.03.17
V of 2014-15 - OPT II	₹ 25 lakhs each	02-Mar-15	1,000.00	-	1,000.00	9.06%	15-Mar-17	Bullet payment on redemption date i.e., 15.03.17
V of 2014-15 - OPT III	₹ 25 lakhs each	02-Mar-15	3,700.00	3,700.00	-	9.04%	17-Apr-17	Bullet payment on redemption date i.e., 17.04.17
V of 2014-15 - OPT IV	₹ 25 lakhs each	02-Mar-15	500.00	500.00	-	9.02%	17-Aug-17	Bullet payment on redemption date i.e., 17.08.17
V of 2014-15 - OPT V	₹ 25 lakhs each	02-Mar-15	1,000.00	1,000.00	-	9.02%	04-Sep-17	Bullet payment on redemption date i.e., 04.09.17
V of 2014-15 - OPT VI	₹ 25 lakhs each	02-Mar-15	5,000.00	5,000.00	-	9.06%	05-Mar-18	Bullet payment on redemption date i.e., 05.03.18
W of 2014-15 - OPT I	₹ 25 lakhs each	20-Mar-15	700.00	700.00	-	8.99%	02-May-17	Bullet payment on redemption date i.e., 02.05.17
W of 2014-15 - OPT II	₹ 25 lakhs each	20-Mar-15	2,000.00	2,000.00	-	8.99%	02-May-17	Bullet payment on redemption date i.e., 02.05.17
W of 2014-15 - OPT III	₹ 25 lakhs each	20-Mar-15	3,000.00	3,000.00	-	8.97%	20-Sep-17	Bullet payment on redemption date i.e., 20.09.17
W of 2014-15 - OPT IV	₹ 25 lakhs each	20-Mar-15	7,000.00	7,000.00	-	8.98%	29-Sep-17	Bullet payment on redemption date i.e., 29.09.17
X of 2014-15	₹ 25 lakhs each	24-Mar-15	7,500.00	7,500.00	-	9.00%	26-Feb-18	Bullet payment on redemption date i.e., 26.02.18
B FY 15-16	₹ 25 lakhs each	20-Apr-15	10,150.00	10,150.00	-	8.70%	20-Apr-20	Bullet payment on redemption date i.e., 26.04.20
E FY 15-16	₹ 25 lakhs each	27-Apr-15	3,325.00	3,325.00	-	8.70%	27-Apr-20	Bullet payment on redemption date i.e., 27.04.20
H FY 15-16	₹ 25 lakhs each	06-May-15	30,000.00	30,000.00	-	8.80%	04-May-18	Bullet payment on redemption date i.e., 04.05.18
J FY 15-16 OPT I	₹ 25 lakhs each	19-May-15	3,100.00	3,100.00	-	8.84%	19-May-20	Bullet payment on redemption date i.e., 19.05.20
J FY 15-16 OPT III	₹ 25 lakhs each	19-May-15	4,450.00	4,450.00	-	8.84%	19-May-25	Bullet payment on redemption date i.e., 19.05.25
K FY 15-16 OPT I	₹ 25 lakhs each	22-May-15	1,500.00	1,500.00	-	8.81%	22-May-20	Bullet payment on redemption date i.e., 22.05.20
K FY 15-16 OPT II	₹ 25 lakhs each	22-May-15	1,100.00	1,100.00	-	8.81%	20-May-22	Bullet payment on redemption date i.e., 22.05.22
L FY 15-16 OPT I	₹ 25 lakhs each	25-May-15	1,000.00	1,000.00	-	8.81%	25-May-20	Bullet payment on redemption date i.e., 25.05.20
M FY 15-16 OPT I	₹ 25 lakhs each	26-May-15	1,500.00	1,500.00	-	8.81%	26-May-22	Bullet payment on redemption date i.e., 26.05.22
M FY 15-16 OPT II	₹ 25 lakhs each	26-May-15	2,000.00	2,000.00	-	8.85%	26-May-25	Bullet payment on redemption date i.e., 26.05.25
N FY 15-16 OPT I	₹ 25 lakhs each	29-May-15	4,000.00	4,000.00	-	8.81%	29-May-20	Bullet payment on redemption date i.e., 29.05.20
N FY 15-16 OPT II	₹ 25 lakhs each	29-May-15	1,100.00	1,100.00	-	8.81%	27-May-22	Bullet payment on redemption date i.e., 27.05.22
R FY 15-16	₹ 25 lakhs each	05-Jun-15	5,000.00	5,000.00	-	8.84%	05-Jun-25	Bullet payment on redemption date i.e., 05.06.25
S FY 2015-16 - OPT I	₹ 25 lakhs each	24-Jun-15	3,000.00	3,000.00	-	8.90%	23-Jun-17	Bullet payment on redemption date i.e., 23.06.17
S FY 2015-16 - OPT II	₹ 25 lakhs each	24-Jun-15	550.00	550.00	-	8.91%	19-Jun-17	Bullet payment on redemption date i.e., 19.06.17
S FY 2015-16 - OPT III	₹ 25 lakhs each	24-Jun-15	1,050.00	1,050.00	-	8.90%	24-Jul-17	Bullet payment on redemption date i.e., 24.07.17
S FY 2015-16 - OPT IV	₹ 25 lakhs each	24-Jun-15	1,500.00	1,500.00	-	8.90%	25-Jun-18	Bullet payment on redemption date i.e., 25.06.18
T FY 15-16 OPT I	₹ 25 lakhs each	03-Jul-15	2,950.00	2,950.00	-	8.91%	28-Jun-17	Bullet payment on redemption date i.e., 28.06.17
T FY 15-16 OPT II	₹ 25 lakhs each	03-Jul-15	1,500.00	1,500.00	-	8.90%	03-Jul-17	Bullet payment on redemption date i.e., 03.07.17

Secured:

Non-Current:

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Private Placement

(₹ in Lakhs)

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
T FY 15-16 OPT III	₹ 25 lakhs each	03-Jul-15	1,500.00	1,500.00	-	8.90%	24-Jul-17	Bullet payment on redemption date i.e., 24.07.17
T FY 15-16 OPT IV	₹ 25 lakhs each	03-Jul-15	1,000.00	1,000.00	-	8.90%	03-Jul-18	Bullet payment on redemption date i.e., 03.07.18
U FY 15-16 OPT I	₹ 25 lakhs each	17-Jul-15	18,500.00	18,500.00	-	8.95%	17-Jul-17	Bullet payment on redemption date i.e., 17.07.17
U FY 15-16 OPT II	₹ 25 lakhs each	17-Jul-15	10,000.00	10,000.00	-	8.95%	14-Jun-17	Bullet payment on redemption date i.e., 14.06.17
U FY 15-16 OPT III	₹ 25 lakhs each	17-Jul-15	3,200.00	3,200.00	-	8.96%	06-Jul-17	Bullet payment on redemption date i.e., 06.07.17
U FY 15-16 OPT IV	₹ 25 lakhs each	17-Jul-15	1,500.00	1,500.00	-	8.95%	07-Aug-17	Bullet payment on redemption date i.e., 07.08.17
U FY 15-16 OPT V	₹ 25 lakhs each	17-Jul-15	650.00	650.00	-	8.93%	14-Jan-19	Bullet payment on redemption date i.e., 14.01.19
U FY 15-16 OPT VI	₹ 25 lakhs each	17-Jul-15	700.00	700.00	-	8.87%	17-Jul-20	Bullet payment on redemption date i.e., 17.07.20
W FY 15-16 OPT I	₹ 25 lakhs each	07-Aug-15	22,600.00	22,600.00	-	8.86%	07-Aug-18	Bullet payment on redemption date i.e., 07.08.18
W FY 15-16 OPT II	₹ 25 lakhs each	07-Aug-15	1,000.00	1,000.00	-	8.87%	16-Aug-18	Bullet payment on redemption date i.e., 16.08.18
W FY 15-16 OPT III	₹ 25 lakhs each	07-Aug-15	1,000.00	1,000.00	-	8.86%	21-Aug-18	Bullet payment on redemption date i.e., 21.08.18
W FY 15-16 OPT IV	₹ 25 lakhs each	07-Aug-15	400.00	400.00	-	8.86%	18-Sep-18	Bullet payment on redemption date i.e., 18.09.18
W FY 15-16 OPT V	₹ 25 lakhs each	07-Aug-15	2,000.00	2,000.00	-	8.82%	07-Aug-20	Bullet payment on redemption date i.e., 07.08.20
W FY 15-16 OPT VI	₹ 25 lakhs each	07-Aug-15	1,000.00	1,000.00	-	8.82%	05-Aug-22	Bullet payment on redemption date i.e., 05.08.22
Y FY 15-16 OPT I	₹ 25 lakhs each	04-Sep-15	3,000.00	3,000.00	-	8.82%	04-Sep-18	Bullet payment on redemption date i.e., 04.09.18
Y FY 15-16 OPT II	₹ 25 lakhs each	04-Sep-15	2,000.00	2,000.00	-	8.82%	04-Sep-20	Bullet payment on redemption date i.e., 04.09.20
Z FY 15-16	₹ 25 lakhs each	10-Sep-15	10,000.00	10,000.00	-	8.86%	08-Mar-19	Bullet payment on redemption date i.e., 08.03.19
AC OF FY 15-16	₹ 25 lakhs each	30-Sep-15	10,000.00	10,000.00	-	8.90%	19-May-17	19.05.16 (If call option exercised) and 19.05.17 (if call option not exercised)
AD FY 15-16 OPT I	₹ 25 lakhs each	06-Oct-15	2,000.00	2,000.00	-	8.83%	11-Sep-18	Bullet payment on redemption date i.e., 11.09.18
AD FY 15-16 OPT II	₹ 25 lakhs each	06-Oct-15	800.00	800.00	-	8.84%	04-Oct-18	Bullet payment on redemption date i.e., 04.10.18
AE OF FY 15-16 OPT I	₹ 25 lakhs each	16-Oct-15	500.00	500.00	-	8.62%	16-Oct-18	Bullet payment on redemption date i.e., 16.10.18
AE OF FY 15-16 OPT II	₹ 25 lakhs each	16-Oct-15	5,150.00	5,150.00	-	8.62%	16-Oct-20	Bullet payment on redemption date i.e., 16.10.20
AF OF FY 15-16 OPT I	₹ 25 lakhs each	05-Nov-15	300.00	300.00	-	8.60%	22-Oct-18	Bullet payment on redemption date i.e., 22.10.18
AF OF FY 15-16 OPT II	₹ 25 lakhs each	05-Nov-15	2,200.00	2,200.00	-	8.61%	29-Oct-18	Bullet payment on redemption date i.e., 29.10.18
AF OF FY 15-16 OPT III	₹ 25 lakhs each	05-Nov-15	3,000.00	3,000.00	-	8.60%	05-Nov-18	Bullet payment on redemption date i.e., 05.11.18
AG OF FY 15-16	₹ 25 lakhs each	13-Nov-15	1,800.00	1,800.00	-	8.60%	11-Nov-22	Bullet payment on redemption date i.e., 11.11.22
AH OF FY 15-16	₹ 25 lakhs each	30-Nov-15	6,000.00	6,000.00	-	8.65%	30-Nov-18	Bullet payment on redemption date i.e., 30.11.28
AI OF FY 15-16 OPT II	₹ 25 lakhs each	16-Dec-15	2,700.00	2,700.00	-	8.65%	16-Dec-20	Bullet payment on redemption date i.e., 16.12.20
AJ OF FY 15-16 OPT II	₹ 25 lakhs each	08-Feb-16	5,200.00	5,200.00	-	8.75%	06-Feb-26	Bullet payment on redemption date i.e., 06.02.26
AK OF FY 15-16	₹ 25 lakhs each	16-Mar-16	1,000.00	1,000.00	-	8.80%	16-Mar-23	Bullet payment on redemption date i.e., 16.03.23
AM OF FY 15-16 OPT I	₹ 25 lakhs each	23-Mar-16	6,500.00	6,500.00	-	8.85%	26-Mar-19	Bullet payment on redemption date i.e., 26.03.19
AN OF FY 15-16 OPT I	₹ 25 lakhs each	29-Mar-16	10,000.00	10,000.00	-	8.85%	29-Apr-19	Bullet payment on redemption date i.e., 29.04.19
AN OF FY 15-16 OPT II	₹ 25 lakhs each	29-Mar-16	2,500.00	2,500.00	-	8.80%	29-Mar-21	Bullet payment on redemption date i.e., 29.03.21
E of FY 2013-14 OPT II	₹ 25 lakhs each	20-Mar-14	900.00	-	900.00	10.23%	03-Jan-17	Redeemable at par at the end of 1020 days from the date of allotment
A of 2014-15 OPT I	₹ 25 lakhs each	10-Jun-14	14,000.00	-	14,000.00	9.95%	10-Jun-16	Redeemable at par at the end of 731 days from the date of allotment

Secured:

Non-Current:

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Private Placement (₹ in Lakhs)

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
A of 2014-15 OPT II	₹ 25 lakhs each	10-Jun-14	2,500.00		2,500.00	9.96%	17-Jun-16	Redeemable at par at the end of 738 days from the date of allotment
A of 2014-15 OPT III	₹ 25 lakhs each	10-Jun-14	5,000.00		5,000.00	9.94%	25-Jul-16	Redeemable at par at the end of 776 days from the date of allotment
C of FY 2014-15 OPT III	₹ 25 lakhs each	25-Jun-14	2,400.00	2,400.00		9.76%	19-Jun-17	Redeemable at par at the end of 1090 days from the date of allotment
D of FY 2014-15 OPT II	₹ 25 lakhs each	27-Jun-14	18,000.00		18,000.00	9.85%	27-Jun-16	Redeemable at par at the end of 731 days from the date of allotment
J of FY 2014-15 OPT I	₹ 25 lakhs each	29-Jan-15	10,000.00		10,000.00	8.94%	02-May-16	Redeemable at par at the end of 459 days from the date of allotment
L of FY 2014-15	₹ 100 Lakhs each	13-Mar-15	10,000.00	10,000.00	-	9.10%	28-Mar-18	Redeemable at par at the end of 1111 days from the date of allotment
A of FY 2015-16 OPT 2	₹ 25 lakhs each	30-Jun-15	10,000.00	10,000.00	-	9.12%	20-Sep-17	Redeemable at par at the end of 813 days from the date of allotment
C of FY 2015-16 OPT 1	₹ 25 lakhs each	07-Aug-15	10,000.00	10,000.00	-	8.97%	07-Aug-17	Redeemable at par at the end of 731 days from the date of allotment
C of FY 2015-16 OPT 2	₹ 25 lakhs each	07-Aug-15	4,000.00	4,000.00	-	8.98%	04-Aug-17	Redeemable at par at the end of 728 days from the date of allotment
D of FY 2015-16 OPT 1	₹ 25 lakhs each	31-Aug-15	12,500.00	12,500.00	-	8.93%	31-Aug-17	Redeemable at par at the end of 731 days from the date of allotment
E of FY 15-16	₹ 25 lakhs each	28-Sep-15	12,500.00	12,500.00	-	8.90%	19-May-17	Redeemable at par at the end of 599 days from the date of allotment
A of FY 14-15 Opt I	₹ 25 lakhs each	04-Jun-14	1,500.00	1,500.00	-	9.60%	10-Jun-19	Redeemable at par at the end of 1832 days from the date of allotment
A of FY 14-15 Opt II	₹ 25 lakhs each	04-Jun-14	3,500.00	3,500.00	-	9.70%	10-Jun-21	Redeemable at par at the end of 2563 days from the date of allotment
A of FY 14-15 Opt I	₹ 25 lakhs each	05-Jun-14	5,000.00	5,000.00	-	9.60%	10-Jun-19	Redeemable at par at the end of 1831 days from the date of allotment
A of FY 14-15 Opt II	₹ 25 lakhs each	05-Jun-14	3,000.00	3,000.00	-	9.70%	10-Jun-21	Redeemable at par at the end of 2562 days from the date of allotment
A of FY 14-15 Opt I	₹ 25 lakhs each	06-Jun-14	1,000.00	1,000.00	-	9.60%	10-Jun-19	Redeemable at par at the end of 1830 days from the date of allotment
A of FY 14-15 Opt II	₹ 25 lakhs each	06-Jun-14	500.00	500.00	-	9.70%	10-Jun-21	Redeemable at par at the end of 2561 days from the date of allotment
A of FY 14-15 Opt III	₹ 25 lakhs each	09-Jun-14	500.00	500.00	-	9.70%	10-Jun-24	Redeemable at par at the end of 3654 days from the date of allotment
A of FY 14-15 Opt II	₹ 25 lakhs each	10-Jun-14	1,000.00	1,000.00	-	9.70%	10-Jun-21	Redeemable at par at the end of 2557 days from the date of allotment
A of FY 14-15 Opt III	₹ 25 lakhs each	10-Jun-14	9,000.00	9,000.00	-	9.70%	10-Jun-24	Redeemable at par at the end of 3653 days from the date of allotment
B of FY 14-15 Opt I	₹ 25 lakhs each	28-Jan-15	10,000.00	10,000.00	-	8.49%	28-Jan-25	Redeemable at par at the end of 3653 days from the date of allotment
B of FY 14-15 Opt II	₹ 25 lakhs each	28-Jan-15	10,000.00	10,000.00	-	8.51%	28-Jan-30	Redeemable at par at the end of 5479 days from the date of allotment
A of FY 15-16	₹ 25 lakhs each	11-Sep-15	2,500.00	2,500.00	-	8.67%	09-Sep-22	Redeemable at par at the end of 2555 days from the date of allotment
B of FY 15-16	₹ 25 lakhs each	09-Nov-15	15,000.00	15,000.00	-	8.65%	09-Nov-22	Redeemable at par at the end of 2557 days from the date of allotment
C of FY 15-16 Opt 1	₹ 25 lakhs each	04-Dec-15	13,500.00	13,500.00	-	8.55%	04-Dec-20	Redeemable at par at the end of 1827 days from the date of allotment
C of FY 15-16 Opt 3	₹ 25 lakhs each	04-Dec-15	1,500.00	1,500.00	-	8.55%	04-Dec-25	Redeemable at par at the end of 3653 days from the date of allotment
D of FY 15-16 Opt 1	₹ 25 lakhs each	07-Jan-16	3,000.00	3,000.00	-	8.55%	07-Jan-21	Redeemable at par at the end of 1827 days from the date of allotment
D of FY 15-16 Opt 2	₹ 25 lakhs each	07-Jan-16	4,700.00	4,700.00	-	8.60%	06-Jan-23	Redeemable at par at the end of 2556 days from the date of allotment
D of FY 15-16 Opt 3	₹ 25 lakhs each	07-Jan-16	15,300.00	15,300.00	-	8.63%	07-Jan-26	Redeemable at par at the end of 3653 days from the date of allotment
D of FY 15-16 Opt 4	₹ 25 lakhs each	07-Jan-16	1,500.00	1,500.00	-	8.63%	07-Jan-31	Redeemable at par at the end of 5479 days from the date of allotment
D of FY 15-16 Opt 5	₹ 25 lakhs each	07-Jan-16	1,000.00	1,000.00	-	8.63%	07-Jan-36	Redeemable at par at the end of 7305 days from the date of allotment
E of FY 15-16 Opt 1	₹ 25 lakhs each	24-Feb-16	10,000.00	10,000.00	-	8.70%	24-Feb-21	Redeemable at par at the end of 1827 days from the date of allotment
E of FY 15-16 Opt 2	₹ 25 lakhs each	24-Feb-16	5,500.00	5,500.00	-	8.70%	24-Feb-23	Redeemable at par at the end of 2557 days from the date of allotment
E of FY 15-16 Opt 3	₹ 25 lakhs each	24-Feb-16	13,500.00	13,500.00	-	8.73%	24-Feb-26	Redeemable at par at the end of 3653 days from the date of allotment

Secured:

Non-Current:

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Private Placement (₹ in Lakhs)

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
E of FY 15-16 Opt 4	₹ 25 lakhs each	24-Feb-16	500.00	500.00	-	8.73%	24-Feb-31	Redeemable at par at the end of 5479 days from the date of allotment
E of FY 15-16 Opt 5	₹ 25 lakhs each	24-Feb-16	500.00	500.00	-	8.73%	22-Feb-36	Redeemable at par at the end of 7303 days from the date of allotment
F of FY 15-16	₹ 25 lakhs each	26-Feb-16	5,000.00	5,000.00	-	8.70%	26-Feb-21	Redeemable at par at the end of 1827 days from the date of allotment
G of FY 15-16 OPT 1	₹ 25 lakhs each	22-Mar-16	4,000.00	4,000.00	-	8.75%	22-Apr-21	Redeemable at par at the end of 1857 days from the date of allotment
G of FY 15-16 OPT 2	₹ 25 lakhs each	22-Mar-16	2,000.00	2,000.00	-	8.75%	22-Mar-23	Redeemable at par at the end of 2556 days from the date of allotment
G of FY 15-16 OPT 3	₹ 25 lakhs each	22-Mar-16	9,000.00	9,000.00	-	8.75%	20-Mar-26	Redeemable at par at the end of 3650 days from the date of allotment
H of FY 15-16	₹ 25 lakhs each	29-Mar-16	30,000.00	30,000.00	-	8.72%	27-Mar-26	Redeemable at par at the end of 3650 days from the date of allotment
Total			**1,625,975.00**	**1,270,200.00**	**355,775.00**			

Note 5.(I).(v) Secured Redeemable Non-Convertible Debentures : Public Issue **(₹ in Lakhs)**

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption	Redeemable Terms
NCD 2009 Series 3	₹ 1,000 each	17-Sep-09	12,072.43	-	12,072.43	9.95%	17-Jan-17	Redeemable at par at the end of 88 months from the date of allotment
NCD 2009 Series 4	₹ 1,000 each	17-Sep-09	46,013.29	46,013.29	-	10.24%	17-Sep-19	Redeemable at par at the end of 120 months from the date of allotment
Series 2010A – 1	₹ 1,000 each	02-Dec-10	1,908.20	1,908.20	-	7.75%	02-Dec-20	At the end of 10 years from the date of allotment. Buyback option available to the investors at the end of 7 years from the date of allotment.
Series 2010A – 2	₹ 1,000 each	02-Dec-10	4,717.17	4,717.17	-	7.75%	02-Dec-20	
Series 2010A – 3	₹ 1,000 each	02-Dec-10	5,104.08	5,104.08	-	7.50%	02-Dec-20	At the end of 10 years from the date of allotment. Buyback option available to the investors at the end of 5 years from the date of allotment.
Series 2010A – 4	₹ 1,000 each	02-Dec-10	10,861.83	10,861.83	-	7.50%	02-Dec-20	
Series 2011A – 1	₹ 1,000 each	23-Mar-11	7,947.39	7,947.39	-	8.20%	23-Mar-21	At the end of 10 years from the date of allotment. Buyback option available to the investors at the end of 5 years and 7 years from the date of allotment.
Series 2011A – 2	₹ 1,000 each	23-Mar-11	27,933.34	27,933.34	-	8.30%	23-Mar-21	
Series 2011 B - 1	₹ 1,000 each	10-Jan-12	15,184.82	-	15,184.82	9.00%	10-Jan-22	
Series 2011 B - 2	₹ 1,000 each	10-Jan-12	37,755.81	-	37,755.81	9.00%	10-Jan-22	
Series 2012 A - 1	₹ 1,000 each	24-Mar-12	12,129.31	-	12,129.31	8.70%	23-Mar-22	
Series 2012 A - 2	₹ 1,000 each	24-Mar-12	35,755.18	-	35,755.18	8.70%	23-Mar-22	
Total			**217,382.85**	**104,485.30**	**112,897.55**			
Grand Total			**1,843,357.85**	**1,374,685.30**	**468,672.55**			

Notes forming part of Consolidated Financial Statements - March 31, 2016

Note 5.(I).(vi) Term Loan from Bank **(₹ in Lakhs)**

Repayment terms	Tenure	Interest Rate Range	Non-Current Maturities	Current Maturities
Bullet	up to 5 years	9.01%-10.00%	230,000.00	82,500.00
Annual	up to 5 years	9.01%-10.00%	426,459.00	250.00
Annual	Above 5 years	9.01%-10.00%	43,974.00	3,117.00
Half Yearly	up to 5 years	9.01%-10.00%	190,166.67	115,625.00
Half Yearly	Above 5 years	9.01%-10.00%	16,777.80	26,941.11
Quarterly	up to 5 years	9.01%-10.00%	196,040.54	54,415.00
Quarterly	up to 5 years	10.01%-11.00%	-	2,503.00
Quarterly	Above 5 years	9.01%-10.00%	61,250.00	15,000.00
Total			**1,164,668.00**	**300,351.11**

Note 5.(I).(vii) Demand Loan from Bank **(₹ in Lakhs)**

Repayment terms	Tenure	Interest Rate Range	Non-Current Maturities	Current Maturities
Bullet	up to 5 years	9.01%-10.00%	85.69	-
Total			**85.69**	**-**

Unsecured:

Non-Current:

Note 5.(II).(i) Unsecured Redeemable Non-Convertible Subordinate Debt **(₹ in Lakhs)**

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption
J of FY 2012-13	₹ 10 lakhs each	21-Dec-12	7,500.00	7,500.00	-	9.80%	21-Dec-22
H of FY 2007-08	₹ 10 lakhs each	20-Feb-08	27,500.00	27,500.00	-	10.50%	20-Feb-18
I of FY 2013-14	₹ 10 lakhs each	27-Mar-14	5,000.00	5,000.00	-	10.35%	27-Mar-24
M of FY 2014-15	₹ 10 lakhs each	31-Dec-14	5,000.00	5,000.00	-	9.95%	31-Dec-24
S of FY 2014-15	₹ 10 lakhs each	30-Mar-15	5,000.00	5,000.00	-	9.95%	28-Mar-25
J of FY 2015-16	₹ 10 lakhs each	9-Sep-15	10,000.00	10,000.00	-	9.25%	9-Sep-25
M of FY 2015-16	₹ 10 lakhs each	23-Mar-16	10,000.00	10,000.00	-	9.30%	23-Mar-26
O of FY 2014-15	₹ 10 lakhs each	29-Jan-15	10,000.00	10,000.00	-	9.35%	29-Jan-25
H of FY 2015-16	₹ 10 lakhs each	14-Jul-15	1,400.00	1,400.00	-	9.32%	14-Jul-25
J of FY 2015-16	₹ 10 lakhs each	24-Jul-15	5,000.00	5,000.00	-	9.30%	24-Jul-25
A of FY 2012-13	₹ 10 lakhs each	30-Apr-12	20,000.00	20,000.00	-	9.90%	29-Apr-22
J of FY 2013-14	₹ 10 lakhs each	31-Jan-14	2,500.00	2,500.00	-	9.73%	31-Jan-24
K of FY 2013-14	₹ 10 lakhs each	10-Feb-14	2,000.00	2,000.00	-	9.73%	09-Feb-24
L of FY 2013-14	₹ 10 lakhs each	18-Feb-14	2,000.00	2,000.00	-	9.73%	16-Feb-24
O of FY 2013-14	₹ 10 lakhs each	04-Mar-14	500.00	500.00	-	9.73%	04-Mar-24
M of FY 2013-14	₹ 10 lakhs each	14-Mar-14	3,000.00	3,000.00	-	9.73%	14-Mar-24
N of FY 2014-15	₹ 10 lakhs each	13-Nov-14	10,000.00	10,000.00	-	9.10%	13-Nov-24
S of FY 2014-15	₹ 10 lakhs each	19-Jan-15	12,500.00	12,500.00	-	8.75%	17-Jan-25

Notes forming part of Consolidated Financial Statements - March 31, 2016

Unsecured:

Non-Current:

Note 5.(II).(i) Unsecured Redeemable Non-Convertible Subordinate Debt **(₹ in Lakhs)**

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.	Date of redemption
U of FY 2014-15	₹ 10 lakhs each	18-Feb-15	22,500.00	22,500.00	-	8.75%	18-Feb-25
A of FY 2015-16	₹ 10 lakhs each	17-Apr-15	10,000.00	10,000.00	-	8.90%	17-Apr-25
C of FY 2015-16	₹ 10 lakhs each	21-Apr-15	7,950.00	7,950.00	-	8.90%	21-Apr-25
D of FY 2015-16	₹ 10 lakhs each	22-Apr-15	4,500.00	4,500.00	-	8.90%	22-Apr-25
G of FY 2015-16	₹ 10 lakhs each	29-Apr-15	7,500.00	7,500.00	-	8.90%	29-Apr-25
I of FY 2015-16	₹ 10 lakhs each	15-May-15	4,300.00	4,300.00	-	8.90%	15-May-25
P of FY 2015-16	₹ 10 lakhs each	03-Jun-15	6,000.00	6,000.00	-	8.87%	03-Jun-25
AB of FY 15-16	₹ 10 lakhs each	15-Sep-15	2,000.00	2,000.00	-	8.90%	15-Sep-25
C of FY 2013-14	₹ 10 lakhs each	28-Feb-14	2,500.00	2,500.00	-	10.90%	28-Apr-24
F of FY 2013-14	₹ 10 lakhs each	27-Mar-14	5,000.00	5,000.00	-	10.90%	27-Mar-24
E of FY 2014-15	₹ 10 lakhs each	30-Jun-14	4,000.00	4,000.00	-	10.40%	28-Jun-24
F of FY 2015-16	₹ 10 lakhs each	29-Jan-16	3,200.00	3,200.00	-	9.35%	29-Jan-26
G of FY 2015-16	₹ 10 lakhs each	09-Feb-16	1,800.00	1,800.00	-	9.35%	09-Feb-26
H of FY 2015-16	₹ 10 lakhs each	04-Mar-16	5,000.00	5,000.00	-	9.48%	04-Mar-26
Total			**225,150.00**	**225,150.00**	**-**		

Note 5.(II).(ii) Line of Credit **(₹ in Lakhs)**

Repayment terms	Tenure	Interest Rate Range	Non-Current Maturities	Current Maturities
Bullet	up to 2 years	10.01%-11.00%	863,960.00	-
Total			**863,960.00**	**-**

Note 5.(II).(iii) Perpetual Debt

Series	Face value per Debenture	Date of Allotment	Amount (₹ in Lakhs)	Non-Current Maturities (₹ in Lakhs)	Current Maturities (₹ in Lakhs)	Interest rate % p.a.
F of FY 11-12	₹ 10 lakhs each	30-Dec-11	20,000.00	20,000.00	-	11.50%
U of FY 15-16	₹ 10 lakhs each	30-Mar-16	5,000.00	5,000.00	-	9.90%
I of FY 13-14	₹ 100 lakhs each	29-Jan-14	5,000.00	5,000.00	-	10.35%
X of FY 15-16	₹ 10 lakhs each	27-Aug-15	15,000.00	15,000.00	-	9.90%
AL of FY 15-16	₹ 10 lakhs each	18-Mar-16	5,000.00	5,000.00	-	9.50%
AO of FY 15-16	₹ 10 lakhs each	30-Mar-16	3,000.00	3,000.00	-	9.50%
I of FY 2015-16	₹ 10 lakhs each	30-Mar-16	5,000.00	5,000.00	-	10.10%
Total			**58,000.00**	**58,000.00**	**-**	

Notes forming part of Consolidated Financial Statements - March 31, 2016

6. Other long term liabilities

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Interest accrued but not due on debentures	48,594.10	44,393.46
Long term obligations	1,693.04	8,321.21
Security deposits and margin money received	3,066.77	3,150.70
Deferred income on loan processing and assignments	4,711.07	3,913.36
Construction finance - Debt Service Reserve amount and interest payable thereon	91.43	488.20
Others	141.52	133.66
Total other long term liabilities	**58,297.93**	**60,400.59**

7 Long term provisions

(₹ in Lakhs)

	As at March 31, 2016		As at March 31, 2015	
Contingent provision against standard assets		15,675.13		12,310.30
Interest capitalised on restructured assets		17,988.06		13,697.44
For Employee benefits				
- Gratuity	438.02		421.45	
- Leave Encashment	-	438.02	-	421.45
Others		575.51		254.59
Total long term provisions		**34,676.72**		**26,683.78**

8 Short term borrowings

(₹ in Lakhs)

		As at March 31, 2016		As at March 31, 2015	
(I)	**Secured**				
	Term loans				
	- from banks		-		10,000.00
	Bank overdraft/ Cash Credit		43,262.11		36,254.27
	Working capital demand loan		7,900.00		-
	Total I		**51,162.11**		**46,254.27**
(II)	**Unsecured**				
	Commercial papers	617,400.00		550,200.00	
	Less : Unexpired discounting charge	14,057.80	603,342.20	7,607.70	542,592.30
	Loans and advances from related parties (ICDs)		3,557.00		5,229.60
	Bank overdraft/ Cash Credit		11,491.59		4,793.50
	Total II		**618,390.79**		**552,615.40**
Total short term borrowings Total (I + II)			**669,552.90**		**598,869.67**

Notes forming part of Consolidated Financial Statements - March 31, 2016

9 Trade payable

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
- Dues to Micro and Small Enterprises	-	-
- Others	6,870.97	7,222.49
Total trade payable	**6,870.97**	**7,222.49**

10 Other current liabilities

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Interest accrued but not due on borrowings	119,461.05	67,228.18
Deferred income on loan processing and assignments	3,022.58	1,089.04
Security deposits and cash margin money received	1,248.04	1,160.86
Short term obligations	15,846.29	11,561.53
Statutory dues	3,917.03	3,711.24
Advance from customers	14,504.39	22,598.15
Trade payable for capital goods	11.79	83.68
Debenture Application money refundable	73.86	77.77
Unclaimed dividend	699.33	52.83
Unclaimed interest on debentures	1,666.54	980.97
Bank book credit balance	55,734.97	40,357.17
Accrued expenses	11,042.47	7,872.51
Other liabilities	10,553.29	9,542.84
Total other current liabilities	**237,781.63**	**166,316.77**

11 Short term provisions

(₹ in Lakhs)

	As at March 31, 2016		As at March 31, 2015	
Contingent provision against standard assets		7,306.68		4,405.83
For Employee benefits				
- Gratuity	465.58		264.26	
- Leave Encashment	2,646.71		1,945.08	
- Others	97.91	3,210.20	9.87	2,219.21
Proposed Dividend @ ₹ 0.80 (Previous Year ₹ 0.80) per equity share		14,027.19		13,762.29
Dividend Distribution Tax		-		11.41
Others		11.01		113.09
Total short term provisions		**24,555.08**		**20,511.83**

Notes 12 : Fixed Assets

(₹ in Lakhs)

Particulars	Gross Block					Accumulated Depreciation					Net Block	
	As at 1-Apr-15	Additions	Adjustments on acquistion	Sale / Adjustment	As at 31-Mar-16	Upto 1-Apr-15	For the year	Deductions	Adjustments	Upto 31-Mar-16	As at 31-Mar-16	As at 1-Apr-15
Tangible Assets												
Owned Assets												
Land - freehold	15,961.72	-	-	-	15,961.72	-	-	-	-	-	15,961.72	15,961.72
Buildings	11,190.09	15,078.01	-	-	26,268.10	857.62	216.97	-	-	1,074.59	25,193.51	10,332.47
Office Equipment	2,310.00	757.56	-	13.83	3,053.73	1,715.09	281.80	10.87	-	1,986.02	1,067.71	594.91
Furniture and fixtures	2,103.24	685.19	-	39.13	2,749.30	1,248.43	246.22	35.97	-	1,458.68	1,290.62	854.81
Leasehold Renovation	3,826.32	498.17	-	323.05	4,001.44	2,308.71	598.03	323.05	-	2,583.69	1,417.75	1,517.61
Computers	7,776.18	846.24	-	7.51	8,614.91	5,613.61	1,138.26	5.43	-	6,746.44	1,868.47	2,162.57
Motor car	72.15	-	-	-	72.15	51.55	7.75	-	-	59.30	12.85	20.60
Electrical and Installation	-	2,711.11	-	-	2,711.11	-	42.94	-	-	42.94	2,668.17	-
Owned Assets Leased out												
Buildings	-	-	-	-	-	-	-	-	-	-	-	-
Plant and Machinery	9,457.16	578.86	-	97.12	9,938.90	3,653.59	1,005.11	76.09	-	4,582.61	5,356.29	5,803.57
Office Equipment	271.76	-	-	86.06	185.70	80.17	43.88	19.37	-	104.68	81.02	191.59
Furniture and fixtures	1,854.54	392.08	-	429.84	1,816.78	591.33	215.91	22.70	-	784.54	1,032.24	1,263.21
Motor car	20,471.98	2,489.14	-	6,099.18	16,861.94	7,019.16	2,648.94	3,006.39	-	6,661.71	10,200.23	13,452.81
Vehicles	904.80	-	-	-	904.80	636.17	128.37	-	-	764.54	140.26	268.63
Computers	3,436.80	191.61	-	-	3,628.41	2,712.18	657.41	-	-	3,369.59	258.82	724.62
(A)	**79,636.74**	**24,227.97**	**-**	**7,095.72**	**96,768.99**	**26,487.61**	**7,231.59**	**3,499.87**	**-**	**30,219.33**	**66,549.66**	**53,149.12**
Intangible Assets												
Owned Assets												
Specialised software	7,192.39	533.13	-	-	7,725.52	5,849.43	1,049.79	-	-	6,899.22	826.30	1,342.96
(B)	**7,192.39**	**533.13**	**-**	**-**	**7,725.52**	**5,849.43**	**1,049.79**	**-**	**-**	**6,899.22**	**826.30**	**1,342.96**
Total (A) + (B)	**86,829.13**	**24,761.10**	**-**	**7,095.72**	**104,494.51**	**32,337.04**	**8,281.38**	**3,499.87**	**-**	**37,118.55**	**67,375.96**	**54,492.08**
Previous year	**86,573.23**	**8,797.63**	**-**	**8,541.73**	**86,829.13**	**27,675.87**	**9,550.41**	**5,337.59**	**448.36**	**32,337.05**	**-**	**-**

Notes forming part of Consolidated Financial Statements - March 31, 2016

13 Non current investments

(₹ in Lakhs)

		As at March 31, 2016		As at March 31, 2015	
		No. of shares / Debentures	₹ in Lakhs	No. of shares / Debentures	₹ in Lakhs
13.(I)	**Trade Investments (valued at cost unless stated otherwise)**				
	Unquoted equity instruments				
	Investment in Associates				
	Feedback Infra Private Ltd.	3,790,000	1,942.49	3,790,000	1,942.49
	(Equity Shares of ₹ 100 each fully paid)				
	Add : Goodwill on acquisition		1,847.51		1,847.51
	Add : Adjustment for post acquisition share of profit		961.12		729.97
	Grameen Capital India Limited	2,126,000	212.60	-	-
	(Equity Shares of ₹ 10 each fully paid)				
	Total (A)		**4,963.72**		**4,519.97**
13.(II)	**Other Investments (valued at cost unless stated otherwise)**				
	A) Quoted instruments				
	Investment in equity				
	Integrated Digital Info Services Limited	383,334	11.73	383,334	11.73
	(Equity Shares of ₹ 10 each fully paid)				
	Elque Polyesters Limited	194,300	19.43	194,300	19.43
	(Equity Shares of ₹ 10 each fully paid)				
	Monnet Industries Limited	5,640	2.26	5,640	2.26
	(Equity Shares of ₹ 10 each fully paid)				
	Monnet Ispat And Energy Limited	3,008	0.75	3,008	0.75
	(Equity Shares of ₹ 10 each fully paid)				
	Monnet Project Developers Limited	11,280	4.51	11,280	4.51
	(Equity Shares of ₹ 10 each fully paid)				
	Jaypee Infratech Limited	3,785,221	1,331.01	3,785,221	1,331.01
	(Equity Shares of ₹ 10 each fully paid)				
	Investment in Debentures				
	Infrastructure Development Finance Limited				
	IDFC Ltd (M+150bps) 16 May 2017	400	4,683.98	400	4,683.98
	(Debentures of ₹ 1,000,000 each)				
	B) Unquoted instruments				
	Investment in equity				
	Invent Assets Securitisation & Reconstruction Private Limited	7,100,000	1,597.50	7,100,000	1,597.50

Notes forming part of Consolidated Financial Statements - March 31, 2016

13 Non current investments

(₹ in Lakhs)

	As at March 31, 2016		As at March 31, 2015	
	No. of shares / Debentures	₹ in Lakhs	No. of shares / Debentures	₹ in Lakhs
(Equity Shares of ₹ 10 each fully paid)				
Alpha Micro Finance Consultants Private Limited	200,000	20.00	200,000	20.00
(Equity Shares of ₹ 10 each fully paid)				
Metropoli Overseas Limited	99,400	14.91	99,400	14.91
(Equity Shares of ₹ 10 each fully paid)				
Anil Chemicals and Industries Limited	40,000	8.00	40,000	8.00
(Equity Shares of ₹ 10 each fully paid)				
Tikona Digital Networks Private Limited	605	17.18	605	17.18
(Equity Shares of ₹ 2840 each fully paid)				
Bhoruka Power Corporation Limited	100	0.85	100	0.85
(Equity Shares of ₹ 100 each fully paid)				
Bhoruka Power Holdings Private Limited	-	-	100	0.02
(Equity Shares of ₹ 10 each fully paid)				
Bhoruka Power India Investments Private Limited	10	0.02	-	-
(Equity Shares of ₹ 10 each fully paid)				
The Kalyan Janatha Sahakari Bank Limited (Equity Shares of ₹ 25 each fully paid)	20,000	5.00	20,000	5.00
The Malad Sahakari Bank Limited (Equity Shares of ₹ 10 each fully paid)	100	0.01	100	0.01
Mission Holdings Private Limited (Equity Shares of ₹ 10 each fully paid)	100	0.01	100	0.01
Soma Tollways Private Limited (Equity Shares of ₹ 10 each fully paid)	4,449,987	22,855.50	-	-
Indian Highways Management Company Limited (Equity Shares of ₹ 10 each fully paid)	1,500,000	150.00	1,500,000	150.00
MF Utilities India Private Limited	500,000	5.00	500,000	5.00
(Equity Shares of ₹ 10 each fully paid)				
Investments in units of fund				
LICHFL Urban Development Fund	10,000	784.83	3,420	314.54
L&T Infra Investments Partner Fund	11,437,658	18,820.43	11,277,664	11,268.66
Investments in Debentures				
Compulsory Convertible Debentures				
Tikona Digital Networks Private Limited (Debentures of ₹ 2,840 each fully paid)	579,772	16,465.52	579,772	16,465.52
Bhoruka Power Corporation Limited (Debentures of ₹ 100,000 each fully paid)	25,771	25,771.00	23,336	24,836.00

Notes forming part of Consolidated Financial Statements - March 31, 2016

13 Non current investments

(₹ in Lakhs)

	As at March 31, 2016		As at March 31, 2015	
	No. of shares / Debentures	₹ in Lakhs	No. of shares / Debentures	₹ in Lakhs
Multiple option exchangeable debentures				
Mission Holdings Private Limited (Debentures of ₹ 100,000 each fully paid)	5,500	5,500.00	5,500	5,500.00
Investments in Optional Convertible Preference Shares				
Grameen Capital India Limited	3,874,000	387.40	-	-
(Preference Shares of ₹ 10 each fully paid)				
Investments in Cumulative Redeemable Preference Shares				
Anrak Aluminium Limited	62,500,000	6,250.00	93,750,000	9,375.00
(10% Preference Shares of ₹ 10 each fully paid)				
SKS Ispat Power Limited	9,773,621	922.18	-	-
(Preference Shares of ₹ 10 each fully paid)				
Others				
Investment in Units				
KKR India debt Opportunities Fund III		2,500.00		2,260.00
Security Receipt				
Phoenix ARC Private Limited		12,093.31		12,600.06
EARC Trust - SC 105 Trust		11,617.55		11,900.00
EARC Trust - SC 132 Trust		85.00		85.00
Sponseror's contribution to trustee		0.10		0.10
Investments in open ended Mutual Funds		1,332.00		150.00
LTFL Securitisation Trust 2002		0.01		0.01
12% National Saving Certificate 2002		0.04		0.04
(Deposited as security with sales tax authorities)				
Total (B)		**133,257.02**		**102,627.08**
(A + B)		**138,220.75**		**107,147.05**
Less : Provision for diminution in the value of Investments		4,220.11		2,832.44
Total non current investments		**134,000.64**		**104,314.61**
Note:				
Aggregate amount of quoted investments (Market value of ₹ 4,998.15 Lakhs (Previous Year ₹ 5,354.79 Lakhs)		6,053.67		6,053.67
Aggregate amount of unquoted investments		132,167.08		101,093.38

Notes forming part of Consolidated Financial Statements - March 31, 2016

14 Deferred tax assets (net)

In compliance with the Accounting Standard (AS) 22 on 'Accounting for Taxes on Income' the Company has provided for deferred tax assets (net) in the statement of Profit & Loss on account of timing differences. The major components of deferred tax assets and liabilities arising on account of timing differences are:

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Component		
Deferred tax liability		
Difference between book depreciation and tax depreciation	857.42	-
Amount transferred to Special Reserve	1,353.26	993.17
Other item giving rise to timing difference	-	866.50
	2,210.68	**1,859.67**
Deferred tax assets		
Provision for NPA/interest receivable	33,298.02	23,279.25
Provision on Standard Assets	1,291.99	1,103.16
Difference between book depreciation and tax depreciation	4,508.83	3,819.39
Provision for leave encashment	217.80	553.80
Unpaid statutory liabilities	363.08	-
Unabsorbed losses	1,011.47	-
Other item giving rise to timing difference	1,447.17	2,082.90
	42,138.36	**30,838.50**
Net deferred tax assets	**39,927.68**	**28,978.83**

15 Long term loans and advances

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Unsecured (Considered good)		
Capital Advances	466.18	894.19
Advance taxes (net)	29,499.56	18,877.00
MAT Credit Entitlement	4,760.36	2,267.69
Security Deposit	5,526.73	5,896.30
Total long term loans and advances	**40,252.83**	**27,935.18**

Notes forming part of Consolidated Financial Statements - March 31, 2016

16 Long term loans and advances towards financing activities

(₹ in Lakhs)

	As at March 31, 2016		As at March 31, 2015	
	Non current portion#	Current maturities	Non current portion#	Current maturities
(I) Secured				
Considered good				
Term loans	3,802,000.21	756,680.13	3,061,001.41	784,389.55
Finance Lease	3,245.77	4,547.82	6,830.79	6,366.19
Debentures	403,725.28	12,372.92	278,907.53	5,977.93
Less : Allowances for non-performing assets	54,728.48	-	40,788.84	-
Less: Provision on Restructured Assets	12,622.10	-	11,797.20	-
Less : Allowances for standard assets	4,910.83	-	1,711.01	-
Total I	**4,136,709.85**	**773,600.87**	**3,292,442.68**	**796,733.67**
(II) Unsecured				
Term loans	223,519.12	131,526.17	168,367.26	47,258.23
Debentures	31,000.00	1,822.51	1,822.51	4,000.00
	254,519.12	**133,348.68**	**170,189.77**	**51,258.23**
Considered doubtful				
Term loans	-	-	-	-
Less : Allowances for non-performing assets	3,108.57	-	5,433.75	-
Total II	**251,410.55**	**133,348.68**	**164,756.02**	**51,258.23**
Total long term loans and advances towards financing activities (I + II)	**4,388,120.40**	**906,949.55**	**3,457,198.70**	**847,991.90**

#Borrower wise loans and advances towards financing activity under the NPA category has been treated as non - current.

17 Other non current assets

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Advances recoverable in cash or in kind or for value to be received	11,567.49	8,770.60
Unamortised loss on sale of NPAs	-	5,575.88
Accrued interest/premium on debentures and loans	31,941.55	24,124.29
Others	28.54	13.40
Total other non current assets	**43,537.58**	**38,484.17**

Notes forming part of Consolidated Financial Statements - March 31, 2016

18 Current investments

(₹ in Lakhs)

Non-trade Investments (valued at cost unless stated otherwise)	As at March 31, 2016 No. of units	₹	As at March 31, 2015 No. of units	₹
Investment in Equity shares				
Quoted instruments				
C&C Construction Limited (Equity Shares of ₹ 10 each fully paid)	2,578,789	386.82	2,137,801	848.00
B.L. Kashyap & Sons Limited (Equity Shares of ₹ 1 each fully paid)	531,910	27.93	7,882,522	412.95
Shiv-Vani Oil & Gas Exploration Services Limited (Equity Shares of ₹ 10 each fully paid)	1,940,514	460.87	1,940,514	460.87
Bhushan Steel Limited (Equity Shares of ₹ 10 each fully paid)	1,023,392	700.00	475,146	684.80
Glodyne Technoserve Limited (Equity Shares of ₹ 6 each fully paid)	319,262	22.67	319,262	22.67
Government of India securities				
7.50% Government of India Stock 2034	14,000	14.17	14,000	14.17
6.13% Government of India Stock 2028	40,000	38.22	40,000	38.22
Investment in Debenture/Bonds:				
Indian Overseas Bank (Perpetual Bond) (Face value of ₹ 1,000,000 each fully paid)	4,249	42,490.00	4,249	42,490.00
Unquoted instruments				
Investment in Equity shares				
ICOMM Tele Limited (Equity Shares of ₹ 10 each fully paid)	41,667	50.00	41,667	50.00
VMC Systems Limited (Equity Shares of ₹ 10 each fully paid)	907,264	1,930.94	907,264	1,930.94
Saumya Mining Limited (Equity Shares of ₹ 10 each fully paid)	1,077,986	517.64	1,077,986	517.64
Coastal Projects Limited (Equity Shares of ₹ 10 each fully paid)	7,896,884	2,209.58	328,526	1,481.54
Hanjer Biotech Energies Private Limited (Equity Shares of ₹ 10 each fully paid)	208,716	944.31	208,716	944.31
Soma Enterprises Limited (Equity Shares of ₹ 10 each fully paid)	68,159	72.62	-	-
Unity Infra Project (Equity Shares of ₹ 10 each fully paid)	694,370	191.09	-	-
Mediciti Healthcare Services Private Limited (Equity Shares of ₹ 10 each fully paid)	1,635,003	50.00	-	-
Monnet Ispat & Energy Limited (Equity Shares of ₹ 10 each fully paid)	1,798,245	615.00	-	-
Investment in Debentures				
Jindal Steel & Power Limited		1,483.61	-	-
Share Application Money pending allotment				
Shiv-Vani Oil & Gas Exploration Services Limited		3,347.35	-	240.36
Current maturity of long term investment				
KSK Energy Ventures Limited (Preference Shares of ₹ 1,000,000 each fully paid)	-	-	34,000,000	3,400.00
Investment in Mutual Funds		174,035.04		110,219.23
		229,587.86		163,755.70
Less : Provision for diminution in the value of Investments		7,261.14		3,148.69
Total current investments		**222,326.72**		**160,607.01**

Notes forming part of Consolidated Financial Statements - March 31, 2016

19 Trade receivable

(₹ in Lakhs)

	As at March 31, 2016		As at March 31, 2015	
Secured				
Considered good				
Debts outstanding for a period exceeding six months	-		-	
Other	593.14	593.14	281.90	281.90
Unsecured				
Considered good				
Debts outstanding for a period exceeding six months	67.64		187.50	
Other	2,008.34	2,075.98	1,667.79	1,855.29
Total trade receivable		**2,669.12**		**2,137.19**

20 Cash and bank balances

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents		
Balance with Banks		
In Current Account	31,235.56	17,096.05
In Deposit account	2,549.88	65,707.18
(Deposits with original maturity of less than three months)		
Cash on hand	3,098.87	2,041.36
Cheques on hand	1,192.03	-
Other balances		
In earmarked accounts		
-unclaimed infrastructure bonds application money	73.86	77.77
-unclaimed interest on infrastructure bonds	1,666.54	980.97
Deposits with original maturity for more than 3 months but less than 12 months	329.43	329.24
Deposits with original maturity for more than 12 months	7.26	0.38
Total cash and bank balances	**40,153.43**	**86,232.95**

Notes forming part of Consolidated Financial Statements - March 31, 2016

21 Short term loans and advances towards financing activities

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
(I) Secured		
Term loans	5,886.74	716.73
Total I	**5,886.74**	**716.73**
(II)Unsecured		
Term loans	305,581.33	270,406.03
Total II	**305,581.33**	**270,406.03**
Total short term loans and advances towards financing activities Total (I + II)	**311,468.07**	**271,122.76**

22 Other current assets

(₹ in Lakhs)

	As at March 31, 2016	As at March 31, 2015
Advances recoverable in cash or in kind or for value to be received (net of provision)	7,358.09	10,839.89
Accrued interest and other receivable	86,129.99	80,401.75
Accrual of Fee Income	170.56	212.81
Security deposit	148.49	924.63
Unamortised loss on sale of NPAs	5,576.92	11,946.19
Assets acquired in settlement of claims	7,895.24	7,895.24
Others	4,439.09	1,254.74
Total other current assets	**111,718.38**	**113,475.25**

23 Revenue from operations

(₹ in Lakhs)

	2015-16		2014-15	
Term Loans and other financing activity (net of reversal)		660,467.18		569,003.91
Lease		8,742.92		10,091.99
Bill Discounting		12,532.05		11,157.34
Dividend Income on:				
Equity shares	-		-	
Preference Shares	362.65	362.65	722	721.95
Other Income from Preference Shares		3,300.66		2,883.50
Financial Advisory Fees		9,789.54		6,100.57
Investment Management Fees		24,518.99		12,651.25
Commission and Brokerage		3,201.23		3,524.30
Gain/(Loss) on loan sell down		1,196.50		683.32
Other operational income		4,767.20		2,804.73
Total revenue from operations		**728,878.92**		**619,622.86**

Notes forming part of Consolidated Financial Statements - March 31, 2016

24 Other Income

(₹ in Lakhs)

	2015-16		2014-15	
Income from investments (Trade)				
- Interest and dividend on investments	5,746.43		5,265.19	
- Profit on sale / redemption of investments	9,360.40	15,106.83	6,331.79	11,596.98
Profit on sale of fixed assets		6.57		-
Others		3,076.64		2,525.09
Total other Income		**18,190.04**		**14,122.07**

25 Finance cost

(₹ in Lakhs)

	2015-16	2014-15
Interest expenses	410,164.08	354,139.37
Other borrowing cost	2,249.56	2,639.36
Total finance cost	**412,413.64**	**356,778.73**

26 Employee benefits expense

(₹ in Lakhs)

	2015-16		2014-15	
Salaries		42,841.16		31,439.43
Contribution to and provision for:				
Provident fund and Pension fund	1,853.21		1,337.30	
Gratuity fund	953.00		580.86	
Superannuation fund	310.97		214.17	
Compensated absences/ leave encashment	981.03	4,098.21	567.32	2,699.65
Expenses on ESOP		132.61		99.35
Welfare and other expenses		1,696.79		988.62
Total employee benefits expense		**48,768.77**		**35,227.05**

Notes forming part of Consolidated Financial Statements - March 31, 2016

27 Administration and other expenses

(₹ in Lakhs)

	2015-16		2014-15	
Travelling and conveyance		3,440.55		3,087.93
Printing and stationery		1,018.57		764.64
Telephone and postage		2,441.61		2,230.62
Directors' Sitting fees		99.76		74.28
Non Executive Directors Remunerations		217.42		193.48
Brokerage and service charges		8,812.93		7,581.60
Stamping charges		168.31		144.12
Advertising and publicity		1,277.83		689.37
Repairs and maintenance		4,454.25		3,457.34
Rent		4,662.24		4,311.64
Rates and taxes		857.78		502.56
Electricity charges		843.63		786.80
Property Maintenance		80.18		79.45
Insurance		139.90		444.96
Auditors remuneration				
Audit fees	131.72		119.06	
Tax audit fees	13.51		15.63	
Limited Review	47.25		37.53	
Certification	24.36		29.52	
Expenses reimbursed	16.49		7.16	
		233.33		208.90
Professional fees		17,435.56		24,955.54
Bank Charges		928.57		895.02
Filling fees		34.15		18.67
Loss on sale of fixed assets		2,302.56		910.31
Membership and subscription		346.70		317.08
Brand license fees		3,807.73		2,985.44
Corporate social responsibilities		1,885.53		1,308.05
Mutual fund scheme expenses		12,932.39		3,289.91
PMS business promotion and distribution expenses		910.27		728.26
Donation		0.60		4.25
Miscellaneous expenses		4,904.16		2,958.17
Total administration and other expenses		**74,236.51**		**62,928.39**

28 Allowances and write offs

(₹ in Lakhs)

	2015-16	2014-15
Provision for standard assets	9,490.49	2,536.04
Provision for non-performing assets	11,614.45	8,620.42
Provision for restructured assets	326.25	3,121.15
Provision for diminution in value of investments	5,485.43	4,265.11
Provision for advances and receivables	(45.93)	(3,752.18)
Loss on foreclosure of loans (net)	24,030.59	15,071.04
Loss on sale of investments in associate	-	450.00
Bad debts write off	27,200.85	35,855.92
Total allowances and write offs	**78,102.13**	**66,167.50**

Notes forming part of Consolidated Financial Statements - March 31, 2016

NOTE NO. – 29: Notes on financial statements

29.1 Basis of preparation:

a) The Consolidated Financial Statement (CFS) are prepared in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statement", Accounting Standard (AS) 23 "Accounting for investment in Associates in Consolidated Financial Statement" as notified under 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The CFS comprises the financial statements of L&T Finance Holdings Limited, its subsidiaries and associates. Reference in these notes to L&T Finance Holdings Limited, Company, Companies or Group shall mean to include L&T Finance Holdings Limited or any of its subsidiaries and associates, unless otherwise stated.

b) The notes and significant policies to the CFS are intended to serve as a guide for better understanding of the Group's position. In this respect, the Company has disclosed such notes and policies which represent the required disclosure.

29.2 The list of subsidiaries and associates included in the consolidated financial statement are as under

Sr. No.	Name of subsidiary/ associate company	Country of Incorporation	As at March 31, 2016		As at March 31, 2015	
			Proportion of ownership interest (%)	Proportion of voting power held (%)	Proportion of ownership interest (%)	Proportion of voting power held (%)
1	L& T Finance Limited	India	100.00	100.00	100.00	100.00
2	L&T Infrastructure Finance Company Limited	India	100.00	100.00	100.00	100.00
3	L&T Fincorp Limited	India	100.00	100.00	100.00	100.00
4	L&T Investment Management Limited	India	100.00	100.00	100.00	100.00
5	L&T Mutual Fund Trustee Limited	India	100.00	100.00	100.00	100.00
6	L&T Access Distribution Services Limited (formerly L&T Access Financial Advisory Services Limited)	India	100.00	100.00	100.00	100.00
7	L &T Vrindavan Properties Limited	India	100.00	100.00	100.00	100.00
8	L & T Infra Investment Partners Advisory Private Limited	India	100.00	100.00	100.00	100.00
9	L & T Infra Investment Partners Trustee Private Limited	India	100.00	100.00	100.00	100.00
10	Family Credit Limited	India	100.00	100.00	100.00	100.00
11	L&T Housing Finance Limited	India	100.00	100.00	100.00	100.00
12	Consumer Financial Services Limited	India	100.00	100.00	100.00	100.00

Notes forming part of Consolidated Financial Statements - March 31, 2016

Sr. No.	Name of subsidiary/ associate company	Country of Incorporation	As at March 31, 2016		As at March 31, 2015	
			Proportion of ownership interest (%)	Proportion of voting power held (%)	Proportion of ownership interest (%)	Proportion of voting power held (%)
13	L&T Capital Markets Limited	India	100.00	100.00	100.00	100.00
14	L&T Infra Debt Fund Limited	India	100.00	100.00	100.00	100.00
15	Mudit Cements Private Limited	India	100.00	100.00	100.00	100.00
	Name of associate company					
1	Feedback Infra Private Limited (formerly Feedback Infrastructure Services Private Limited)	India	23.16	23.16	23.16	23.16
2	Grameen Capital India Limited	India	26.00	26.00	-	-

29.3 Stock option scheme

a) In respect of stock options granted pursuant to Company's stock options scheme, the intrinsic value of the options (excess of market price of the share over the exercise price of the option) is treated as discount and accounted as employee compensation over the vesting period.

b) The grant of options to the employees under the stock option scheme is on the basis of their performance and other eligibility criteria. The options allotted under scheme 2010 are vested over a period of 4 years in ratio of 15%, 20%, 30% and 35% respectively from the date of grant, subject to the discretion of the management and fulfillment of certain conditions. The options granted under scheme 2013 are vest in a graded manner over a period of four year with 15 %, 20%, 30 % and 35 % of grants vesting each year, commencing from the end of 24 month from the date of grant.

c) Options allotted under scheme 2010 can be exercised anytime within a period of 7 years from the date of grant and would be settled by way of equity. The option granted under scheme 2013 can be exercised anytime within a period of 8 years from the date of grant. Management has discretion to modify the exercise period.

d) The option granted under scheme 2010 is at exercise price of ₹ 44.20. The option granted under scheme 2013 was at exercise price ₹ 67.85 which was at the last closing price on National stock exchange preceding the date of grant.

e) During the year ended March 31, 2016, 9,00,000 options were allotted under scheme 2010.

Notes forming part of Consolidated Financial Statements - March 31, 2016

f) The details of the grants are summarised below:

Sr. No.	Particulars	2015-16	2014-15
1	Options granted and outstanding at the beginning of the year	3,31,52,519	91,06,625
2	Options granted during the year	9,00,000	2,66,00,000
3	Options cancelled/ lapsed during the year	31,17,841	7,17,181
4	Options exercised during the year	12,75,680	18,36,925
5	Options granted and outstanding at the end of the year of which –		
	- Options vested	40,95,548	43,39,694
	- Options yet to vest	2,55,63,450	2,88,12,825
6	Weighted average remaining contractual life of options (in years)	6.47	7.32

g) During the year, the Company has debited to the Statement of Profit and Loss ₹ 36.72 lakh (previous year ₹ Nil) {net of recovery from its subsidiary companies during the year ₹ 95.46 lakh (previous year ₹ 123.72 lakh) } towards the stock options granted to their employees, pursuant to the employee stock option schemes.

h) Total carrying amount of liabilities arising from employee share-based payment plans as on March 31, 2016 is ₹ 845.97 lakh (previous year: ₹ 813.27 lakh), including ₹ 415.97 lakh (previous year : ₹ 416.28 lakh) for which the options have vested to employees as on March 31, 2016.

i) Weighted average fair values of options granted during the year is ₹ 32.02 (previous year: ₹ 25.40) per options.

j) Had the Company opted for accounting of employee compensation cost under 'Fair value Method', Profit after tax would have been lower by ₹ 2156.85 lakh (Previous year: ₹ 1401.94 lakh) and Earnings per share (Basic and diluted) would have been ₹ 3.66 (Previous year: Basic ₹ 4.22 and Diluted ₹ 4.21)

k) The Fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows

Sr. No	Particulars	2015-16	2014-15
a)	Weighted average risk-free interest rate	7.52%	7.90%
b)	Weighted average expected life of options	3.68 years	4.34 years
c)	Weighted average expected volatility	31.78%	33.15%
d)	Weighted average expected dividends	₹ 2.94 per option	₹ 3.47 per option
e)	Weighted average share price	₹ 65.73 per option	₹ 67.84 per option
f)	Weighted average exercise price	₹ 44.20 per option	₹ 67.63 per option
g)	Method used to determine expected volatility	Expected volatility is based on the historical volatility of the Company shares price applicable to the expected life of each option.	

Notes forming part of Consolidated Financial Statements - March 31, 2016

29.4 Disclosure pursuant to Accounting Standard (AS) 15 (Revised) "Employee Benefits":

i) Defined Contribution Plans :

Amount of ₹ 2,164.18 lakh (previous year ₹ 1,551.47 lakh) is recognised as an expense and included in employee benefits expense in the statement of profit and loss.

ii) Defined Benefit Gratuity Plans :

a) The amounts recognised in Balance Sheet are as follows:

(₹ in Lakhs)

Particulars	Gratuity Plan	
	As at March 31, 2016	As at March 31, 2015
A. Amount to be recognized in Balance Sheet		
Present Value of Defined Benefit Obligation		
- Wholly Funded	2,568.93	1,815.50
- Wholly Unfunded	180.07	252.34
Less: Fair value of Plan Assets	(1,845.40)	(1,658.47)
Amount not recognised as an Asset [limit in Para 59 (b)]	-	96.99
Amount to be recognised as liability or (asset)	903.60	506.36
B. Amounts reflected in the Balance Sheet		
- Liability	903.60	694.72
- Assets	-	(188.36)
Net Liability (asset)	**903.60**	**506.36**

b) The amount recognised in profit and loss account are as follows:

(₹ in Lakhs)

Particulars		Gratuity Plan	
		2015-16	2014-15
1	Current Service Cost	409.70	267.80
2	Interest on Defined Benefit Obligation	187.46	162.04
3	Expected Return on Plan Assets	(129.71)	(128.94)
4	Actuarial Losses/(Gains)	582.55	230.84
5	Past Service Cost	-	53.43
6	Effect of any curtailment or settlement	-	-
7	Actuarial Gain not recognized in books	-	-
8	Adjustment for earlier years	-	-
9	Recoverable from ultimate holding company	-	-
10	Total included in Employee Benefit Expenses	-	-
11	Actual Return on Plan Assets	-	-
12	Amount not recognized as Assets (Limits in para 59(b))	(97.00)	(4.31)
	Net Cost recognised in statement of Profit and Loss	**953.00**	**580.86**
	Actual Return on Plan Assets	20.97	123.66

Notes forming part of Consolidated Financial Statements - March 31, 2016

c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

(₹ in Lakhs)

Particulars	Gratuity Plan	
	As at March 31, 2016	As at March 31, 2015
Opening balance of the present value of Defined Benefit Obligation	2,067.84	1,494.02
Add: Current Service Cost	409.70	267.80
Add: Interest Cost	187.46	162.04
Add/(less): Actuarial Losses/(Gain)	473.81	225.56
Add: Past service cost	-	53.43
Add : Liability assume on acquisition/(settlement)	-	-
Add: Transferred from holding company	-	-
Add : Actuarial losses / (Gain) due to curtailments	(2.07)	9.43
Add: Liabilities Extinguished on Settlements	-	-
Less: Benefits paid	(387.74)	(144.44)
Closing balance of the present value of Defined Benefit Obligation	2,749.00	2,067.84

d) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

(₹ in Lakhs)

Particulars	Gratuity Plan	
	As at March 31, 2016	As at March 31, 2015
Opening balance of the fair value of the plan assets	1,658.47	1,576.60
Add: Expected Return on plan assets*	129.71	128.94
Add/(less): Actuarial gains/(losses)	(108.74)	(5.28)
Add: Assets Distributed on Settlements	-	-
Add: Contributions by Employer	553.70	102.65
Add: Assets Acquired on Acquisition/(Distributed on Divestiture)	-	-
Add: Exchange Difference on Foreign Plans	-	-
Less: Benefits Paid	(387.74)	(144.44)
Closing balance of the plan assets	1,845.40	1,658.47

Note: The fair value of the plan assets under the trust managed provident fund plan has been determined at amounts based on their value at the time of redemption, assuming a constant rate of return to maturity.

Notes forming part of Consolidated Financial Statements - March 31, 2016

* Based used to determine the overall expected return:

The trust formed by the company manages the investment of provident fund and gratuity fund. Expected return on plan assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

e) The broad categories of plan assets as a percentage of total plan assets, are as follows:

	Particulars	Gratuity Plan	
		As at March 31, 2016	As at March 31, 2015
1	Government of India Securities	11%	18%
2	Corporate Bonds	16%	4%
3	Special Deposit Scheme	1%	1%
4	Equity Shares of Listed Companies	2%	2%
5	Property	0%	0%
6	Insurer Managed Funds	70%	75%
7	Others	0%	0%

f) Principal actuarial assumption at the balance sheet date (expressed as weighted averages):

Particulars		As at March 31, 2016	As at March 31, 2015
1.	Discount rate	7.60% - 8.05%	7.90% - 7.95%
2.	Expected return on plan assets	7.50% - 8.00%	7.50% - 8.00%
3.	Salary growth rate :	6.00% - 8.00%	6.00% - 8.00%

g) The amounts pertaining to experience adjustments are as follows:

(₹ in Lakhs)

Particulars	As at March 31				
	2016	2015	2014	2013	*2012*
- *Defined Benefit Obligation*	(2,749.00)	(2,067.84)	(1,494.02)	(851.76)	(373.66)
- *Plan Assets*	1,845.40	1,658.47	1,576.60	542.34	229.58
- *Surplus /(Deficit)*	(903.60)	(409.37)	82.58	(309.42)	(144.08)
Exp. Adjustment on Plan Liabilities	481.81	(58.04)	(289.77)	(214.32)	33.08
Exp. Adjustment on Plan Asset	(108.74)	(5.28)	46.30	5.92	0.76

Notes forming part of Consolidated Financial Statements - March 31, 2016

iii) Defined Benefit Provident Fund Plan:

a. The amounts recognised in Balance Sheet are as follows:

(₹ in Lakhs)

Particulars		Provident Fund Plan	
		As at March 31, 2016	*As at March 31, 2015*
A.	**Net (Liability) / Asset recognized in the Balance Sheet**		
	Present Value of Funded Obligation	(5,311.22)	(4,405.27)
	Present Value of Unfunded obligation	-	-
	Less: Fair value of Plan Assets	5,325.47	4409.44
	Amount to be recognised in the Balance Sheet as (liability) or asset	14.25	4.17
B.	**Amounts to be recognised in the Balance Sheet**		
	Liability	-	-
	Assets	14.25	4.17

b. Expenses recognised in the statement of Profit & Loss:

(₹ in Lakhs)

Particulars		Provident Fund Plan	
		2015-16	2014-15
1	Current Service Cost	518.85	456.67
2	Provident Fund transfer In	-	-
3	Interest on Defined Benefit Obligation	376.29	269.26
4	Expected Return on Plan Assets	(376.29)	(269.26)
5	Net Actuarial Losses/(Gains)	(56.13)	29.59
6	(Shortfall) in actual return on plan assets over interest payable not to be recognised as expenses to the extent of excess of asset over liabilities	56.13	(29.59)
7	Expenses recognized in the statement of Profit & Loss Account	518.85	456.67
8	Actual Return of Plan Asset	432.42	307.08

Notes forming part of Consolidated Financial Statements - March 31, 2016

c. The changes in value of defined benefit Obligation representing reconciliation of opening and closing balance thereof are as follows:

(₹ in Lakhs)

Particulars	Provident Fund Plan	
	As at March 31, 2016	As at March 31, 2015
Opening balance of the present value of Defined Benefit Obligation	4,405.27	3,417.87
Transfer in/out	(342.06)	
Add: Current Service Cost	518.85	456.67
Add: Interest Cost	376.29	269.26
Add: Contribution by Plan Participants	962.70	730.31
Add: Actuarial Losses / (Gain)	-	(9.21)
Less: Benefits paid	(609.83)	(459.63)
Closing balance of the present value of Defined Benefit Obligation	**5,311.22**	**4405.27**

d. Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

(₹ in Lakhs)

Particulars	Provident Fund Plan	
	As at March 31, 2016	As at March 31, 2015
Opening balance of the fair value of the plan assets	4,409.44	3,399.45
Transfer in/out	(342.06)	
Add: Expected Return on plan assets	376.29	269.26
Add/(less): Actuarial gains/(losses)	56.13	38.81
Add: Contributions by Employer	497.06	445.20
Add: Contribution by Plant participants	938.44	716.35
Less: Benefits Paid	(609.83)	(459.63)
Closing balance of the plan assets	**5,325.47**	**4,409.44**

e. The major categories of plan assets as a percentage of total plan assets, are as follows:

Particulars		Provident Fund Plan	
		As at March 31, 2016	As at March 31, 2015
1	Government of India Securities	25%	25%
2	State Government Scheme	16%	15%
3	Special Deposit Scheme	9%	10%
4	Public Sector Unit Bond	39%	42%
5	Corporate Bonds	9%	8%
6	Others (cheques on hand)	2%	-
		100%	**100%**

Note: The interest payment obligation of trust-managed provident fund is assumed to be adequately covered by the interest income on long term investments of the fund. Any shortfall in the interest income over the interest obligation is recognised immediately in the statement of Profit and Loss Account as actuarial losses. Pursuant to the guidance note issued by the Institute of Actuaries, ₹ Nil (previous year ₹ 20.00 lakh) has been recognised in Statement of Profit & Loss on account of interest rate guarantee on Exempt Provident fund.

Notes forming part of Consolidated Financial Statements - March 31, 2016

a) General description of defined benefit plans:

1. Gratuity Plan:

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, whichever is earlier. The benefit vests after five years of continuous service. The Company's scheme is more favorable compared to the obligation under the Payment of Gratuity Act, 1972.

2. Provident Fund Plan:

One of the subsidiaries manages Provident Fund Plan through a Provident Fund Trust for its employees which is permitted under the Provident Fund and Miscellaneous Provisions Act, 1952. The Plan envisages contributions by employer and employees and guarantees interest at the rate notified by the Provident Fund Authority. The contribution by employer and employee together with interest are payable at the time of separation from service or retirement whichever is earlier. The benefit under this plan vests immediately on rendering of service.

29.5 Disclosure pursuant to Accounting Standard (AS) 16 Borrowing Cost

Borrowing costs capitalised during the year are ₹ 462.02 lakh (previous year ₹ 1,452.93 lakh).

29.6 Disclosure pursuant to Accounting Standard (AS) 17 Segment Reporting

a) Primary Segment (Business Segment)

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Retail and Mid Market Finance, Wholesale Finance, Investment Management and Other Business. Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly attributable to each reportable segment have been allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocated expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

Information about Business Segment composition:

Retail and Mid Market Finance comprises of Rural Products Finance, Personal Vehicle Finance, Microfinance, Housing Finance, Commercial Vehicle Finance, Construction Equipment Finance, Loans & Leases, Loan Against Shares and Supply Chain Finance,

Wholesale Finance comprises of project finance and non-project corporate finance to infra and non-infra segments across Power – Thermal and Renewable; Transportation – Roads, Ports and Airports; Telecom and Other non-infra segments,

Investment Management comprises of Assets Management of Mutual Fund and Private Equity Fund,

Others comprises of Wealth Management, Financial Product Distribution etc.

Notes forming part of Consolidated Financial Statements - March 31, 2016

(₹ in Lakhs)

Sr. No.	Particulars	Retail and Mid Market Finance		Wholesale finance		Investment Management		Other Business		TOTAL	
		For the year ended / As at 31st March, 2016	For the year ended / As at 31st March, 2015	For the year ended / As at 31st March, 2016	For the year ended / As at 31st March, 2015	For the year ended / As at 31st March, 2016	For the year ended / As at 31st March, 2015	For the year ended / As at 31st March, 2016	For the year ended / As at 31st March, 2015	For the year ended / As at 31st March, 2016	For the year ended / As at 31st March, 2015
1	**Revenue**	**406,959.38**	**362,817.38**	**293,450.41**	**239,417.55**	**25,706.99**	**13,912.00**	**39,327.91**	**33,329.24**	**765,444.69**	**649,476.17**
2	Less : Inter segment revenue									(36,565.77)	(29,853.31)
3	Total revenue (1) - (2)									728,878.92	619,622.86
4	**Segment result**	**64,828.60**	**59,411.59**	**57,903.08**	**46,807.14**	**2,718.98**	**1,199.79**	**(184.13)**	**10,063.75**	**125,266.53**	**117,482.27**
5	Unallocated expenses									-	-
6	Operating profit (4)-(5)									125,266.53	117,482.27
7	Income tax expenses (Including deferred tax)									39,897.72	32,410.80
8	**Net profit (6)-(7)**									**85,368.81**	**85,071.47**
9	Segment assets	3,091,799.12	2,621,018.77	3,028,437.56	2,436,430.69	77,409.14	74,684.97	108,101.45	91,958.70	6,305,747.27	**5,224,093.13**
10	Unallocable assets[1]									74,187.60	50,123.52
11	**Total assets (9) + (10)**									**6,379,934.87**	**5,274,216.65**
12	Segment liabilities	2,736,264.84	2,267,300.69	2,696,912.85	2,142,274.52	3,165.43	3,044.34	102,736.58	87,609.67	5,539,079.70	4,500,229.22
13	Unallocable liabilities[2]									840,855.17	773,987.43
14	**Total liabilities (12)+(13)**									**6,379,934.87**	**5,274,216.65**
15	Capital Expenditure (tangible and intangible fixed assets)	5,657.86	7,618.25	108.76	124.04	135.36	279.56	18,859.12	775.78	24,761.10	8,797.63
16	Depreciation & amortisation expenses (included in segment expense)	7,416.77	8,520.03	209.75	316.00	300.10	526.62	354.76	187.76	8,281.38	9,550.41

Note :

1. Includes tax paid in advance/tax deducted at source (net) and deferred tax asset (net)
2. Includes share capital, share warrants and reserves and surplus

Notes forming part of Consolidated Financial Statements - March 31, 2016

b) Secondary Segment (Geographical Segment)

The company operates only in the domestic market. As a result separate segment information for different geographical segments is not disclosed.

29.7 As per the Accounting Standard (AS) 18 on 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India, the related parties, nature and volume of transactions carried out with them in the ordinary course of business are as follows:

Disclosure pursuant to Accounting Standard (AS) 18 Related Party Disclosures:

(a) List of related parties (with whom transactions were carried out during current and previous year):

A Holding Company

1 Larsen & Toubro Limited

B Fellow Subsidiary Companies

1 L&T General Insurance Company Limited
2 Larsen & Toubro Infotech Limited
3 L&T Infrastructure Development Projects Limited.
4 L&T Sargent & Lundy Limited
5 L&T Shipbuilding Limited
6 Larsen & Toubro Electromech LLC
7 Nabha Power Limited
8 L&T Capital Company Limited
9 EWAC Alloys Limited
10 Hyderabad International Trade Expositions Limited
11 L&T Metro Rail (Hyderabad) Limited
12 L&T Hydrocarbon Engineering Limited
13 L&T Parel Project LLP

C Associate Companies

1 Feedback Infra Private Limited (Formerly known as Feedback Infrastructure Services Private Limited)

D Fellow Joint Ventures

1 Metro Tunnelling Group

E Fellow Associates

1 JSK Electricals Private Limited
2 Magtorq Private Limited
3 Rishi Consfab Private Limited
4 Salzer Electronics Limited

F Key Management Personnel

1 Y. M. Deosthalee (Chairman & Managing Director)
2 N. Sivaraman (President & Whole Time Director)

Notes forming part of Consolidated Financial Statements - March 31, 2016

(b) Disclosure of related party transactions:-

(₹ in Lakhs)

Sr No	Nature of Transactions	2015-16	2014-15
1	**Fee Income**		
	• L&T Infrastructure Development Projects Limited.	-	730.00
	• Nabha Power Limited	-	172.00
2	**Corporate support charges recovered from**		
	• L&T General Insurance Company Limited	329.74	104.20
3	**Corporate support charges recovered by**		
	• Larsen & Toubro Limited	1.81	428.99
4	**Deputation and other expenses recovered from**		
	• L&T General Insurance Company Limited	592.68	414.53
5	**Income on leases**		
	• Larsen & Toubro Infotech Limited	0.55	5.39
	• Larsen & Toubro Limited	13.77	13.11
	• L&T General Insurance Company Limited	416.35	393.11
6	**Interest income on term loan**		
	• EWAC Alloys Limited	93.90	288.00
	• Hyderabad International Trade Expositions Limited	113.87	170.76
	• JSK Electricals Private Limited	-	1.08
	• Magtorq Private Limited	-	2.42
	• Rishi Consfab Private Limited.	-	2.14
	• Salzer Electronics Limited	9.94	45.61
7	**Networking charges recovered from**		
	• Larsen & Toubro Limited	-	17.11
8	**Rent recovered from**		
	• L&T General Insurance Company Limited	281.48	258.57
	• Larsen & Toubro Limited	3.27	1.05
	• L&T Metro Rail (Hyderabad) Limited	-	2.32

Notes forming part of Consolidated Financial Statements - March 31, 2016

(₹ in Lakhs)

Sr No	Nature of Transactions	2015-16	2014-15
9	**Commission Income**		
	• L&T General Insurance Company Limited	345.61	347.81
	• L&T Capital Company Limited	-	11.37
	• Larsen and Toubro Limited	3.06	16.85
	• L&T Parel Project LLP	-	15.41
10	**Interest Income on Non Convertible Debentures**		
	• Feedback Infra Private Ltd	288.06	622.72
11	**Brand License Fees**		
	• Larsen & Toubro Limited	3,539.34	2,848.07
12	**ESOP Charges recovered by**		
	• Larsen & Toubro Limited	0.44	0.76
13	**Interest expense on inter corporate borrowings**		
	• Larsen & Toubro Limited	-	535.62
	• Metro Tunnelling Group	272.25	271.50
	• L&T Capital Company Limited	114.98	195.21
14	**Data centre charges paid to**		
	• Larsen & Toubro Limited	293.51	345.07
15	**Professional fees paid to**		
	• Larsen & Toubro Limited	252.03	169.05
	• Larsen & Toubro Infotech Limited	252.68	141.16
	• L&T Sargent & Lundy Limited	3.00	0.77
	• Feedback Infra Private Limited	22.75	-
	• Larsen & Toubro Electromech LLC	-	0.91
16	**Brokerage paid to**		
	• Larsen & Toubro Limited	43.52	35.08
17	**Rent recovered by**		
	• Larsen & Toubro Limited	335.03	324.34

Notes forming part of Consolidated Financial Statements - March 31, 2016

(₹ in Lakhs)

Sr No	Nature of Transactions	2015-16	2014-15
18	**Data processing charges recovered by**		
	• Larsen & Toubro Limited	209.31	111.41
19	**Other expenses**		
	• L&T Capital Company Limited	-	20.50
	• Larsen & Toubro Limited	48.75	61.45
	• Larsen & Toubro Infotech Limited	16.14	7.50
20	**Purchase of Fixed Asset**		
	• Larsen & Toubro Limited	-	3.90
	• Larsen & Toubro Infotech Limited	-	2.68
21	**Inter Corporate borrowing taken from**		
	• Larsen & Toubro Limited	-	20,000.00
	• Metro Tunnelling Group	3,000.00	3,000.00
	• L&T Capital Company Limited	820.60	2,267.60
22	**Term loan/Operating lease given**		
	• JSK Electricals Private Limited	-	1956.56
	• Rishi Consfab Private Limited.	-	403.99
	• Salzer Electronics Limited	-	197.20
	• Feedback Infra Private Limited	6,000.00	-
	• L&T General Insurance Company Limited	17.24	-
23	**Interest paid on Non Convertible Debentures**		
	• Larsen & Toubro Limited	221.56	332.54
24	**Computer Maintenance**		
	• Larsen & Toubro Infotech Limited	42.09	-
	• Larsen & Toubro Limited	36.02	32.70
25	**Reimbursement of expense from**		
	• Larsen & Toubro Limited	0.21	0.12
	• L&T Metro Rail (Hyderabad) Limited	1.28	-

Notes forming part of Consolidated Financial Statements - March 31, 2016

(₹ in Lakhs)

Sr No	Nature of Transactions	2015-16	2014-15
	• L&T General Insurance Company Limited	31.44	16.95
	• L&T Infrastructure Development Projects Limited	-	1.28
26	**Reimbursement of expense to**		
	• Larsen & Toubro Limited	9.58	16.61
27	**Construction charges debited by**		
	• Larsen & Toubro Limited	195.00	638.91
28	**Managerial remuneration #**		
	• Y.M. Deosthalee	308.15	696.51
	• N. Sivaraman	819.12	704.73#

#Managerial Remuneration excludes provision for gratuity, pension and leave encashment, since it is provided on actuarial basis for the company as a whole.

(c) Amount due to/from related parties:-

(₹ in Lakhs)

Sr No	Nature of Transactions	2015-16	2014-15
1	**Outstanding Balance of ICD taken**		
	• Metro Tunnelling Group	3,000.00	3,000.00
	• L&T Capital Company Limited	557.00	2,229.60
2	**Outstanding Balance of loan given**		
	• EWAC Alloys Limited	-	2,400.00
	• Hyderabad International Trade Expositions Limited	539.44	989.82
	• Feedback Infra Private Limited	6,000.00	4,000.00
	• Salzer Electronics Limited	-	1,168.04
3	**Outstanding balance of security deposit recovered**		
	• L&T General Insurance Company Limited	1,533.90	1,533.90
	• Larsen & Toubro Limited	6.56	6.56
4	**Account Payable**		
	• Larsen & Toubro Electromech LLC	1.64	0.53
	• Larsen & Toubro Limited	4,136.11	2,989.65

Notes forming part of Consolidated Financial Statements - March 31, 2016

(₹ in Lakhs)

Sr No	Nature of Transactions	2015-16	2014-15
	• Larsen & Toubro Infotech Limited	91.67	51.87
	• L&T Hydrocarbon Engineering Limited	-	1.13
	• L&T General Insurance Company Limited	5.87	13.14
5	**Account Receivable**		
	• L&T Infrastructure Development Projects Limited.	-	1.44
	• L&T Shipbuilding Limited	-	252.81
	• L&T General Insurance Company Limited	336.53	21.59
	• Larsen & Toubro Limited	13.46	29.28
	• L&T Parel Project LLP	-	10.24
	• Salzer Electronics Limited	-	5.26
6	**Outstanding balance of Non convertible debentures issued**		
	• Larsen & Toubro Limited	2,157.70	2,175.75
7	**Interest accrued but not due on Non Convertible Debenture**		
	• Larsen & Toubro Limited	0.61	0.62
	• Feedback Infra Private Limited		1,240.40
8	**Interest accrued but not due on term loan given**		
	• EWAC Alloys Limited	-	71.01
	• Hyderabad International Trade Expositions Limited	3.23	-
	• Feedback Infra Private Limited	2.14	-
9	**Advance Premium Deposit**		
	• L&T General Insurance Company Limited	81.00	81.00
10	**Operating Lease given**		
	• L&T General Insurance Company Limited	17.24	-

29.8 Disclosure in respect of leases pursuant to Accounting Standard (AS) 19 "Leases" :

Finance Lease:

a) Where the company is Lessor:

The group companies have given assets on finance lease to its customers with respective underlying assets/equipments as security. The details of gross investments, unearned finance income and present value of rentals as at March 31, 2016 in respect of these assets are as under:

Notes forming part of Consolidated Financial Statements - March 31, 2016

(₹ in Lakhs)

Particulars	2015-16	2014-15
Gross Investments :		
- Within one year	5,268.84	7,831.94
- Later than one year and not later than five years	3,507.57	7,836.45
- Later than five years	307.64	163.59
Total	**9,084.05**	**15,831.98**
Unearned Finance Income :		
- Within one year	721.03	1,465.75
- Later than one year and not later than five years	516.77	1,161.18
- Later than five years	52.67	8.07
Total	**1,290.47**	**2,635.00**
Present Value of Rentals :		
- Within one year	4,547.81	6,366.19
- Later than one year and not later than five years	2,990.80	6,675.27
- Later than five years	254.97	155.52
Total	**7,793.58**	**13,196.98**

Operating Lease:

a) Where the company is Lessee:

The group companies have taken cars, furniture and fixtures and premises on operating leases. Lease Payments recognized in the statement of profit and loss during the year is ₹ 4,153.63 lakh (previous year ₹ 3,232.22 lakh). The future minimum lease payments in respect of which as at March 31, 2016 are as follows:

(₹ in Lakhs)

Particulars	2015-16	2014-15
	Lease Payments	
- Within one year	1,377.02	1,515.21
- Later than one year and not later than five years	3,189.67	3,651.92
- Later than five years	200.00	-
Total	**4,766.69**	**5,167.13**

b) Where the company is lessor:

(₹ in Lakhs)

Particulars	2015-16	2014-15
	Minimum Lease	
- Within one year	5,861.57	7,772.56
- Later than one year and not later than five years	7,465.44	9,776.59
- Later than five years	959.42	1,365.51
Total	**14,286.43**	**18,914.66**

Notes forming part of Consolidated Financial Statements - March 31, 2016

29.9 Basic and Diluted Earnings Per Share (EPS) computed in accordance with Accounting Standard (AS) 20 "Earnings Per Share"

		2015-16	2014-15
Basic			
Profit after tax as per Statement of Profit and Loss (₹ in Lakhs)		85,669.26	85,467.90
Less:- Dividend on Cumulative Compulsorily Redeemable Preference Shares		20,113.57	11,337.34
Less:- Redemption premium on Cumulative Compulsorily Redeemable Preference Shares		-	254.60
Profit attributable to equity share holders	**A**	65,555.69	73,875.96
Number of equity shares		1,753,398,551	1,720,285,900
Weighted average number of equity shares outstanding	**B**	1,730,229,294	1,719,284,453
Basic EPS before and after extraordinary items (₹)	**A/B**	3.79	4.30
Diluted			
Profit attributable to equity share holders (₹ in Lakhs)	**A**	65,555.69	73,875.96
Weighted average number of equity shares outstanding	**B**	1,730,229,294	1,719,284,453
Add: Weighted average no. of potential equity shares on account of employee stock options	**C**	1,010,108	1,840,351
Weighted average number of shares outstanding for diluted EPS	**D=B+C**	1,731,239,403	1,721,124,804
Diluted EPS before and after extraordinary items (₹)	**A/D**	3.79	4.29
Face value of shares (₹)		10.00	10.00

29.10 Contingent liabilities and commitments: Accounting Standard (AS) 29

(₹ in Lakhs)

Contingent Liabilities	**As at March 31, 2016**	**As at March 31, 2015**
a) Claims against the Company not acknowledged as debt:		
• Income Tax matter in dispute	866.15	12,082.44
• Service Tax / Sales Tax / VAT matters in dispute	2,325.97	1,424.59
• Legal matters in dispute	267.51	137.42
• Other claim not acknowledged as debt	-	-
b) Bank Guarantees	490.25	1,047.38
c) Other money for which the Company is contingently liable; Letter of Credit/ Letter of Comfort	47,682.74	50,971.13
Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	2,896.96	5,521.26
b) Other Commitments		
• Undrawn Commitments* (standby facilities)	1,50,935.18	2,20,141.58
Performance Guarantees	-	945.00

* This disclosure is given pursuant to the notification no. DNBS.CC.PD.No.252/03.10.01/2011-12 dated December 26, 2011 issued by Reserve Bank of India.

Notes forming part of Consolidated Financial Statements - March 31, 2016

29.11 On the basis of replies received by the Group in response to enquiries made, below are the details of dues payable as at the year end to Micro, Small and Medium Enterprises and other particulars that are required to be disclosed under the Companies Act, 2013 or the Micro, Small and Medium Enterprises Development Act, 2006.

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2016	As at March 31, 2015
1	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	-	0.79
2	The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
4	The amount of Interest accrued and remaining unpaid at the end of each accounting year.	-	-

29.12 The directors recommend payment of final dividend of ₹ 0.80 per equity share of ₹ 10 each on the number of shares outstanding on the record date. Provision for final dividend has been made in the books of accounts for the 1,753,398,551 equity shares outstanding as at March 31, 2016 amounting to ₹ 14,027.19 lakh.

29.13 Subsidiaries has invoked pledge of equity shares in the following borrower companies, pledged with it as collateral by the borrowers and these shares are being held by the Company as bailee. As and when the shares are sold, the proceeds would be adjusted against the overdue portion of the loan then remaining outstanding.

Borrower Name	No. of shares kept as bailee	
	2015-16	2014-15
Hanjer Biotech Energies Private Limited	325,096	325,096
VMC Systems Ltd	717,736	717,736
Coastal Projects Limited	-	329,245
C&C Constructions Limited	-	1,368,799
Neeraj Singhal	3,426,608	3,426,608
Saumya Mining Limited	513,012	513,012
Brij Bhushan Singhal	1,022,500	1,022,500
KSK Energy Ventures Limited	226,813	-

Notes forming part of Consolidated Financial Statements - March 31, 2016

29.14 Subsidiaries have entered into currency swap transactions with a view to convert its USD borrowings into Indian rupee borrowing. Accordingly, the Company has revalued the foreign currency borrowing and currency swap at the balance sheet date.

Particulars	2015-16	2014-15
Liability – External Commercial Borrowings	USD 55,000,000	USD 65,000,000
Assets – Currency Swap	USD 55,000,000	USD 65,000,000

29.15 Appropriation to the Debenture Redemption Reserve has been created in terms of Section 71 of the Companies Act, 2013 is carried out of distributable profits of the Group.

29.16 Exceptional items during the previous year represent gains of ₹ 14,389.42 lakh on account of sale of investment in City Union Bank Limited.

29.17 Investment in Grameen capital India Limited, an associate of the company is accounted in consolidated financial statements in accordance with Accounting Standard (AS) 13, Accounting for Investments and not under the equity method as per Accounting Standard (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements, as the associate operates under severe long-term restrictions that significantly impair its ability to transfer funds to the investor.

29.18 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)
Parent				
L&T Finance Holdings Limited	60.96%	518,733.99	44.13%	37,803.66
Subsidiaries				
Indian				
Consumer Financial Services Limited	0.00%	38.52	(0.00%)	(0.14)
Family Credit Limited	7.43%	63,196.89	10.20%	8,739.51
L&T Access Distribution Services Limited	(0.13%)	(1123.82)	(0.54%)	(464.53)
L&T Capital Markets Limited	0.08%	696.48	(2.77%)	(2373.38)
L&T Finance Limited	25.09%	213,486.96	24.19%	20,722.09
L&T FinCorp Limited	11.98%	101,946.50	21.40%	18,337.13
L&T Housing Finance Limited	6.99%	59,439.68	6.77%	5,803.99

Notes forming part of Consolidated Financial Statements - March 31, 2016

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)
L&T Infra Debt Fund Limited	8.48%	72,149.91	4.59%	3,929.07
L&T Infra Investment Partners Advisory Private Limited	0.10%	817.59	0.69%	591.06
L&T infra Investment Partners Trustee Private Limited	0.00%	5.18	0.00%	0.68
L&T Infrastructure Finance Company Limited	33.65%	286,336.06	28.02%	24,003.56
L&T Investment Management Limited	5.77%	49,045.26	(6.05%)	(5,189.56)
L&T Mutual Fund Trustee Limited	0.02%	156.97	0.00%	2.68
L&T Vrindavan Properties Limited	1.06%	9,034.01	(2.84%)	(2,430.09)
Mudit Cement Private Limited	(0.10%)	(814.89)	(0.66%)	(566.03)
Total Subsidiaries	**100.42%**	**854,411.30**	**83.00%**	**71,106.04**
Minority Interests in all subsidiaries	**(1.18%)**	**(10,030.00)**	**0.00%**	**-**
Associates (Investments as per equity method)				
Indian				
Feedback Infra Private Limited	0.56%	4,751.12	0.35%	300.45
Total Associates	**0.56%**	**4751.12**	**0.35%**	**300.45**
Inter-Company Elimination & Consolidated Adjustments	(60.76%)	(516,981.24)	(27.48%)	(23,540.89)
Total	**100.00%**	**850,885.17**	**100.00%**	**85,669.26**

Notes forming part of Consolidated Financial Statements - March 31, 2016

29.19 Previous year figures have been regrouped/ reclassified wherever necessary

As per our report attached

SHARP & TANNAN
Chartered Accountants
Firm's registration no. 109982W
by the hand of

Firdosh D. Buchia
Partner
Membership no. 38332

Mumbai, May 2, 2016

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

Y.M. Deosthalee
Chairman & Managing Director
(DIN :00001698)

N. Suryanarayanan
Company Secretary

Mumbai, May 2, 2016

Dinanath Dubhashi
Deputy Managing Director
(DIN :03545900)

Sachinn Joshi
Chief Financial Officer

L&T Finance Holdings Limited
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