LARSEN & TOUBRO

Date: 10 June 2014

The Managing Director
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001

The Managing Director
National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1 G Block
Bandra Kurla Complex
Bandra
Mumbai-400 051

Dear Sir,

Subject: Notice of offer for sale of equity shares of face value of Rs.10 each of L&T Finance Holdings Limited by its promoter, Larsen & Toubro Limited, through the stock exchange mechanism (the Notice)

Pursuant to Clause 5(b) of circular number CIR/MRD/DP/18/2012 dated July 18, 2012, as amended through circular number CIR/MRD/DP/04/2013 dated January 25, 2013 and circular number CIR/MRD/DP/17/2013 dated May 30, 2013, issued by the Securities and Exchange Board of India on "Comprehensive guidelines on Offer For Sale of Shares by Promoters through the Stock Exchange Mechanism" (the **SEBI Circular**), we wish to inform you that we, Larsen & Toubro Limited (the **Seller**), the promoter of L&T Finance Holdings Limited(the **Company**), propose to sell upto 16,551,447 equity shares of face value of Rs. 10 each, constituting 0.96% of the equity share capital of the Company (**Sale Shares**) on 11 June 2014 exclusively through the Seller's brokers named below by way of a sale on the separate window provided by the Stock Exchanges (as defined below) for this purpose under Notice no. 20120222-34 dated February 22, 2012, Notice no. 20120228-30 dated February 28, 2012, Notice no.20120727-26 dated July 27, 2012 and Notice no. 20130129-23 dated January 29, 2013, issued by the BSE Limited (**BSE**) and under Circular ref. no. 2/2012 dated February 21, 2012, Circular ref. no. 73/2012 dated February 24, 2012, Circular ref. no.52/2012 dated August 2, 2012, Circular ref. no. 005/2013 dated January 30, 2013, Circular ref. no. 0037/2013 dated January 31, 2013and Circular ref.no. 52/2013 dated May 30, 2013 issued by the National Stock Exchange of India Limited (**NSE**) (the **Sale**). In addition to the Sale Shares, the Seller may also sell up to 11,034,297 equity shares of face value Rs. 10 each of the Company in the Sale on 11 June 2014 (the **Additional Shares**, and together with the **Sale Shares**, the **Shares**).

The information required to be announced under Clause 5(b) of the SEBI Circular is set out below. Other important information in relation to the Sale is set out below under the heading "Important Information", and the information included therein forms an integral part of the terms and conditions of the Sale. Brokers and prospective buyers are required to read the information included in this Notice in its entirety along with the SEBI Circular.

1.	**Name of the Seller (Promoter)**	Larsen & Toubro Limited
2.	**Name of the company whose shares are proposed to be sold and ISIN**	L&T Finance Holdings Limited ISIN-INE498L01015
3.	**Name of the stock exchanges where orders shall be placed**	BSE and NSE (together the **Stock Exchanges**)

4.	**Name of the designated stock exchange**	National Stock Exchange of India Limited	
5.	**Date and time of the opening and closing of the Sale**	The Sale shall take place at the separate window of the Stock Exchanges and shall commence on 11 June 2014 at 9.15 am and shall close on the same day at 3.30 pm (Indian Standard Time) (the **Trade Date**).	
6.	**Allocation methodology**	The allocation shall be on a price priority basis at multiple clearing prices (the **Clearing Price**) in accordance with the SEBI Circular. A minimum of 25% of the total number of the Shares being offered in the Sale shall be reserved for allocation to (i) mutual funds registered with the Securities and Exchange Board of India under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended (**Mutual Funds**) and (ii) Insurance Companies registered with the Insurance Regulatory and Development Authority under the Insurance Regulatory and Development Authority Act, 1999, as amended (**Insurance Companies**), subject to (a) the allocation methodology as determined above and (b) receipt of valid bids/orders at or above the Clearing Price. In the event of any under-subscription by Mutual Funds and Insurance Companies, the unsubscribed portion shall be available to other bidders provided that, no single bidder other than Mutual Funds, and Insurance Companies shall be allocated more than 25% of the size of the Sale.	
7.	**Total number of equity shares being offered in the Sale**	Upto 16,551,447 equity shares of face value of Rs. 10 each, representing 0.96 % of the equity share capital of the Company.	
8.	**Maximum number of equity shares that the Seller may choose to sell over and above the offer made in the Sale**	Upto 11,034,297 equity shares of face value of Rs. 10 each, representing 0.64 % of the equity share capital of the Company.	
9.	**Names of the brokers on behalf of the Seller (the Seller's Brokers)**	Goldman Sachs (India) Securities Private Limited NSE Member ID: 12778 BSE Member ID: 3158	Citigroup Global Markets India Pvt. Ltd. NSE Member ID: 11413 BSE Member ID: 670
10.	**Date and time of declaration of the floor price (the Floor Price)**	10 June 2014	
11.	**Conditions for withdrawal of the Sale**	The Seller reserves the right to not proceed with the Sale at any time prior to the opening of the Sale on the Trade Date. In such a case there will be a cooling off period of 10 trading days from the date of withdrawal before an offer is made again. The Stock Exchanges shall suitably disseminate details of such withdrawal.	

12.	**Conditions for cancellation of the Sale**	In the event: (i) the aggregate number of orders received in the Sale at or above the Floor Price is less than the total number of Shares being offered for sale; or (ii) of any default in settlement obligations, the Seller reserves the right to either conclude the Sale to the extent of valid bids/orders placed or cancel the Sale in full. The decision to either accept or reject the Sale shall be at the sole discretion of the Seller.
13.	**Conditions for participating in the Sale as per the SEBI Circular**	1. The following orders shall be valid: (i) Orders with 100% margin paid upfront by institutional investors and non- institutional investors. (ii) Orders without upfront margin placed by institutional investors only. Institutional investors shall have the option to place orders/bid without an upfront margin. 2. In case of institutional investors who places bids/orders with 100% upfront margin, the custodian confirmation shall be issued within the trading hours. In case of institutional investors who place bids/orders without upfront margin, custodian confirmation shall be completed as per the existing rules for secondary market transactions. 3. The funds collected by the clearing corporation as upfront margin towards the Sale shall neither be utilised against any other obligations of the trading member nor co-mingled with other segments. 4. Modification or cancellation of orders/bids: (i) Orders placed by institutional investors and non-institutional investors by depositing 100% of the margin upfront can be modified or cancelled at any time during the trading hours. (ii) Orders placed by institutional investors at the time of bidding in the Sale without depositing 100% of the margin upfront cannot be cancelled or modified by the institutional investors or stock brokers, except for making upward revision in the price or quantity. 5. Orders/bids below the Floor Price shall not be accepted. 6. Buyers shall also be liable to pay any fees, as may be levied by the Stock Exchanges, including Securities Transaction Tax.

		7.	In case of any permitted modifications or cancellation of the bids/orders by buyers, the funds shall be released/collected on a real-time basis by the clearing corporation.
		8.	In case of any default in pay-in by any bidder, an amount equal to 10% of the order value shall be charged as penalty from such bidder and collected from the broker. Such amount shall be credited to the Investor Protection Fund of the Stock Exchanges.
		9.	Multiple orders from a single buyer shall be permitted.
14	**Settlement**	1.	Settlement shall take place on a trade for trade basis. For non-institutional investors and institutional investors who place orders with 100% upfront margin, settlement shall take place on T+1(T being the date of Sale i.e. 11 June 2014 and T+1 being 12 June 2014), in accordance with the SEBI Circular.
		2.	In the case of institutional investors who place bids without depositing 100% upfront margin, settlement shall be as per the existing rules for secondary market transactions (i.e. on T+2, being 13 June 2014)

Important Information

The Sale is personal to each prospective buyer (including individuals, funds or otherwise) who makes a bid (each a **Bidder**) and neither the Sale nor this Notice constitutes an offer to sell or invitation or solicitation of an offer to the public or to any other person or class of persons requiring any prospectus or offer document to be issued, submitted or filed with any regulatory authority within or outside India.

The Sale is being carried out in accordance with the SEBI Circular and subject to the circulars, rules and regulations of the Stock Exchanges. There will be no public offer of the Shares in India under the Companies Act, 2013 as notified, applicable and as amended from time to time (the **Companies Act**) or any other jurisdiction. Accordingly, no documents have been or will be prepared as a "prospectus" or an offer document under the Companies Act, or the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, or registered or submitted for approval with the Registrar of Companies, the Securities and Exchange Board of India (**SEBI**), the Stock Exchanges or any other regulatory or listing authority in India or abroad, and no such document will be circulated or distributed to any person in India or any other jurisdiction. The Bidders acknowledge and agree that any buy order or bid shall be made solely on the basis of publicly available information together with the information contained in this Notice, and any information available on the Stock Exchanges or with SEBI previously published by the Company. The Sale is subject to the further terms set forth in the contract note to be provided by the Seller's Brokers to the prospective successful bidders.

This Notice is for information purposes only and is neither an offer nor invitation to buy or sell nor a solicitation of an offer to buy or sell any securities, nor shall there be any sale of securities in any jurisdiction (**Other Jurisdiction**) in which such offer, solicitation or sale is or may be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Notice and the information contained herein are not for publication or distribution, directly or indirectly, to persons in an Other Jurisdiction unless permitted pursuant to

an exemption under the relevant local law or regulation in such Other Jurisdiction. Prospective purchaser should seek appropriate legal advice prior to participating in the Sale.

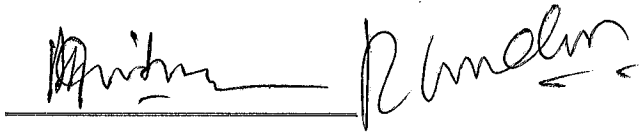
This Notice is not for publication or distribution in the United States and is not an offer for sale within the United States of any equity shares or other securities of the Company. The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**), and may not be offered or sold in the United States except pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The Company is not required to be registered under the U.S. Investment Company Act of 1940, as amended, (the **U.S. Investment Company Act**). Accordingly, the Shares will be offered (i) within the United States only to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) (**QIBs** and each a **QIB**) that are also "qualified purchasers" (**QPs** and each a **QP**) (as defined in section 2(a)(51) of the U.S. Investment Company Act) acting for its own account or for the account of another QIB that is a QP, in reliance on an available exemption from registration under the U.S. Securities Act and in reliance upon section 3(c)(7) of the U.S. Investment Company Act, or (ii) outside the United States to non-U.S. persons (as defined in Regulation S under the U.S. Securities Act (**Regulation S**)) in reliance upon Regulation S. The purchasers of Shares are hereby advised that any resale of the Shares must be made in accordance with the registration requirements of the U.S. Securities Act or otherwise pursuant to an available exemption from the registration requirements under U.S. securities laws.

By submitting a bid in connection with the Sale or receiving the Shares, each Bidder and any broker acting on such Bidder's behalf will be deemed to have (a) read and understood this Notice in its entirety, (b) accepted and complied with the terms and conditions set out in this Notice, (c) represented, agreed and acknowledged that such Bidder is, and at the time the Shares are purchased, will be, (i) the beneficial owner of such Shares, and either (ii) not a U.S. person (as defined in Regulation S) and located outside the United States of America and purchasing such Shares in reliance upon Regulation S or (iii) a QIB who is also a QP purchasing the Shares in a transaction exempt from the registration requirements of the U.S. Securities Act, and (iv) not a promoter/part of the promoter group of the Company or an affiliate of the Company or a person acting on behalf of such an affiliate, and (d) agreed that they will not reoffer, resell, pledge or otherwise transfer the Shares, except outside the United States tonon-U.S. persons in an offshore transaction in accordance with Regulation S or within the United States to persons reasonably believed to be QIBs who are also QPs in transactions exempt from the registration requirements of the U.S. Securities Act, in each case in accordance with all applicable securities laws. Each Bidder and any broker acting on such Bidder's behalf by submitting a bid in connection with the Sale or receiving the Shares understands and acknowledges that (a) the Shares are subject to restrictions on transfer and are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, (b) the Shares have not been and will not be registered under the U.S. Securities Act or under the securities laws of any state or other jurisdiction of the United States and (c) the Company is not required to be registered as an investment company under the U.S. Investment Company Act, and therefore, the Shares are subject to the transfer and offering restrictions with respect to persons in the United States and U.S. persons as described herein.

By submitting a bid on behalf of a Bidder in connection with the Sale, each broker will also be deemed to have represented, agreed and acknowledged that it is located outside the United States and that none of the broker, its affiliates and all persons acting on its or their behalf has (a) engaged or will engage in any "directed selling efforts" (as defined in Regulation S under the U.S. Securities Act) in connection with the offer or sale of the Shares, (b) engaged or will engage in any form of general solicitation or general advertising (each, within the meaning of Regulation D under the U.S. Securities Act) in connection with the offer or sale of the Shares, (c) offered or will offer and sell the Shares except outside the United States to non-U.S. persons in reliance upon Regulation S or within the United States to persons reasonably believed to be QIBs who are also QPs in transactions exempt from the registration requirements of the U.S. Securities Act.

Yours sincerely,

For **Larsen & Toubro Limited**



Authorised Signatory