

## L&T Finance to expand its SME Finance business to over 50 cities in this quarter

- *Offers attractive interest rates, collateral-free loans with best-in-class decisioning time*
- *Adds over 6,500 customers since business launch*
- *Expands product line - launches Dropline Overdraft facility to match customers' cash flow*

**Mumbai, May 19, 2023:** L&T Finance Limited (LTF), one of the leading Non-Banking Financial Companies of the country, plans to expand its SME Finance business to over 50 cities in this quarter ended June 30, 2023. The SME Finance business, which was launched as a pilot in cities of Mumbai and Pune during FY22, has witnessed a steady pickup of business in the last financial year.

The business works towards addressing the working capital needs of self-employed professionals and businesses and carries forward the Lakshya 2026 goal of establishing L&T Finance as a top-class digitally enabled retail finance company.

In contrast to market practice, the company has positioned its offering as an entirely paperless process – building upon its existing strong digital and data analytics capabilities. Thus, in a market where Small and Medium Enterprises need predictability of cash flows, L&T Finance is able to provide an instant approval or rejection update on the loan application. The end-to-end digital process has also allowed the company to offer a differential turnaround time to its customers besides aiding a faster expansion of distribution channel.

Speaking on the subject, **Mr. Dinanath Dubhashi, Managing Director and Chief Executive Officer, L&T Finance Holdings** Ltd. said, “Larsen and Toubro group has always been associated with nation building. Small and Medium Enterprises are one of the largest contributors to our country’s Gross Domestic Product. Our digital offerings to this segment, more importantly in Tier II cities where we plan to aid SMEs in their growth journey, are in line with our Lakshya 2026 resolve to become a ‘Fintech@Scale’. I am also confident that this partnership with borrowers will aid the nations’ trajectory towards becoming a \$ 5 trillion economy in its own small way.”

With a guiding principle of keeping the needs of the customer at the core, the company launched a dropline overdraft offering to its customers in November 2022, which allows the customers to pre-pay and withdraw from the loan account, to match the day-to-day cashflow needs. This addition has allowed the company to steadily scale up disbursements. At present, the company is serving the needs of SME customers in 16 cities, including major markets of Mumbai, Delhi, Kolkata, Chennai, Hyderabad, Bengaluru, and Ahmedabad.

In order to address the needs of the SME customers in Tier – II cities, the company is looking forward to a major geographic expansion as it is one of the important growth levers for this business. The company plans to expand to 50 cities including Patna, Bhubaneswar, and Visakhapatnam.

In addition to this, the company would also be working towards increasing its direct channel offerings – through its Direct to Customer (D2C) application – the PLANET app - this financial year.

This product from L&T Finance primarily caters to small businesses and practicing professionals like doctors, chartered accountants etc., and disburses loans of up to Rs. 50 lakh. Small and medium businesses and professionals can apply for the loan either digitally through the company’s website or email or by physically visiting the nearest L&T Finance branch.

**About L&T Finance Holdings (LTFH):**

L&T Finance Holdings Limited (LTFH) (<https://www.ltfh.com>), a leading Non-Banking Financial Company (NBFC), offers a range of financial products and services through its subsidiary L&T Finance Ltd. (LTF) under the L&T Finance brand. Headquartered in Mumbai, the company has been rated AAA — the highest credit rating for NBFCs — by four leading rating agencies. It has also received leadership scores and ratings by global and national Environmental, Social and Governance (ESG) rating providers for its sustainability performance. The company has also won many prestigious awards for its flagship CSR project – “Digital Sakhi” which is focused on women empowerment and digital and financial inclusion. Under Right to Win, being in the ‘right businesses’ has helped the company become one of the leading financiers in key retail products. The company is focused on creating a top-class, digitally-enabled retail finance company as part of the Lakshya 2026 plan. The goal is to move the emphasis from product focus to customer focus and establish a robust retail portfolio with quality assets, thus creating a Fintech@Scale while keeping ESG at the core. Fintech@Scale is one of the pillars of the company’s strategic roadmap - Lakshya 2026. The company has over 7 crore customer database, and this database is being leveraged to cross-sell, up-sell as well as identify new customers.

