

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER
FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY**

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated January 19, 2021 (“**Letter of Offer**”) which is available on the websites of our Company, the Registrar, the Lead Managers and the Stock Exchanges. You are encouraged to read greater details available in the Letter of Offer. Capitalized terms not specifically defined herein shall have the meaning ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

Our Company has made available on the Registrar’s website i.e. www.linkintime.co.in, the Letter of Offer, Abridged Letter of Offer along with the Rights Entitlement and Application Form to the Eligible Equity Shareholders. You may also download the Letter of Offer from the websites of the Company, the Securities and Exchange Board of India (“**SEBI**”), the stock exchanges where the Equity Shares of our Company are listed, i.e., BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”, and together with BSE, the “**Stock Exchanges**”), the Lead Managers and the Registrar, i.e., at www.ltf.com, www.sebi.gov.in, www.bseindia.com, www.nseindia.com, www.axiscapital.co.in, www.bobcaps.in, https://www.online.citibank.co.in, www.credit-suisse.com, https://www.business.hsbc.co.in/en-gb/in/generic/ipo-open-offer-and-buyback, www.icicisecurities.com, www.motilaloswalgroup.com, www.sbcaps.com, www.ubs.com and www.linkintime.co.in, respectively and at the Registrar’s web-based application platform at www.linkintime.co.in (“**R-WAP**”). The Application Form is available on the respective websites of the Lead Managers, the Stock Exchanges and on the R-WAP.



L&T FINANCE HOLDINGS LIMITED

Registered and Corporate Office: Brindavan, Plot No.177, C.S.T Road, Kalina, Santacruz (East), Mumbai 400 098
Telephone: +91 22 6212 5000; **Contact person:** Apurva Rathod, Company Secretary and Compliance Officer
E-mail id: igrc@lft.com; **Website:** www.lft.com; **Corporate Identity Number:** L67120MH2008PLC181833

PROMOTER OF OUR COMPANY

LARSEN & TOUBRO LIMITED

ISSUE DETAILS, LISTING AND PROCEDURE

ISSUE OF UP TO 46,13,25,021 FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH OF OUR COMPANY (THE “EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ 65 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 55 PER EQUITY SHARE) NOT EXCEEDING ₹ 2,998.61 CRORE# ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 17 EQUITY SHARES FOR EVERY 74 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS FRIDAY, JANUARY 22, 2021 (THE “ISSUE”). FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” BEGINNING ON PAGE 340 OF THE LETTER OF OFFER.

Assuming full subscription.

The existing Equity Shares of our Company are listed on BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) (collectively, the “**Stock Exchanges**”). Our Company has received “in-principle” approvals from BSE and NSE for listing the Equity Shares to be allotted pursuant to the Issue through their letters each dated January 12, 2021. Our Company will also make applications to the Stock Exchanges to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purposes of the Issue, the Designated Stock Exchange is BSE.

Procedure: If you wish to know about processes and procedures applicable to rights issue, you may refer to the section titled “*Terms of the Issue*” on page 340 of the Letter of Offer. You may download a copy of the Letter of Offer from the websites of the Company, SEBI, BSE, NSE, Registrar, the Lead Managers and on the R-WAP as stated above.

ELIGIBILITY FOR THE ISSUE

Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations. Our Company satisfies the conditions specified in Regulation 99 of the SEBI ICDR Regulations read with SEBI Circular dated April 21, 2020, bearing reference no. SEBI/HO/CFD/CIR/CFD/DIL/ 67/2020 and accordingly, our Company is eligible to undertake the Issue by way of a ‘fast track issue’.

Minimum Subscription: Not Applicable

INDICATIVE TIMETABLE*

Issue Opening Date	Monday, February 1, 2021	Date of Allotment (on or about)	Tuesday, February 23, 2021
Last Date for On Market Renunciation #	Wednesday, February 10, 2021	Date of credit (on or about)	Wednesday, February 24, 2021
Issue Closing Date*	Monday, February 15, 2021	Date of listing/Commencement of trading of Equity Shares on the Stock Exchanges (on or about)	Friday, February 26, 2021
Finalisation of Basis of Allotment (on or about)	Tuesday, February 23, 2021		

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

* Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter, any other offering material and the issue of Rights Entitlement and the Equity Shares on a rights basis to persons in certain jurisdictions outside India are restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, the Abridged Letter of Offer, the Application Form or the Rights Entitlement Letter may come, are required to inform themselves about and observe such restrictions. For details, see “Restrictions on Purchases and Resales” beginning on page 367 of Letter of Offer.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**U.S. SECURITIES ACT**”) AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S (“**REGULATION S**”) UNDER THE U.S. SECURITIES ACT, EXCEPT FOR THESE PURPOSES, U.S. PERSONS INCLUDE PERSONS WHO WOULD OTHERWISE HAVE BEEN EXCLUDED FROM SUCH TERM SOLELY BY VIRTUE OF RULE 902(K)(1)(VIII)(B) OR RULE 902(K)(2)(I) (“**U.S. PERSONS**”)) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS ENTITLEMENTS (INCLUDING THEIR CREDIT) AND THE EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD (I) WITHIN THE UNITED STATES OR TO U.S. PERSONS THAT ARE “QUALIFIED INSTITUTIONAL BUYERS” (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT (“**RULE 144A**”) AND REFERRED TO IN THIS LETTER OF OFFER AS “**U.S. QIBs**”) PURSUANT TO THE PRIVATE PLACEMENT EXEMPTION SET OUT IN SECTION 4(A)(2) OF THE U.S. SECURITIES ACT, THAT ARE ALSO “QUALIFIED PURCHASERS” (“**QPs**”) (AS DEFINED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED, THE “**U.S. INVESTMENT COMPANY ACT**”) IN RELIANCE UPON SECTION 3(C)(7) OF THE U.S. INVESTMENT COMPANY ACT AND (II) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE LAWS OF THE JURISDICTION WHERE THOSE OFFERS AND SALES OCCUR. OUR COMPANY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT AND INVESTORS WILL NOT BE ENTITLED TO THE BENEFITS OF THE U.S. INVESTMENT COMPANY ACT. THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES MAY NOT BE RE-OFFERED, RE-SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S TO A PERSON OUTSIDE THE UNITED STATES AND NOT REASONABLY KNOWN BY THE TRANSFEROR TO BE A U.S. PERSON BY PRE-ARRANGEMENT OR OTHERWISE (INCLUDING, FOR THE AVOIDANCE OF DOUBT, A BONA FIDE SALE ON THE STOCK EXCHANGES).

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have neither been recommended nor approved by the Securities and Exchange Board of India (“**SEBI**”) nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer. Specific attention of the investors is invited to “*Risk Factors*” beginning on page 17 of the Letter of Offer and “*Internal Risk factors*” on page 6 of this Abridged Letter of Offer before making an investment in the Issue.

Name of the Lead Managers and contact details	Axis Capital Limited 1 st Floor, Axis House C-2 Wadia International Centre P.B. Marg, Worli, Mumbai 400 025; Telephone: +91 (22) 4325 2183; E-mail: ltfh.rights@axiscap.in Investor grievance e-mail: complaints@axiscap.in Contact person: Ankit Bhatia Website: www.axiscapital.co.in SEBI registration Number: INM000012029	BOB Capital Markets Limited 1704, B Wing, 17th Floor Parinee Crescenzo, Plot No. C - 38/39, G Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051; Telephone: +91 22 6138 9300 E-mail: ltfh.rights@bobcaps.in Investor grievance e-mail: investorgrievance@bobcaps.in Contact person: Nivedika Chavan Website: www.bobcaps.in SEBI registration number: INM000009926	Citigroup Global Markets India Private Limited 1202, 12 th Floor, First International Financial Centre Plot No. C54 and C55, G Block Bandra Kurla Complex, Bandra (East), Mumbai 400 098 Telephone: +91 (22) 6175 9999 E-mail: LTFH.rights@citi.com Investor grievance e-mail: LTFH.rights@citi.com Contact person: Pallavi Garg Website: www.online.citibank.co.in SEBI registration number: INM000010718
	Credit Suisse Securities (India) Private Limited 9th Floor, Ceejay House Plot F, Shivsagar Estate Dr. Annie Besant Road Worli, Mumbai 400 018 Telephone: +91 (22) 6777 3885 E-mail: list.projectoctavius@credit-suisse.com Investor grievance e-mail: list.igcellmer-bnkg@credit-suisse.com Contact person: Abhishek Joshi Website: www.credit-suisse.com SEBI registration number: INM000011161	HSBC Securities and Capital Markets (India) Private Limited 52/60, Mahatma Gandhi Road Fort, Mumbai 400 001 Telephone: +91 (22) 2268 5555 E-mail: ltfhrights@hsbc.co.in Investor grievance e-mail: investorgrievance@hsbc.co.in Contact person: Sanjana Maniar Website: https://www.business.hsbc.co.in/en-gb/in/generic/ipo-open-offer-and-buyback SEBI registration number: INM000010353	ICICI Securities Limited ICICI Centre H.T. Parekh Marg, Churchgate Mumbai 400 020 Telephone: +91 22 2288 2460 E-mail: ltfh.rights@icicisecurities.com Investor grievance e-mail: customercare@icicisecurities.com Contact person: Arjunn A Mehrotra/ Nidhi Wangnoo Website: www.icicisecurities.com SEBI registration number: INM000011179
	Motilal Oswal Investment Advisors Limited Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400 025 Telephone: +91 22 7193 4380 E-mail: ltfh.rights@motilaloswal.com Investor grievance e-mail: moiaplredressal@motilaloswal.com Contact person: Subodh Mallya/ Kristina Dias Website: www.motilaloswalgroup.com SEBI registration number: INM000011005	SBI Capital Markets Limited 202, Maker Tower 'E', Cuffe Parade Mumbai 400 005 Telephone: +91 22 2217 8300 E-mail: ltfh.rights@sbicaps.com Investor grievance e-mail: investor.relations@sbicaps.com Contact person: Gaurav Mittal / Karan Savardekar Website: www.sbicaps.com SEBI registration number: INM000003531	UBS Securities India Private Limited 2/F, 2 North Avenue Maker Maxity, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Telephone: +91 22 6155 6000 E-mail: ol-project_octavius@ubs.com Investor grievance e-mail: customercare@ubs.com Contact person: Aditya Singh Website: www.ubs.com SEBI registration number: INM000010809
Name of Registrar to the Issue and contact details	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083 Telephone: +91 (22) 4918 6200 E-mail: lnfinance.rights@linkintime.co.in ; Website: www.linkintime.co.in Investor grievance e-mail: lnfinance.rights@linkintime.co.in Contact Person: Sumeet Deshpande; SEBI registration number: INR000004058		
Name of Joint Statutory Auditors	Deloitte Haskins & Sells LLP, Mumbai and B. K. Khare & Co., Mumbai		
Self-Certified Syndicate Banks ("SCSBs")	The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.		
Banker(s) to the Issue	Axis Bank Limited		

1. Summary of business

We are one of the leading private sector non-banking financial services companies in India in terms of our total Adjusted loans and advances outstanding. (source: CRISIL Report)

2. Summary of Objects of the Issue and Means of Finance

Our Company intends to utilize the Net Proceeds from the Issue towards funding of the following objects:

(in ₹ crore)

Particulars	Estimated amount (up to)
Repayment of certain commercial papers issued by our Company	1,150.00
Infusion of funds in our Subsidiary for repayment of certain commercial papers issued by such Subsidiary	600.00
Redemption of preference shares issued by our Company	500.00
General corporate purposes*	737.11
Total**	2,987.11

* Subject to the finalization of the Basis of Allotment and the Allotment. The amount is subject to adjustment upon finalization of Issue related expenses, however; in no event, shall general corporate purposes exceed 25% of the Net Proceeds.

** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

Means of Finance

The funding requirements mentioned above are based on *inter alia* our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment, costs of commodities, interest or exchange rate fluctuations. Our Company proposes to meet the entire funding requirements for the proposed objects of the Issue from the Net Proceeds and identifiable internal accruals. Therefore, our Company is not required to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue.

3. Name of Monitoring Agency: Axis Bank Limited

4. Shareholding pattern:

Shareholding Pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI Listing Regulations:

The shareholding pattern of our Company as on December 31, 2020, can be accessed on the website of the BSE at <https://www.bseindia.com/stock-share-price/lt-finance-holdings-ltd/ltfh/533519/shareholding-pattern/>; and the NSE at https://www1.nseindia.com/corporates/corporateHome.html?id=spatterns&radio_btn=company¶m=L%26TFH.

The statement showing holding of Equity Shares of persons belonging to the category "Promoter and Promoter Group" including the details of lock-in, pledge of and encumbrance thereon, as on December 31, 2020, can be accessed on the website of the BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=533519&qtrid=108.00&QtrName=December2020> and the NSE at https://www1.nseindia.com/corporates/corporateHome.html?id=spatterns&radio_btn=company¶m=L%26TFH.

The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category "Public" including Equity Shareholders holding more than 1% of the total number of Equity Shares as on December 31, 2020, as well as details of shares which remain unclaimed for public can be accessed on the website of the BSE, at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=533519&qtrid=108.00&QtrName=December2020> and the NSE at https://www1.nseindia.com/corporates/corporateHome.html?id=spatterns&radio_btn=company¶m=L%26TFH.

5. Board of Directors

BOARD OF DIRECTORS			
Sr. No.	Name	Designation	Other Directorships
1.	Shailesh Vishnubhai Haribhakti	Non-Executive Chairman (Independent Director)	<ol style="list-style-type: none"> 1. ACC Limited 2. Ambuja Cements Limited 3. Bajaj Electricals Limited 4. Bennett Coleman and Company Limited 5. Blue Star Limited 6. Bluevine Technologies Private Limited 7. Brookprop Management Services Private Limited 8. Epigeneres Biotech Private Limited 9. Foundation for Audit Quality 10. Future Lifestyle Fashions Limited 11. Gaja Trustee Company Private Limited 12. IBS Fintech India Private Limited 13. Goveva Private Limited 14. L&T Mutual Fund Trustee Limited 15. Mentorcap Management Private Limited 16. NSDL E-Governance Infrastructure Limited 17. Planet People and Profit Consulting Private Limited 18. Torrent Pharmaceuticals Limited
2.	Dinanath Mohandas Dubhashi	Managing Director and Chief Executive Officer	<ol style="list-style-type: none"> 1. L&T Finance Limited 2. L&T Housing Finance Limited 3. L&T Infra Debt Fund Limited 4. L&T Infra Investment Partners Advisory Private Limited 5. L&T Infrastructure Finance Company Limited 6. L&T Investment Management Limited
3.	Ramamurthi Shankar Raman	Non- Executive Director	<ol style="list-style-type: none"> 1. Larsen & Toubro Infotech Limited 2. Larsen & Toubro Limited 3. L&T Hydrocarbon Engineering Limited 4. L&T Infrastructure Development Projects Limited 5. L&T Investment Management Limited 6. L&T Metro Rail (Hyderabad) Limited 7. L&T Realty Developers Limited 8. L&T Seawoods Limited 9. Mindtree Limited
4.	Pradeep Vasudeo Bhide	Independent Director	<ol style="list-style-type: none"> 1. A.P.I.D.C. Venture Capital Private Limited 2. Borosil Renewables Limited 3. Glaxosmithkline Pharmaceuticals Limited 4. L&T Finance Limited 5. L&T Housing Finance Limited 6. Nocil Limited 7. Shiksha Financial Services India Private Limited 8. TRL Krosaki Refractories Limited
5.	Thomas Mathew Thumpeparambil	Independent Director	<ol style="list-style-type: none"> 1. Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited 2. L&T Infra Debt Fund Limited 3. L&T Infrastructure Finance Company Limited 4. LIC (International) B.S.C.(c), Bahrain 5. PTC India Financial Services Limited
6.	Nishi Vasudeva	Independent Director	<ol style="list-style-type: none"> 1. ABB Power Products and Systems India Limited 2. Atria Convergence Technologies Limited 3. HCL Technologies Limited 4. L&T Infra Debt Fund Limited 5. L&T Infrastructure Finance Company Limited

7.	Rajani Rajiv Gupte	Independent Director	1. L&T Finance Limited 2. L&T Housing Finance Limited 3. L&T Hydrocarbon Engineering Limited 4. National Securities Depository Limited 5. Symbiosis Centre for Entrepreneurship and Innovation
8.	Pavninder Singh*	Independent Director	1. International Cargo Terminals and Infrastructure Private Limited 2. QuEST Global Services Pte. Ltd.
9.	Prabhakar Banavar Anantharamaiah	Non-Executive Director	1. Asrec (India) Limited 2. Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited 3. Conatus Finserve Private Limited 4. National Securities Depository Limited

* Nominee Director of our Equity Shareholders, BC Investments VI Limited and BC Asia Growth Investments

6. Neither our Company nor our Promoter or our Directors have been or are identified as Wilful Defaulters

7. Financial Statement Summary

FINANCIAL INFORMATION			
Particulars	As and for the period / year ended (₹ in crore)		
	December 31, 2020 ⁽³⁾	September 30, 2020 ⁽²⁾	March 31, 2020 ⁽¹⁾
Total Income	10,528.60	6,906.44	14,548.13
Profit before tax and extraordinary items	551.35	202.68	2,680.08
Profit after Tax and extraordinary items	682.91	395.16	1,700.26
Equity Share Capital	2,006.98	2,006.53	2,004.83
Other Equity	13,502.17	13,148.44	12,687.59
Net worth	15,509.15	15,154.97	14,692.42
Basic earnings per share (* Not annualised)	* 3.51	* 2.06	8.50
Diluted earnings per share (* Not annualised)	* 3.50	* 2.06	8.46
Return on net worth (%) (* Not annualised)	*4.40%	*2.61%	11.57%
Net asset value per share	77.28	75.53	73.28

(1) Based on the audited consolidated financial statements of our Company for the year ended March 31, 2020

(2) Based on the limited review consolidated financial results of our Company as at and for the six months period ended September 30, 2020.

(3) Based on the limited review consolidated financial results of our Company as at and for the nine months period ended December 31, 2020.

8. INTERNAL RISK FACTORS

The below mentioned risks are the top five risk factors as per the Letter of Offer:

1. The impact of the COVID-19 pandemic on our business and operations is uncertain and cannot be predicted.
2. Any disruption in our sources of funding or increase in costs of funding could adversely affect our liquidity and financial condition.
3. We operate in a highly competitive industry and our inability to compete effectively may adversely affect our business.
4. We are affected by volatility in interest rates for both our lending and treasury operations, which could cause our net interest income to decline and adversely affect our results of operations and profitability.
5. The risk of non-payment or default by borrowers may adversely affect our financial condition and results of operations.

For further details, see the section “Risk Factors” on page 17 of the Letter of Offer.

9. SUMMARY OF OUTSTANDING LITIGATIONS

A summary of outstanding legal proceedings involving our Subsidiaries as on the date of this Letter of Offer is set out below:

Litigation involving our Subsidiaries

Type of proceedings	Number of cases	Amount (in ₹ crore)
Criminal cases	43*	Not quantifiable
Proceedings involving material violations of statutory regulations	8	57.53
Litigation involving an amount above the Materiality Threshold	49	6,901.06**
Other material litigation	1	Not quantifiable
Total	101	6,958.59

* In addition to these, there are certain proceedings that have been initiated by our Subsidiaries, namely, L&T Finance Limited, L&T Housing Finance Limited and L&T Infrastructure Finance Company Limited, in relation to, inter alia dishonour of cheques under Section 138 of the Negotiable Instruments Act, 1881, dishonour of electronic funds transfer under Section 25 of the Payment and Settlement Systems Act, 2007, and criminal complaints in relation to cheating and dishonestly inducing delivery of property, against certain customers of such Subsidiaries in respect of recovery of loans financed by such Subsidiaries. For details, see “Outstanding Litigation and Defaults – Litigation by our Subsidiaries – Criminal” on page 325 of Letter of Offer.

** Maximum possible amount.

For further details, see “Outstanding Litigation and Defaults” beginning on page 322 of Letter of Offer.

10. TERMS OF THE ISSUE

Procedure for Application

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the R-WAP (instituted only for resident Investors in this Issue, in the event the Investors are not able to utilize the ASBA facility for making an Application despite their best efforts). Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see “Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders” beginning on page 353 of the Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB) and R-WAP. Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see “Terms of the Issue - Grounds for Technical Rejection” on pages 349-350 of the Letter of Offer. Our Company, the Lead Managers, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Making of an Application through the ASBA process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through

the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges or the Lead Managers. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently. **PLEASE NOTE THAT THE APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED THROUGH R-WAP.**

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being L&T Finance Holdings Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio Number / DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue;
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Equity Shares entitled to;
8. Number of Equity Shares applied for within the Rights Entitlements;
9. Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Equity Shares applied for;
11. Total amount paid at the rate of ₹ 65 per Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and

16. All such Eligible Equity Shareholders are deemed to have accepted the following:

“I/ We understand that neither the Rights Entitlements nor the Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Equity Shares referred to in this application are being offered and sold (i) in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) to existing shareholders who are non-U.S. Persons and located in jurisdictions where such offer and sale of the Equity Shares is permitted under laws of such jurisdictions and (ii) within the United States or to U.S. Persons that are “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) (“U.S. QIB”) pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act, that are also “qualified purchasers” (as defined under the United States Investment Company Act of 1940, as amended) (“QPs”) in reliance upon section 3(c)(7) of the U.S. Investment Company Act. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and a non-U.S. Person and eligible to subscribe for the Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, the Lead Managers or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Managers or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.

I/ we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer titled “Restrictions on Purchases and Resales” beginning on page 367 of the Letter of Offer.

I/ We understand and agree that the Rights Entitlements and Equity Shares may not be reoffered, resold, pledged or otherwise except in an offshore transaction in accordance with Regulation S to a person outside the United States and not reasonably known by the transferor to be a U.S. Person by pre-arrangement or otherwise (including, for the avoidance of doubt, a bona fide sale on the NSE or the BSE).

I/ We acknowledge that we, the Lead Managers, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Managers and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.linkintime.co.in.

Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements.

Making of an Application through the Registrar’s Web-based Application Platform (“R-WAP”) process

In accordance with the SEBI Relaxation Circulars, a separate web based application platform, i.e., the R-WAP facility (accessible at www.linkintime.co.in), has been instituted for making an Application in this Issue by resident Investors. Further, R-WAP is only an additional option and not a replacement of the ASBA process and R-WAP facility should be utilized only in the event that Investors are not able to utilize the ASBA facility for making an Application despite their best efforts.

At the R-WAP, resident Investors can access and submit the online Application Form in electronic mode using the R-WAP. Resident Investors, making an Application through R-WAP, shall make online payment using internet banking or UPI facility. Prior to making an Application, such Investors should enable the internet banking or UPI facility of their respective bank accounts and such Investors should ensure that the respective bank accounts have sufficient funds.

PLEASE NOTE THAT ONLY RESIDENT INVESTORS CAN SUBMIT AN APPLICATION USING THE R-WAP. R-WAP FACILITY WILL BE OPERATIONAL FROM THE ISSUE OPENING DATE. OUR COMPANY, THE REGISTRAR AND THE LEAD MANAGERS SHALL NOT BE RESPONSIBLE IF THE APPLICATION IS NOT SUCCESSFULLY SUBMITTED OR REJECTED DURING THE BASIS OF ALLOTMENT ON ACCOUNT OF FAILURE TO BE IN COMPLIANCE WITH THE SAME. FOR RISKS ASSOCIATED WITH THE R-WAP PROCESS, SEE “RISK FACTORS - THE R-WAP FACILITY PROPOSED TO BE USED FOR THIS ISSUE MAY BE EXPOSED TO RISKS, INCLUDING RISKS ASSOCIATED WITH PAYMENT GATEWAYS” ON PAGE 46 OF THE LETTER OF OFFER.

For details of procedure for application by the Eligible Equity Shareholders holding Equity Shares as on the Record Date, see “*Terms of the Issue - Process of Making an Application in the Issue*” on page 341 of the Letter of Offer.

Rights Entitlements Ratio

The Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 17:74 (17 Equity Shares for every 74 Equity Shares held as on the Record Date).

Fractional Entitlements

The Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 17:74 (17 Equity Shares for every 74 Equity Shares held as on the Record Date). As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 5 Equity Shares or is not in the multiple of 5 Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Equity Share if they apply for additional Equity Shares over and above their Rights Entitlements, if any, subject to availability of Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds 5 (five) Equity Shares, such Equity Shareholder will be entitled to 1 (one) Equity Share and will also be given a preferential consideration for the Allotment of one additional Equity Share if such Eligible Equity Shareholder has applied for additional Equity Shares, over and above his/her Rights Entitlements, subject to availability of Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 5 (five) Equity Shares shall have ‘zero’ entitlement for the Equity Shares. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the Allotment of one Equity Share, if such Eligible Equity Shareholders apply for additional Equity Shares, subject to availability of Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

For details, see “*Terms of the Issue- Procedure for Renunciation of Rights Entitlements*” on page 355 of the Letter of Offer.

Application for Additional Equity Shares

Investors are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “*Terms of the Issue - Basis of Allotment*” beginning on page 360 of the Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Intention of promoter to subscribe to its Rights Entitlement

Our Promoter has undertaken to subscribe to the full extent of its respective Rights Entitlements, subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR. In addition, our Promoter reserves the right to subscribe to the unsubscribed portion in the Issue, if any, to the extent that the amount involved in such subscription of the unsubscribed portion in the Issue does not exceed ₹ 1,000 crore, subject to compliance with the Companies Act, the SEBI ICDR Regulations, the SEBI Takeover Regulations and other applicable laws. As on the date of this Letter of Offer, members of our Promoter Group (other than our Promoter), do not hold any Equity Shares in our Company and accordingly, they will not participate in the Issue.

Any participation by our Promoter, over and above its Rights Entitlements, shall not result in a breach of the minimum public shareholding requirements prescribed under applicable law.

Availability of offer document of the immediately preceding public issue or rights issue for inspection

A copy of the prospectus dated August 11, 2011, in respect of the initial public offer of equity shares of face value of ₹ 10 each by our Company is available for inspection on the website of the Company at from the date of this Letter of Offer until the Issue Closing Date.

ANY OTHER IMPORTANT INFORMATION AS PER LEAD MANAGERS /COMPANY

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, “LTFHL Rights 2021 Demat Escrow Account”) opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI Listing Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements the will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

DECLARATION BY OUR COMPANY

We hereby certify that no statement made in the Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

We further certify that all disclosures made in the Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS AND CHIEF FINANCIAL OFFICER OF OUR COMPANY

Shailesh Vishnubhai Haribhakti
Non-Executive Chairman and Independent Director
Place: Mumbai

Dinanath Mohandas Dubhashi
Managing Director and Chief Executive Officer
Place: Mumbai

Ramamurthi Shankar Raman
Non-Executive Director
Place: Mumbai

Pradeep Vasudeo Bhide
Independent Director
Place: New Delhi

Thomas Mathew Thumpeparambil
Independent Director
Place: Mumbai

Nishi Vasudeva
Independent Director
Place: Mumbai

Rajani Rajiv Gupte
Independent Director
Place: Pune

Pavninder Singh
Nominee Director
Place: Goa

Prabhakar Banavar Anantharamaiah
Non-Executive Director
Place: Bengaluru

Sachinn Roopnarayan Joshi
Chief Financial Officer
Place: Mumbai

Date: January 19, 2021