

## PART B - ISSUE DETAILS

Security Name	Secured Redeemable Non-Convertible Debentures [Series "H" of FY 2020-21]
Issuer/Company	L&T Finance Limited
Type of Instrument	Secured non-convertible debentures ("NCDs") of face value of Rs. 10,00,000/- of FY 2020-21 [Series "H" of FY 2020-21]. The debentures shall constitute direct, secured, senior & general obligations of the Company and will, save for such exceptions as may be provided by applicable legislation or judicial order or market practices of government owned companies, rank pari-passu with all other secured and senior indebtedness of the Company subject to terms and conditions already agreed.
Nature of Instrument	Secured
Seniority	Senior
Mode of Issue	Private Placement
Eligible Investors	Refer to section "Who Can Apply"
Bidding Type	Closed Bidding
Allocation Method	Uniform Allotment
EBP Platform	NSE/Stock Exchange
Settlement method	Through clearing corporation of stock exchange (NSCCL)
Settlement Cycle	T+1
Listing (including name of Stock Exchange(s) where it will be listed and timeline for listing)	The debentures to be issued under the offer document ("Offer Document") will be applied to get listed on the WDM segment of NSE within 4 exchange working days of the closure of the issue.  In case of delay in application for listing of the debt securities beyond the timelines specified in para 2 of the SEBI Circular Ref: SEBI/HO/DDHS/CIR/P/2020/198 dated October 5, 2020, the Issuer shall pay penal interest of at least 1% p.a. over the Coupon Rate for the period of delay to the investor (i.e. from date of allotment to the date of listing)
Rating of the Instrument	AAA/Stable by CRISIL
Issue size	Rs. 50 Crore
Option to retain oversubscription	Rs. 200 Crore
Objects of the issue	Long term augmentation of funds
Details of the utilization of the proceeds	Long term augmentation of funds
Coupon Rate	6.45% p.a.
Steps up/ step down coupon rate	NA
Coupon Rate Frequency	Annual coupon and on maturity
Coupon Payment Dates	Thursday, March 10, 2022 Friday, March 10, 2023 Sunday, March 10, 2024 Friday, May 10, 2024
Coupon Type	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)	None
Day Count Basis	Actual/Actual
Default Interest Rate	In case of default in payment of Coupon Rate and/or principal redemption on the due dates, additional interest of



	@ 2% p.a. over the Coupon Rate shall be payable by the Company for the defaulting period.
Interest on Application Money	NA
Tenor	1157 Days
Redemption Date	Friday, May 10, 2024
Redemption Amount	Rs 10,00,000
Redemption Premium / Discount	None
Issue Price	Rs. 10,00,000
Discount at which security is issued and the effective yield as a result of such discount	None
Put Option Date	NA
Put Option Price	NA
Call Option Date	NA
Call Option Price	NA
Put Notification Time	NA
Call Notification Time	NA
Face Value	Rs. 10,00,000
Minimum Application and in multiples of - Debt securities thereafter	Rs. 1,00,00,000 and in Rs. 10,00,000 multiples thereafter
Issue Timing	
1. Issue Opening Date	Tuesday, March 09, 2021
2. Issue Closing Date	Tuesday, March 09, 2021
3. Pay- in Date	Wednesday, March 10, 2021
4. Deemed Date of Allotment	Wednesday, March 10, 2021
Issuance mode of the Instrument	Demat only (for private placement)
Trading mode of the Instrument	Demat only (for private placement)
Depository	National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL)
Record Date	15 calendar days prior to each Coupon Payment Date/ Put Option Date / Call Option Date / Redemption Date
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum.	<p>Secured by:</p> <p>Exclusive and first ranking charge by way of hypothecation over identified fixed deposits of the Issuer and/or an exclusive and first ranking charge by way of hypothecation on identified standard receivables ("<b>Hypothecated Assets</b>") of the Issuer, to the extent that the principal amount of such Hypothecated Assets (or amount in case of fixed deposits) is equivalent to the 1 time of the amount outstanding under the NCDs ("<b>Security Cover</b>").</p> <p>The Issuer shall be entitled to modify or substitute the Hypothecated Assets including substituting the identified fixed deposits charged in favour of the Debenture Trustee with any other standard receivables of the Issuer subject to maintaining the Security Cover. Consequently, the Debenture Trustee shall be obligated to release such fixed deposits subject to maintaining the Security Cover.</p> <p>The Issuer shall notify the Debenture Trustee of the details and aggregate amounts of the Hypothecated Assets under a portfolio certificate/stock statement to be submitted by the Issuer at the end of each quarter identifying such Hypothecated Assets.</p>

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	<p>Following an Event of Default, which has not been cured and upon notice from the Debenture Trustee, the Issuer shall provide the list of identified Hypothecated Assets to the extent of Security Cover and charge under this provision shall be fixed on such identified Hypothecated Assets.</p> <p>A trust deed and the security documents, as applicable, for securing the issue of debt securities shall be executed (including registration, if required) by the Issuer in favour of the Debenture Trustee within the timelines stipulated under applicable laws.</p> <p>If the Issuer fails to execute the Debenture Trust cum Hypothecation Deed within the period specified above, without prejudice to any liability arising on account of violation of the provisions of the Companies Act, 2013 and the applicable regulations, the Issuer shall also pay the Default Interest Rate of 2% p.a. over and above the agreed Coupon Rate till the date of execution of the Debenture Trust cum Hypothecation Deed.</p> <p>The Company shall maintain a minimum security cover of 1 time of the total principal amount and coupon outstanding at all times.</p> <p>The Issuer may further borrow or raise any amounts in any form or manner from any person without any consent requirement from the Debenture Trustee or investors. The Issuer may, without any requirement of any consent or intimation, create encumbrance, lien in any form whatsoever over any of the assets of the Issuer. However, any further encumbrance on the Hypothecated Assets will require prior consent of the Debenture Trustee.</p>
Security Cover	1 time
Transaction Documents	<p>a. Debenture Trust cum Hypothecation Deed;</p> <p>b. Debenture Trustee Agreement;</p> <p>and</p> <p>Any other document designated as the Transaction Document by the Debenture Trustee.</p>
Condition Precedent to Disbursement	NA
Condition subsequent to Disbursement	NA
Events of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	As defined in Transaction Documents
Provisions related to cross default clause	NA
Role and Responsibilities of Debenture Trustee	<p>(a) As described under the Transaction Documents; and</p> <p>(b) It is the duty of the DT to monitor Security to the extent of Security Cover however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the Security.</p>

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Conditions for breach of covenants (as specified in Debenture Trust Deed)	If the Issuer commits default in the performance or observance of any covenant, condition or provision contained in the Offer Document and/or Transaction Documents and such default is not cured within 30 days of the notice from the Debenture Trustee to remedy the default, such default shall be an Event of Default more particularly defined in the Transaction Documents.
Additional Covenants and arrangement specific to this Issue (including side letters, accelerated payment clause, etc.)	N.A.
Creation of recovery expense fund	The Issuer has created a recovery expense fund as per the applicable law.
Risk pertaining to this Issue	As particularly described under the Offer Document
Governing Law and Jurisdiction	The NCD shall be governed by and will be construed in accordance with the laws of India. The Issuer, the NCD and Issuer's obligation under the NCD shall, at all the times, be subject to the directions of the RBI and the SEBI. The courts in Chennai shall have exclusive jurisdiction with respect to matters related to NCDs.

For L&T Finance Limited

  
**Authorized Signatory**

**Date: 05<sup>th</sup> March 2021**

**Disclosure of cash flows:**

(by way of illustration) The below mentioned cash flow for the payment of principal and interest amount is calculated on the face value of one Debenture. Any change in the below mentioned data due to unforeseeable circumstances in the future during the tenure of the Debentures would be intimated to Stock Exchange and the Debenture Trustees before effecting the change.

**Cash Flow:**

Cash Flows	Coupon Payment Date*	No. of Days in Coupon Period	Coupon Payout Date*	Amount (in Rupees)
Coupon	Thursday, March 10, 2022	365	Thursday, March 10, 2022	₹ 64,500
Coupon	Friday, March 10, 2023	365	Friday, March 10, 2023	₹ 64,500
Coupon	Sunday, March 10, 2024	366	Monday, March 11, 2024	₹ 64,500
Coupon	Friday, May 10, 2024	61	Friday, May 10, 2024	₹ 10,779
<b>Total Coupon Payments</b>				<b>₹ 2,04,279</b>
Cash Flows	Principal due for Payment	No. of Days from Issue Date	Principal Payout Date*	Amount (in Rupees)
Principal	Friday, May 10, 2024	1157	Friday, May 10, 2024	₹ 10,00,000
<b>Total Payments (Principal + Coupon) (A+B)</b>				<b>₹ 12,04,279</b>

The above table is in accordance with the SEBI circular under the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time.

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