LIC HOUSING FINANCE LTD

Ref.:LICHFL/CS/35AGM-AR 6th August, 2024

The Manager, Listing Department, National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Scrip ID: **LICHSGFIN EQ** Email: cmlist@nse.co.in	The General Manager, Department of Corporate Services-Listing Dept., BSE Limited, 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Scrip Code **: 500253** Email: corp.relations@bseindia.com

Re: Regulation 34 of the SEBI (LODR) Regulations, 2015.

In terms of Regulation 34 of the SEBI (LODR) Regulations, 2015, we are forwarding herewith Annual Report for the financial year 2023-2024.

This is for your information and record.

Thanking you,

Thanking you,
Yours faithfully,

For LIC Housing Finance Limited

Varsha Hardasani
Company Secretary and
Compliance Officer

LIC HOUSING FINANCE LTD. CORPORATE OFFICE MUMBAI

VARSHA CHANDAR HARDASANI

Digitally signed by VARSHA CHANDAR HARDASANI
Date: 2024.08.06 18:32:58 +05'30'

LIC HFL
स्वगृहाय अर्थसहाय:
LIC HOUSING FINANCE LTD

Consolidating Our Present. Shaping the Future.

ANNUAL REPORT 2023-24

INSIDE THE REPORT

To download this report or to read online, please log on to www.lichousing.com

Date of Annual General Meeting

30th August, 2024
Time: 03:30 PM
Through Video Conference ('VC')/
Other Audio Visual Means ('OAVM')
Date of E-Voting
Start Date: 27th August, 2024 (09:00 AM)
End Date: 29th August, 2024 (05:00 PM)

ENDURING A GROWTH MINDSET

BECAUSE EVERYONE DESERVES A HOME

Built a loan book of ₹ 2.87 lakh crore

Strengthened our distribution with more than 10,000 hands

Enhancing the operational excellence with Project RED

Made our presence felt in 206 cities and towns of India

A cohesive family of 2,396 employees relentlessly striving towards a collective vision

₹ 29,276 crore
Net Worth

₹ 4,765 crore
PAT

₹ 86.53
Earnings Per Share

AAA
Credit Rating

₹ 33,632 crore
Market Capitalisation

WHERE ASPIRATION MEETS REALITY

2015
- Best Housing Finance Company by BFSI Awards
- Best data quality in HFC by CIBIL

2016
- Outlook Money-Best Housing Finance Company
- Best Housing Finance Company by ABP News
- Asia Pacific Entrepreneurship Award
- Power Brands Awards by Franchise India

2017
- Outlook Money-Best Housing Finance Company
- Business Today BFSI Best CEO
- NSE for highest Debt Issuance

2019
- Voted as the 'Brand of the Decade 2019' by BARC Asia
- NSE for Best Issuer on EBP

2022
- "Best Organisation for Women 2022" Award by 'The Economic Times'
- "BEST CSR" Award in the 11th Edition of Global CSR Excellence & Leadership Awards

2023
Winner of Indian Chamber of Commerce Social Impact Awards under "Empowering the Rural Population" category

2024
Awarded the Best CSR Team of the Year and Best Use of CSR Practices in various sectors in UBS Forums 10th Edition CSR Summit and Awards 2024

Consolidating Our Present.

Shaping the Future.

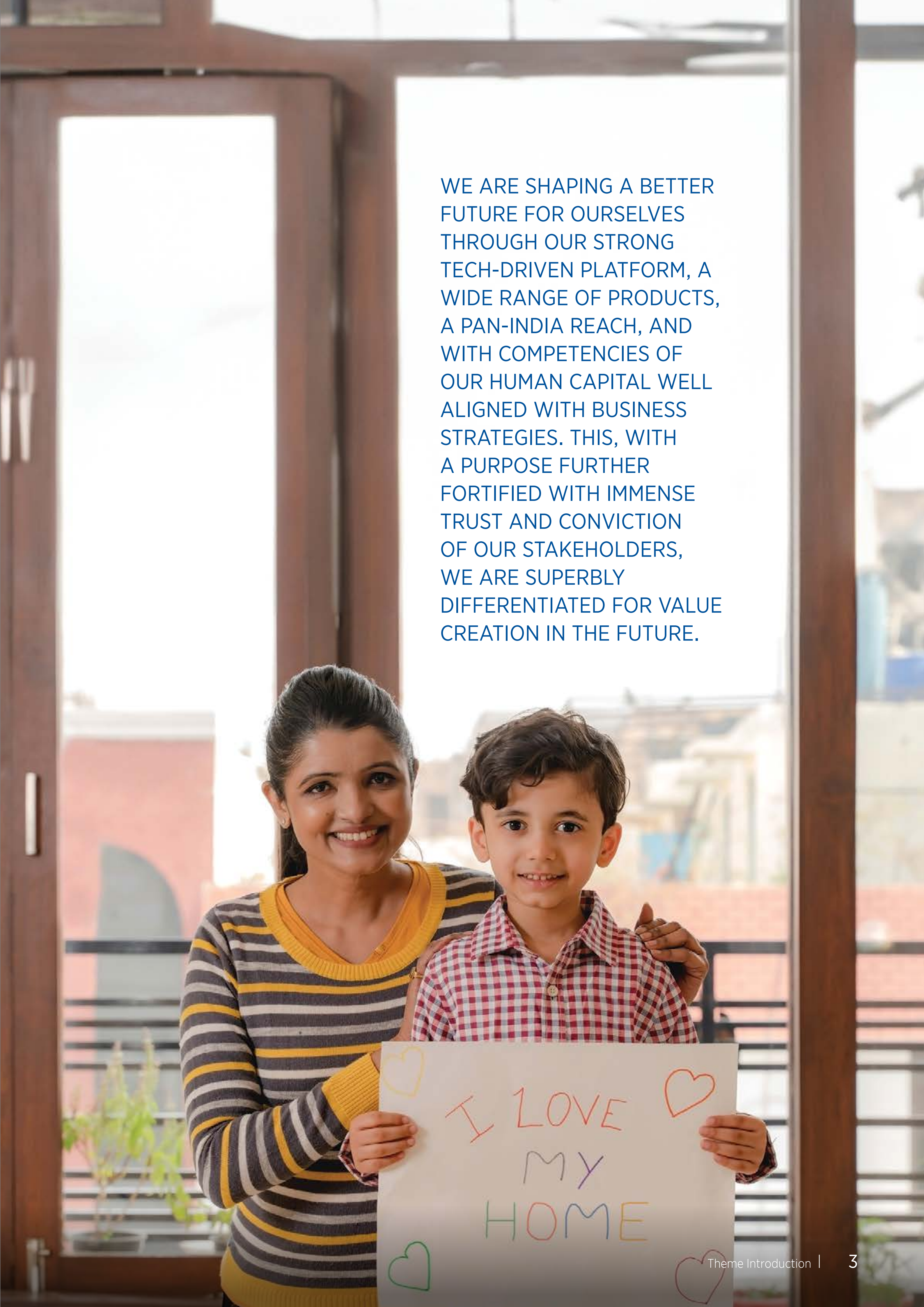
The story of LIC Housing Finance Limited began with a simple vision – that of enabling people fulfil their dream of owning a safe haven for themselves and their loved ones. With a healthy track record of steady performance spanning over three-and-a-half decades, we reached out to millions of people and helped fulfil their aspirations. With secured housing finance at affordable cost, we continued to maximise shareholder value with higher customer sensitivity.

The year gone by was indeed satisfactory with improvement in the NPA ratios, improved net interest margin, credit costs and return on assets, an increase in total outstanding portfolio, and a steady improvement in operating metrics. Our in-depth understanding of the housing market entailed better operating efficiencies and nurtured deeper customer-centricity with a singular commitment to delight the customer with cutting-edge products and create new industry benchmarks.

As we journeyed through our third decade of operations and embarked on a journey of consolidation, we delivered a new dimension of excellence and an improved organisational capability and vitality through large-scale technology upgrade, a refurbished organisational structure and leadership change. Significant investments into IT infrastructure are targeted at advancing to the next-generation scalable and flexible technology landscape, with an aim of improving productivity and customer convenience.

Moving forward, we are filled with optimism and anticipation as we work on a strategic roadmap of increasing loan book by doubling the share of affordable mix to 20-25% in the next few years, benefiting from the demographic dividend and enabling home ownership to millions of aspiring Indians. Today, we remain well-poised to maintain a steady growth trajectory – by customer category, region and an expanding product portfolio, becoming a people-focussed and proficient enterprise, continuing to drive innovation in India's housing finance space.

WE ARE SHAPING A BETTER FUTURE FOR OURSELVES THROUGH OUR STRONG TECH-DRIVEN PLATFORM, A WIDE RANGE OF PRODUCTS, A PAN-INDIA REACH, AND WITH COMPETENCIES OF OUR HUMAN CAPITAL WELL ALIGNED WITH BUSINESS STRATEGIES. THIS, WITH A PURPOSE FURTHER FORTIFIED WITH IMMENSE TRUST AND CONVICTION OF OUR STAKEHOLDERS, WE ARE SUPERBLY DIFFERENTIATED FOR VALUE CREATION IN THE FUTURE.



Making Home Ownership Achievable, Affordable and Accessible

We are amongst the pioneers in ensuring access to housing finance. With a strong business foundation, an extensive distribution network and our proven industry expertise, we take pride in having served a group of over 30 lakh prudent home owners, and in contributing to India's economic development.

BUILDING HOMES, NURTURING RELATIONSHIPS

Incorporated in 1989, we are one of the largest housing finance companies in India with a 35-year legacy, experience and expertise. We are at the forefront in assisting millions to realise their dream of home ownership.

OUR PASSION AND COMMITMENT

To provide long-term finance to individuals.

UNDERSTANDING HOPES AND EMOTIONS OF CUSTOMERS

Our key objective is to provide:

- Long-term finance to individuals for purchase or construction of house or flat for residential purpose
- Finance on existing property for business or personal needs
- Finance to builders and developers engaged in construction of houses or flats for residential purpose
- Loans to professionals for purchase or construction of clinics, nursing homes, diagnostic centres, or office space and for purchase of equipment

AN EXTENSIVE DISTRIBUTION NETWORK

We have one of the widest networks of 310 Marketing Offices across the country and Representative Office in Dubai. We also distribute our products through the branches of our subsidiary LIC HFL Financial Services Limited.

OUR VISION

To be the best Housing Finance Company in India.

OUR MISSION

To provide secured housing finance at affordable cost, maximising shareholder value with higher customer sensitivity.

OUR VALUES

- Fair and transparent business practices
- Transformation to a knowledge organisation
- Higher autonomy in operations
- Instilling a sense of ownership amongst employees

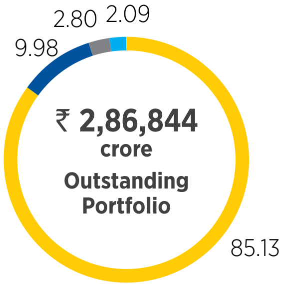
BEST-IN-CLASS CREDIT RATING

The Company has received the highest rating from CRISIL and CARE, indicating the highest safety for our ability to repay the principal amount and service the interest.

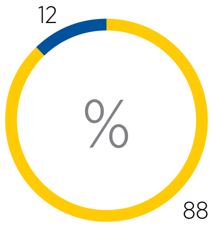
EASING HOME OWNERSHIP WITH EXTENSIVE DISTRIBUTION NETWORK

Wide spread of 310 marketing offices, Representative Office in Dubai.

Loan Book Composition



Customer Break-Up



Break-Up of Offices

43%
84 Offices
in Top 8 Cities

57%
226 Offices
in Other Cities

DELIVERING SYNERGISTIC STRENGTHS. DRIVING INCLUSIVE GROWTH.

END-TO-END DIGITALISATION

Focussed on tech adoption by fine-tuning robust systems and procedures to enable outreach and higher business volumes

SUSTAINED ASSET QUALITY

Reputed for having the best asset quality and better asset liability mix in India's housing finance space

DRIVING EFFICIENCY

Maintained high collection efficiency and significant recoveries by controlling delinquencies

STABLE PROFIT GROWTH

Recorded all-time high disbursement and contributed better to business; at the cusp of long-term secular growth due to revival in residential real estate, favourable macros and improved profitability

ENHANCING REACH

An expansive reach to address the home loan needs of prospective borrowers; Introduced Cluster-driven Hub-and-Spoke Model for faster TAT in loan disbursements; To open new Marketing Offices

Journey of LIC Housing Finance

With our passion, professionalism and perseverance, we are on the right track for a focussed and progressive journey. With our increasing retail mix, strong capital adequacy, comfortable liquidity position, a resilient operating model, we are poised for a positive and exciting journey ahead of us.

OUR JOURNEY

1989
- Year of incorporation
- Lending commences from first office in Delhi

1994
Launched IPO of ₹ 120 crore

2002
- Achieved credit rating of AAA
- Set up a representative office in Dubai, marking its first presence in the overseas market

2004
- Loan portfolio crossed ₹ 10,000 crore
- Emerged as the first Housing Finance to come out with a US$ 29 million GDR issue which was over-subscribed

2009
Launched a QIP of US$ 135 million, which was over-subscribed by six times

2012
- Received the award for being the best Housing Finance Company from CNBC-TV18
- Received the award “Best in Home Finance” from the construction industry

2014
Received an award for being the Best Housing Finance Company from ABP News

2015
- Loan portfolio cross ₹ 1 lakh crore
- Won award for Best HFC by BFSI Awards
- Won an award for Best Data Quality in HFC by CIBIL

2016
- Received the Outlook Money Award for Best HFC
- Won the award for Best HFC by ABP News
- Won the Asia Pacific Entrepreneurship Award
- Won the Power Brands Award by Franchise India

2017
- Crossed Loan Portfolio of ₹ 1.5 lakh crore
- Received the Outlook Money Award for Best HFC
- Won BFSI Best CEO Award from Business Today

OF EVOLUTION

2018

Profiled in India's leading BFSI Companies 2018 by Dun & Bradstreet

2019

- Crossed Loan Portfolio of ₹ 2 lakh crore
- Voted as Brand of the Decade 2019 by BARC Asia

2020

- Ranked as the Best Private Issuer 2019 on Electronic Bidding Platform by National Stock Exchange
- Received Data Quality Award by Transunion CIBIL in the Housing Finance Company category at the TU CIBIL Annual Conference 2019
- Awarded the 'Best Housing Finance Company' at the National Real Estate Congress Leadership & Awards, 2019
- Listed as 'The Outperforming Housing Finance Company 2019' by Outlook Business
- Featured amongst the Top 10 Most Consistent Wealth Creators according to the "Motilal Oswal 24th Annual Wealth Creation Study, 2019"

2022

- Won the Global CSR, Excellence & Leadership Award 2021-22
- Recognised as one of the "The Best Organisation for Women" by Economic Times
- Economic Times awarded LIC HFL as one of the "Best Brands for 2021"
- Recognised by Kendriya Sainik Board for valuable contribution in the past to Veer Naaris

2023

- Introduced Cluster-driven Hub-and-Spoke Model for faster TAT in loan disbursements

2024

Restructured the marketing set-up by opening 46 new Marketing Offices and 44 new Cluster Offices and increasing our network to 450 centres from 314 centres in the previous year

Fulfilling Deeply Cherished Ambitions of Owning a Home

With a passion to help millions of people in owning a home, we are widening our pervasive presence, reskilled distribution and setting up an extensive pan-India network to be proximate to our customers and to make our presence felt in every city and town. Going forward, we are expanding our business operations in Tier 3&4 cities.

Adding another tier in the Organisational Structure

9
Regional Offices

23
Back Offices

44
Cluster Offices

310
Area Offices

Representative Office in Dubai

450+
Coverage Centres

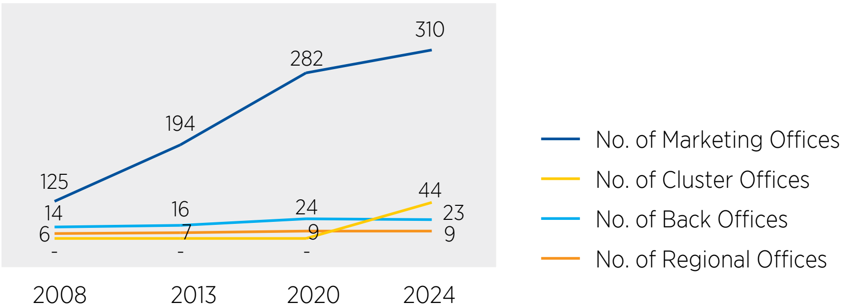
2,396
Employees

Map not to scale. For illustrative purposes only.

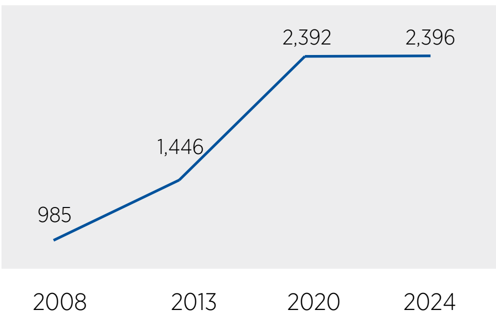
As part of expanding the organisational structure, we moved to a 5-tier structure by adding Cluster Offices between our Area Offices and Back Offices. This was aimed at speeding up credit appraisal processes, improving turnaround and increasing disbursements. In addition, we also opened 46 new Area Offices to tap a wider customer base.

Widening our Footprint

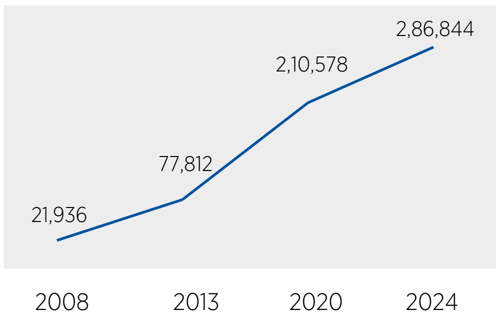
No. of Offices



No. of Employees



Loan Portfolio (₹ crore)



KEY METRICS TO EVALUATE FY 2023-24 PERFORMANCE

₹ 2,86,844 crore
Loan Portfolio

₹ 58,937 crore
Disbursement

₹ 4,765 crore
Profit After Tax

20.78%
Capital Adequacy Ratio

₹ 29,276 crore
Net Worth

3.31%
Gross NPA

~30 lakh
Number of customers

1.63%
Net NPA

3.08%
Net Interest Margin

Message to Shareholders from Chairman

DURING THE YEAR, WE CONSOLIDATED OUR POSITION AS INDIA'S LARGEST HOUSING FINANCE COMPANY WITH AN OUTSTANDING LOAN PORTFOLIO OF ₹ 2,86,844 CRORE AND MULTIPLIED OUR FOOTPRINT IN THE PAST DECADE.

Dear Shareholders,

The year gone by has been a harbinger of hope, with robust performance in the face of unprecedented developments of the past three-and-a-half decades within the Company. It is my pleasure to inform you about the year's developments and considerable progress in a spirit of confidence and hope. We continued to underline our role in enabling millions of aspiring Indians to realise their home ownership dreams.

We consider FY 2023-24 to be an interesting period of change and consolidation, as we accomplished a major overhaul of the organisational structure, a massive technology upgrade and a leadership change.

You will read about the first two strategic developments in the succeeding message, I am happy to share that in August 2023, Mr. Tribhuwan Adhikari was appointed as the Managing Director & Chief Executive Officer of LIC Housing Finance Limited. During his career spanning three decades, he has worked in different streams and gained knowledge and clarity.

During the year, we consolidated our position as India's largest Housing Finance Company with an Outstanding Loan Portfolio of ₹ 2,86,844 crore and multiplied our footprint in the past decade. We expanded geographies, built a huge base of customers, expanded our outstanding loan book, strengthened distribution, and focussed on growth and digital transformation, generating more stakeholder value and contributing to India's economic growth. As a matter of fact, we term FY 2024-25 as the "year of delivery" as we will then move to our new lending platform.

THE OPPORTUNITY MATRIX

The national real estate landscape has been on a stronger growth path and continued to experience a surge in end-user demand following a slowdown spanning several years. In FY 2023-24, not only was India the fastest growing economy globally, but also witnessed all real estate indicators at record levels. The tailwinds in India's real estate sector originate from India's economic resilience, despite escalating geopolitical situation and rising inflation.

Post-COVID pandemic, the need to have a good house has been pronounced with increased consumer confidence. With substantial pent-up demand from end-users, year-on-year sales across India's top seven cities increased 31% in CY2023, as per data from Anarock Group. Key pillars supporting growth across real estate segments include: the highest GDP growth forecast among major economies, and a proactive and supportive business environment.

The Finance Minister's announcement for 20 million houses under the Prime Minister Awas Yojana is also giving an impetus to growth. With its "Housing for All" initiative, India proposes to build 29.5 million houses under the Prime Minister Awas Yojana (PMAY) by 2024.

Demand increased owing to urbanisation, importance of home ownership, growing population and rising incomes, demonstrating India's prominence as one of India's fastest growing sectors. The Residential sector witnessed robust demand revival, as it fast gained momentum and withstood market volatility.

HOUSING FINANCE – ON AN UPSWING

India's housing finance market is on a growth trajectory with the Government taking adequate measures to support housing finance, improving demand and reviving the sector. Growth in housing credit can be attributed to a strong revival in the residential property market due to the pent-up demand post-COVID pandemic.

Driven by India's changing demographic profile, rising incomes, enhanced affordability, and substantial government support. An improving macro-economic environment, rapid pace of urbanisation, nuclearisation of families, and affordable mortgages are aiding the industry.

Other key drivers are the emergence of Tier 2&3 cities, easier access to financing, tax incentives, and the expanded reach of housing finance companies. With millennials and young borrowers in need of urban accommodation are a potential consumer base for housing loans, accounting for nearly 27% of borrowers today.

A GROWING POTENTIAL IN AFFORDABLE HOUSING FINANCE

India's mortgage-to-GDP ratio stands at a mere 11%, significantly lower compared to the United States (67%) and the United Kingdom (90%). With a large portion of India's population residing in small towns, there is a substantial opportunity for housing finance companies, particularly those targeting low and middle-income segments.

Affordable Housing is projected to bring in the next wave of growth in India's housing finance sector. More and more companies are now tapping into this space and addressing the huge credit crunch, focussed on catering to the lower income group. This segment is emerging as a significant opportunity and shows a lot of promise due to under-penetration and driven by a substantial demand for low-cost housing among India's rural and middle-class population.

AUGMENTING THE CORE

At the core of LIC Housing Finance is the mission to increase our share of Affordable Housing Finance. Our key objective is to broaden the net of financial and economic inclusion by providing a sense of security and ultimately creating customer delight. With this, our aim is to empower people who have always dreamt of owning a house, without adequate means to achieve it. We are targeting at helping this segment of the society build homes.

As the leader in India's Housing Finance industry, we also understand our social responsibility and made total sanctions of ₹ 48,000 crore by consistently contributing to Phase 1&2 of PMAY and to the government's CLSS scheme. Aligned with the government's initiative of "Housing for All", our core strategy entails facilitation of financial inclusion through a wider spread. We are committed to serving home buyers from the low-income groups of the economy and seek to offer better access to customer-centric solutions and simultaneously provide the benefit of PMAY to the eligible segment.

WAY FORWARD

As the transformative journey of LIC Housing Finance continues, with our ability to source low-cost liability from strong fundamentals, we improved our liability management and ensured that despite rising rates, we are working on cost optimisation and enjoy being one of the lowest on cost of funds, despite the monetary tightening measures of the Reserve Bank of India. We are also better placed on liabilities vis-à-vis other players.

Going forward, our key focus area continues to be – higher yield productivity with proper due diligence to mitigate risks, increase per branch business; and enhance per employee productivity.

The rapid pace of finance, affordable mortgages, increased urbanisation and changing lifestyles continue to spur growth of India's Housing Finance Market, which is projected to grow by 20% CAGR between 2022-2027. Demand is visible across sectors and loan segments, with small towns and affordable loans having taken a huge lead.

IN CONCLUSION

At LIC Housing Finance, we continue living our dream of building a roof for every Indian by supporting Affordable Housing and serving new home buyers and complementing Housing for All.

Our proactive approach is on capitalising growth opportunities within the housing finance sector, aimed at presenting us as a forward-thinking, resilient, and innovative company ready for future opportunities, while accelerating current growth momentum.

I thank all our stakeholders for their trust, support, guidance and good wishes. The journey ahead is long and interesting and together we will continue to grow with resilience.

I am positive the best is yet to come.

Sincerely,

Siddhartha Mohanty

Chairman & Non-Executive Director

Message from Managing Director & CEO

IN A KEY INITIATIVE, WE STRENGTHENED OUR BUSINESS PROCESSES BY RE-ENGINEERING, UPGRADING SOFTWARE, REVAMPING OUR PROCESSING CENTRES, IMPROVING CUSTOMER ONBOARDING.

Dear Shareholders,

At the onset, I am happy and proud to have joined the Company to begin a new cycle of collective growth and co-create a better future for each one of us. And I find myself very excited and optimistic about what lies ahead for the Company.

FY 2023-24 has been a remarkable year and satisfying for LIC Housing Finance with a rising Loan Book, even as we maintained our Profitability, Asset Quality and Solvency. Talking about the macro-environment, the Reserve Bank of India (RBI) continued with the pause in policy rate and the expectation of rate cuts was pushed further, largely due to the global environment. Tighter liquidity conditions, with geopolitical tensions and global volatility, kept interest rates at elevated levels during the year under review, and the overall demand scenario for housing loans remained steady.

A YEAR OF CONSOLIDATION

In the past year, the Company undertook a series of transformational changes, including a change in our technological platform, implementation of SAP, restructuring the marketing set-up by opening 46 new marketing offices and 44 new Cluster Offices, as a new addition to our structure, and improving the credit process by creating specialised credit appraisal clusters. All this was aimed at delivering superior quantitative and qualitative growth, with significant improvement in TAT and customer service.

In a key initiative, we strengthened our business processes by re-engineering, upgrading software, revamping our processing centres, improving customer onboarding. We rolled out other business expansion strategies and bolstered digital initiatives to counter competition and push loan disbursement. We also improved our physical presence – increased no. of offices to 450 from 314 last year.

Moreover, we improved our product mix with a better range of products with optimised rate of interest in order to increase our focus on high-yielding Loan Against Property (LAP). We are also serving our customers efficiently, with our Back Offices handling CRM, Recovery business and Ancillary business. We are ramping up business partnering to explore lending opportunities to home and affordable housing segments.

FINANCIAL AND OPERATIONAL HIGHLIGHTS, FY 2023-24

At LIC Housing Finance, we witnessed significant improvement in all areas of the Company's operations. During the year, we remained focussed on accelerating loan growth and achieving better margins, buoyed by strong loan demand and expansion in non-core segments. In addition to vanilla housing loan products, we provide varied products including Loan Against Property (LAP); non-core products such as affordable housing and ancillary housing; and lines of credit to small housing finance companies.

FY 2023-24 was the best year in terms of margins and profitability, with record Profit After Tax (PAT) and Net Interest Margin (NIM). The Company reported the highest-ever Net Profit ever in its history at ₹ 4,765.41 crore, showing a significant growth of 65% from ₹ 2,891.03 crore PAT in the previous financial year. Outstanding Portfolio grew 4% at ₹ 2,86,844 crore, up from ₹ 2,75,047 crore in FY 2022-23.

As part of the Outstanding Portfolio, the Individual Home Loan segment stood at 85.13%, up from 83.16% in the earlier financial year. Total Disbursement stood at ₹ 58,937 crore, whereas Total Income stood at ₹ 27,235 crore vis-à-vis ₹ 22,674 crore in the earlier financial year. Despite interest rate volatility, Net Interest Margin (NIM) moved above the 3% level – at 3.08%, it was higher than 2.41% in the earlier financial year.

On the funding side, we witnessed an increase of 13 basis points in the overall cost of funds from 7.63% to 7.76%. Incremental cost of funds stood at 7.84%, as on 31st March, 2024, with a yield of 9.89% on advances on the portfolio. Given our Triple A-rating, we continue to command a competitive cost of funding in the market.

On the recovery front, with continuous and focussed efforts, our asset quality improved, with significant and consistent reduction in the delinquency levels. This led to our Gross Non-Performing Assets (NPAs) declining from 4.41% in FY 2022-23 to 3.31% in FY 2023-24. Net NPA declined from 2.50% in the previous year to 1.63% in the current financial year. Total provision stood at ₹ 6,270 crore, as on 31st March, 2024. Profit Per Employee improved to ₹ 198.48 lakh vis-à-vis ₹ 117.43 lakh in the earlier year.

Despite the liquidity crunch and volatility in the market, we ensured effective and improved liquidity management, as we managed our borrowings at competitive market rates. Our Capital Adequacy Ratio was 20.78% vs 18.23% in the earlier fiscal year.

LIC Housing Finance has been a consistent dividend-paying company since its inception, paying regular dividends to shareholders over the years. FY 2023-24 has been our 35th year of constantly rewarding our shareholders. During the year, the Board proposed a dividend of 450% (₹ 9.00 per share) on Face Value of ₹ 2 per share, higher than 425% dividend given to shareholders in the previous fiscal year of FY 2022-23.

Further, we inculcated changes in our liability mix and reduced our overall weighted average cost of funds and recovered our NPAs. In addition, we continued to consolidate our presence in Tier 2/3 cities with 56% of the total disbursement during the year accounted from these cities. The Affordable Housing segment contributed the highest to our total book size, i.e., 70% our disbursement is to the salaried class.

₹ 4,765.41 crore
Net Profit

₹ 2,86,844 crore
Outstanding Portfolio

₹ 27,235 crore
Total Income

INCREASING FOCUS ON AFFORDABLE HOUSING

The Company was so far focussing on the organised segment of customers having a regular source of income and a healthy CIBIL score. Hence, we are targeting at catalysing India's Affordable Housing Finance space by increasing access to housing finance to the unorganised segment, including the economically weaker sections (EWS) and low-income groups, which is contributing significantly to India's economy today. This is the segment that typically runs their own small business or might be employed in a small and medium enterprise.

We plan to increase our share of AH to 20% over the next 2-3 years. By targeting this high-margin segment, we are building a base for ourselves and leveraging the growing demand for housing finance in Tier 2&3 cities. We strive to facilitate this potential pool of customers with better quality of living, ensuring improved returns and bolstering financial inclusion.

INTRODUCING A 5-TIER STRUCTURE

As of 31st March, 2023, there were 24 Back Offices managing 282 Area Offices, which led to delay in turnaround time. As part of our strategic expansion of network, we introduced a 5-tier organisational structure by adding Cluster Offices – a new tier between Back Offices and Area Offices. As part of our expansion strategy, 46 new Area Offices and 44 new Cluster Offices were opened during the year, as we tapped into unpresented geographies, and into new markets and segments.

The new organisational structure not only aims to move deeper into Tier 2/3 cities, but it also targets reduction in delays in the turnaround time. The innovative approach will also serve as a Hub-and-Spoke model reaching out to people beyond Tier 1&2 cities. The Spoke locations will be increased further and will be serviced by a nearby Back Office. The existing resources are being utilised for sourcing new business and providing quality customer service.

Despite the growing demand for Project Loans, we have decided to adopt a cautious stance owing to the high-risk element in this segment, especially as this segment is contributing to our NPAs. We have decided to be conscious of not being too aggressive in the Builder segment.

We are targeting growth in the number of Marketing Intermediaries or what we call – Feet on the Street. We are working on hiring 250-300 people in administrative and marketing sectors to further boost Affordable Housing. From our current workforce of 2,500, the additional hiring will augment the total workforce to 2,800-2,900 by the end of FY 2024-25.

HAVING SET UP A STRONGER FOUNDATION, WE NOW LOOK FORWARD TO AN EVEN BETTER FY 2024-25. WE ARE AIMING FOR 13% GROWTH IN THE LOAN BOOK, SUPPORTED BY AN INCREASED FOCUS ON AFFORDABLE HOUSING FINANCE, ESPECIALLY IN TIER-3 TOWNS.

HARNESSING NEWER OPPORTUNITIES

Having set up a stronger foundation, we now look forward to an even better FY 2024-25. We are aiming for 13% growth in the loan book, supported by an increased focus on affordable housing finance, especially in Tier-3 towns. We are working on increasing the Affordable Housing mix to 20-25% in the next 3-4 years, from 10-12% currently. With this changed mix, we endeavour to capture the untapped potential and opportunities in this segment and provide an opportunity to millions of aspiring Indians to own their home with a moderate budget.

DRIVING TRANSFORMATION AND NURTURING CUSTOMER TRUST

In another strategic development, we also upgraded our lending software, which was an over-encompassing issue. We introduced a new Lending Management Software which is also compatible with Affordable Housing with adequate checks and balances. We also revisited the SAP software from Orion, strengthened the HOMY app and introduced a new treasury package for repayments and borrowings.

Through our IT-related transformation endeavours, we aim at improving our service standards through ongoing digital transformation of our processes. We continue to further our transformation-led initiatives, including Project RED that is helping drive automation in processing leading to improvement in turnaround time. We are also streamlining customer acquisition, enhancing the efficiency of loan servicing, simplifying the application processes and improve access to financing solutions and bolstering the overall demand for housing units.

Through Project RED, we are reimagining excellence through Digital Transformation and bringing about totally differentiated loan journey to borrowers right from onboarding, approvals and post disbursement servicing. We are working on making HOMY app more effective and easing customer onboarding. We are also easing the process of applying for loans and sanctions. With HOMY, we are organically unifying the work culture, strengthening the processes, deepening customer engagement through best-in-class technology.

To further improve customer experience through digitalisation, we are adopting tech-led processes, collaborating our insights with that of our customers to strengthen asset quality. We are also increasing our operational efficiency for acquisition, servicing and collection. In a key development, we are working on using AI algorithms, and plan to leverage this technology to effectively analyse property data, market trends and machine learning models, in order to assess property valuations and risks accurately.

GROWING DEMAND FOR HOUSING FINANCE

As you all are aware, housing demand has risen in the post-pandemic period as a growing middle class looks to invest in real estate. Nearly 13% of India's GDP was contributed by the real estate and housing sector, as aspiration levels continued to be high, and demand is now picking up in the mid-segment too.

Pent-up demand post-pandemic is contributing to the positive environment, with all the real estate verticals – Residential, Commercial, Retail and Warehousing – coming out of the prolonged downcycle. The interest rate trajectory is likely to have peaked with growing demand and customers are coming back to the Home Loan market.

The demand for housing loans continues to be strong, making housing finance companies benefit and grow their AUM. We have estimated growth in our disbursement, with further focus on Affordable Housing. Moving ahead, we expect positive economic environment and stable growth despite recent monetary tightening, hardening interest rate and rising inflation.

FUTURE OUTLOOK

In view of the above, we are expecting further improvement in Net Interest Margins and increase in Loan Disbursements this fiscal. We expect our Loan Book to grow by 12%, surpassing growth in FY 2023-24. Moving ahead, we plan to add 25-30 branches and expand presence in Tier 2/3 cities, especially Maharashtra and Madhya Pradesh, where home loan penetration is relatively low.

We are also working on fortifying our market presence, enhancing profitability, and improving asset quality in a competitive housing finance industry. With these targeted initiatives, we maintain our focus on further improving our market share, consolidating the current market position, strengthening customer relationships and delivering value to all our stakeholders.

OUR HOLISTIC BUSINESS APPROACH

In a nutshell, during the year, as we continued to meet the housing needs of individuals and contributing to the overall growth and development of the nation, we are eyeing growth in the Retail Book, ramping up Affordable Housing book for addressing the needs of the bottom of the pyramid, and increasing the share of high-margin products, non-core products. We are tapping into newer markets not presently covered by recruiting marketing intermediaries/ connectors and holding camp offices.

Thank you, Shareholders

I would like to conclude by thanking the thousands of dedicated employees, partners and families of LIC Housing Finance, without whose hard work we would not be where we are today.

I would also like to take this opportunity to thank the government, the regulatory body, our esteemed customers, investors, lenders, partners, agents and all our stakeholders.

I look forward to working with each one of you in order to make LIC Housing Finance, the Housing Finance Company of the future.

Warm Regards,

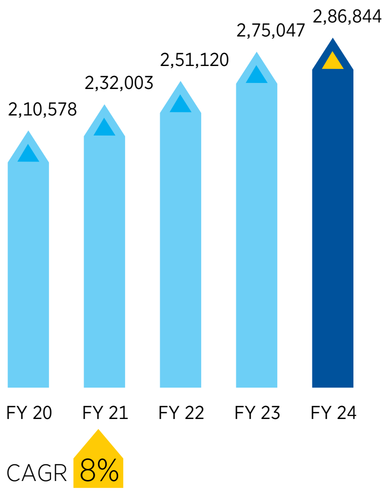
Tribhuwan Adhikari

Managing Director & CEO

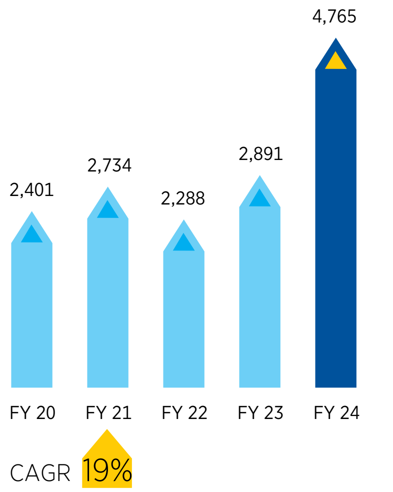
Performance and Profitability

FY 2023-24 has been recorded as the best year in our history, in terms of margin and profitability. Despite transformational changes in the organisation, there was significant improvement across all areas of our operations. Acute focus on improving recovery efforts improved our asset quality.

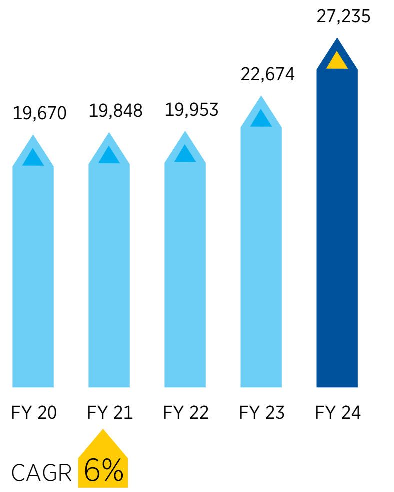
Outstanding Loan Portfolio
(₹ crore)



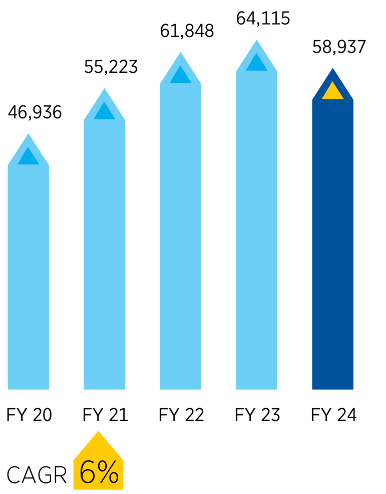
Profit After Tax
(₹ crore)



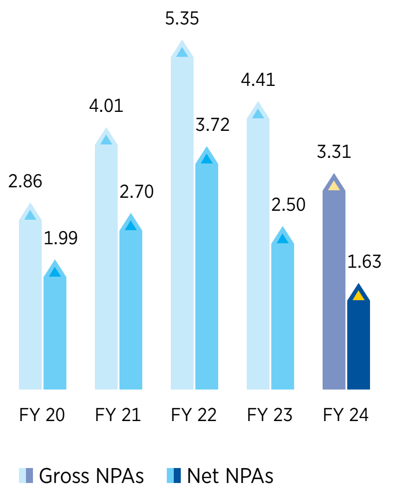
Income
(₹ crore)



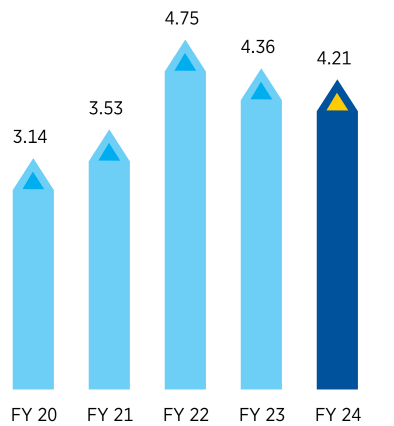
Disbursement
(₹ crore)



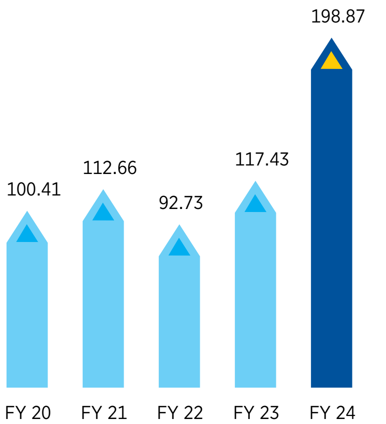
Gross NPAs and Net NPAs
(%)



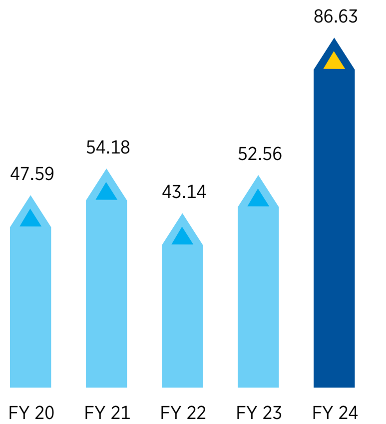
Operating Expense to Total Income
(%)



Profit Per Employee
(₹ lakh)

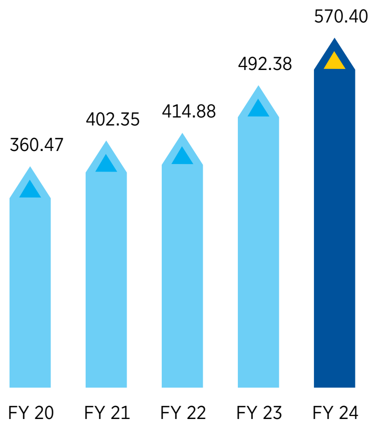


Earnings Per Share
(₹)



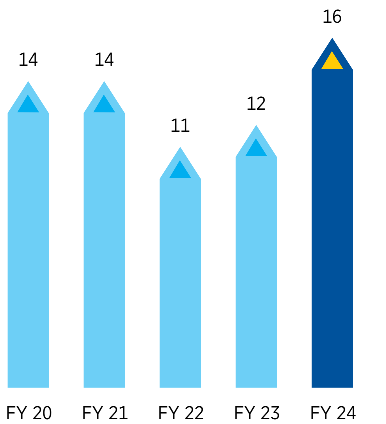
Paid-up Capital: ₹ 2 Per Share

Book Value Per Share
(₹)

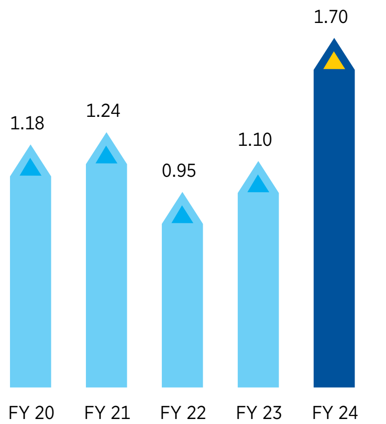


Paid-up Capital: ₹ 2 Per Share

Return on Average Equity
(%)



Return on Average Loan Assets
(%)



Strengthening Building Blocks Through Digitalisation

Our ongoing technology initiative Project RED aimed at bringing transformational changes by strengthening processes across verticals, organically linking our work culture, deepening customer engagement, and adopting best-in-class technology to build further capacity.

The transformational changes implemented within the Company also included the ongoing technological advancements. With effective deployment of technology in all aspects of our operations, which resulted in streamlined processes and augmented operating efficiencies, we continue to provide our customers with seamless experiences across channels.

Through Project RED (Reimagining Excellence through Digital Transformation), our digital transformation project ongoing since FY 2020-21, we endeavour to improve our efficiencies at every level of the organisation and enhance service standards. With this, our key objective is to create value across the entire spectrum of stakeholders including employees, shareholders, business associates, existing and potential customers.

We continue to focus on proactively deploying new technologies that help us improve our operational efficiencies and cost effectiveness. We changed our technological platform, implemented a new Lending Management Software and also implemented SAP.

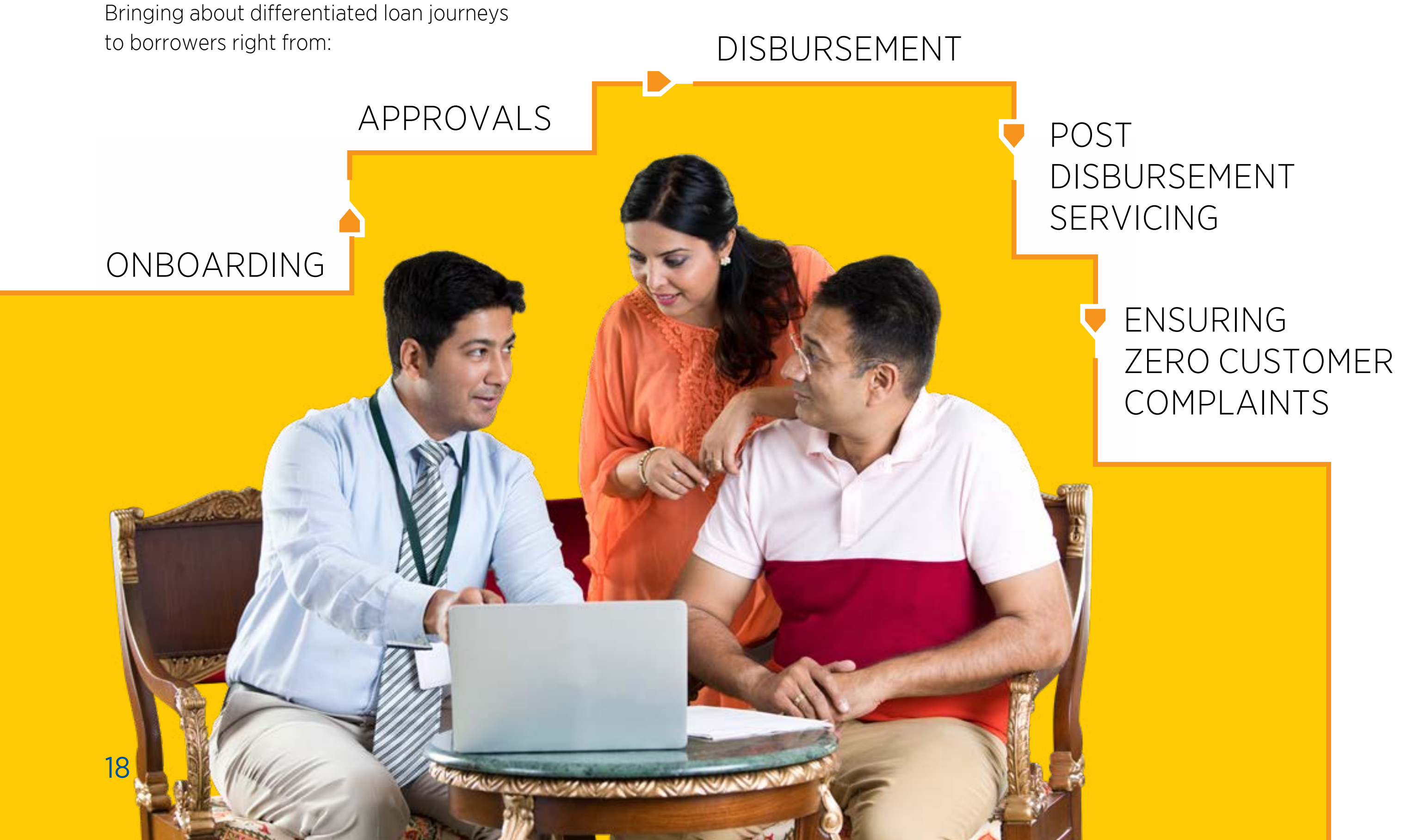
DIGITAL TRANSFORMATION WITH PROJECT RED

Project RED works with the ultimate objective of organising and automating every facet of customer interaction. Initiatives under digital transformation includes providing services to customers digitally, including integration for digital lending and self-servicing modules. It aims at digitally providing all services in the coming days to reduce TAT and physical movement.

We also engaged Boston Consulting Group for transformational changes. A high-level project implementation group has been created to approve and monitor capacity building plans of every constituent. With this, we propose to ensure a uniform approach for managing and regulating entire gamut of operations through collaboration of all functional departments.

REIMAGINING EXCELLENCE WITH PROJECT RED

Bringing about differentiated loan journeys to borrowers right from:



KEY FEATURES OF PROJECT RED

- Customer profiling during onboarding helps identify risk parameters. Loan documentation, treasury automation and credit e-appraisal are other digital processes followed.
- Through CRM helpline – WhatsApp and Chatbot – we help customers.
- GL Application from SAP is currently in advanced stages and Video KYC helps our officers conduct fully-compliant KYC process.
- Training operations are also fully digitised using AI&ML.

The Company has introduced digitalised internal processes for procurement and internal servicing. Customer servicing using customer portal is another area where the payment processing has been digitised. Collections using various digital and auto debit payments forms over 75% of monthly collections. Our customers have embraced digital technologies and processes in customer acquisition, customer appraisal, KYC are already automated.

Our Deposits Module, one of the early implementations under Project RED, has been a huge success, with reduction in overall deposit creation and settlement on maturity. It is aimed at improving customer journeys, reducing TAT and enhancing productivity.

Credit appraisal using STP is another step taken in this direction by reducing manual intervention. The objective loan appraisal has helped in reducing timelines for entire appraisal process. Further, digitisation of documents to reduce paper trail and use of electronic documents for various operations such as subsequent disbursement etc. is becoming part of operations and increasing efficiency.

DIGITAL LENDING WITH HOMY

HOMY, our home loan mobile app introduced in FY 2019-20, has been a great success offering customers a convenient way of availing home loans through the online channel. HOMY plays a vital role in furthering the Company's digital lending process. It eases the process of applying for loans and sanctions and deepens customer engagement through best-in-class technology. Depositors are also onboarded through HOMY.

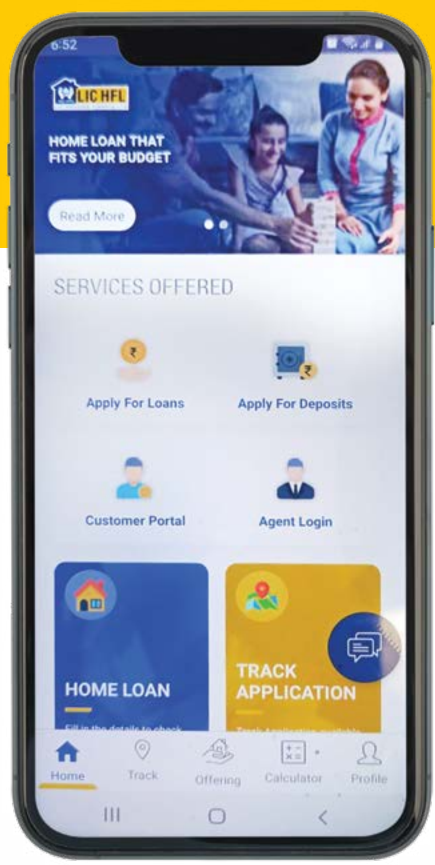
During the year, online home loan sanctioned through the App amounted to ₹ 2,115.71 crore. The App has managed to facilitate 1,39,888 home applications since its launch. Nearly 1,01,937 of these customers have had their home loans sanctioned. Of these, loans have been disbursed for an amount of ₹ 22,486.33 crore to 93,957 customers.

HOMY - FACILITATING DIGITALISATION

Facilitated **1,33,172** customer home loan applications since its launch

1.44 million downloads

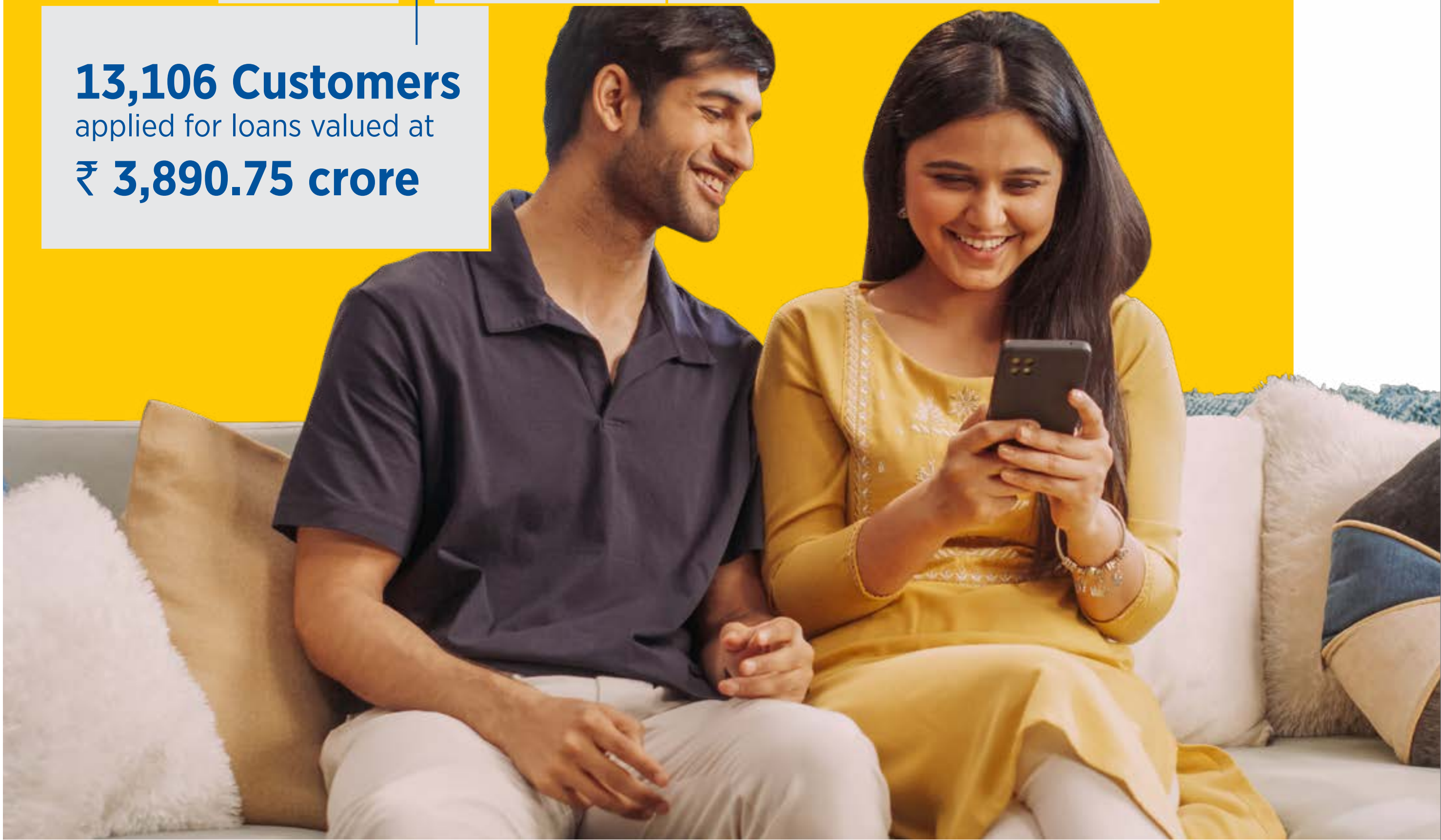
Disbursed ₹ **39,203 crore** loans sourced through **HOMY App** since its launch



7,978 Loans
sanctioned valued at
₹ 2,115.71 crore

Disbursed loans to
6,614 customers
valued at
₹ 1,546.71 crore

13,106 Customers
applied for loans valued at
₹ 3,890.75 crore



FUTURE ROADMAP

Going ahead, we are working on moving faster in adoption of digitalisation, such as AI and ML to develop our business intelligence further. We are also working on a Credit Scoring Model for lending borrowers to understand creditworthiness and objectively identify their credit scores. Through our new tech platform, we are overhauling the deposit mobilisation and administrative process. This mobile app is aimed at significantly reducing TAT and improving customer service. We plan to use more third-party tools for verification to help increase productivity per employee and facilitate employees to engage in core activities. To give our customers the comfort that their primary documents are safe and secure, and implementing digital mechanisms, we are working on getting digital security certification for our data centres.

FUTURE STRATEGIES IN DIGITISATION

- Maximising digital onboarding
- Using data and analytics for segment-driven customer acquisition
- Increasing use of cloud-based office automation and collaboration
- Moving workload to energy-compliant data centre
- Tech modernisation to be in line with growing business needs

Committed to Responsible Underwriting

At LIC Housing Finance, we are well established with industry-best asset quality, underpinned by stringent credit appraisal mechanisms. A robust and stable asset quality helps drive business growth and maintain healthy capitalisation and profitability.

We are reputed for our best asset quality with 87% of our loans being Individual Home Loans. Our credit appraisal module passes through several stringent channels which reduce the scope of default. Various types of support measures from the authorities for borrowers have prevented a sharp deterioration of our asset quality.

STRENGTHENING OUR UNDERWRITING

By further strengthening underwriting procedures with improving operational flexibility, strengthening digital outreach and focussing on customer contact. Our robust in-house Credit Appraisal team carries out appraisals on the basis of well-defined Standard Operating Procedures (SOPs). Various risk factors such as Credit Risk and Fraud Risk are assessed at the appraisal stage. Internal Risk Management department conducts monthly meetings of the Risk Management Committee (RMC) in which points pertaining to Credit Risk form a key agenda for discussion.

The RMC comprises HODs from various verticals with a combined average experience of more than 25 years in the operations of the Company. Together they bring in a holistic approach to the Risk management process which helps in formulation of well-rounded risk mitigation plans. The Board-level Committee is also responsible for formulation and modifications in credit policies on recommendation of the concerned department.

STRINGENT CREDIT APPRAISAL

We conduct training programmes for appraising offices at regular intervals. The Early Warning Signals showcase vulnerable accounts on stress and help in conducting vigilance on new borrowers, taking utmost care in appraising them and adopting corrective actions.

We conduct regular Risk Management Committee meetings on Credit Risk, which is attended by the heads of all our verticals. The Back Offices or Appraising units follow SOPs, which are updated in the form of regular guidelines. Regular review meeting with the Back Office appraisal team takes place. Internal audit system ensures irregularities, if any, from the Back Offices are rectified.

ANALYSING PERFORMANCE

We are continuously tracking and analysing performance of our loan portfolio to identify potential areas of concern and taking corrective actions.
The NPA Warrior Team is a Special Task Force set up for stringent monitoring and regular follow-ups from back office/corporate office/regional office, and helps maintain high collection efficiency.

We are shaping up these Task Forces and designated officers to imbibe in them a sense of accountability. The teams are being prepared to manage stringent monitoring, regular follow-ups and sustain asset quality. We also provide Early Warning signals to borrowers to help them understand the importance of timely repayment. We formed dedicated team for regular monitoring of day-to-day collections and also ensured a robust System Recovery vertical.

Future strategies in digitisation

- Robust in-house Credit Appraisal team carries out appraisal on the basis of Standard Operating Procedures (SOPs)
- Various risk factors like Credit Risk and Fraud Risk are addressed at the time of Appraisal which reduces the scope of default
- Initiating formulation and modifications of credit guidelines and policies
- Initiating digitisation/automation to strengthen process standardisation and reduce TAT

Strong internal audit system

- Quarterly audit done and Credit Appraisal assessed by Internal Audit Department
- Systemic issues cleared
- Quality Control visits conducted across corporate office, regional offices, back offices

Building Self Reliant Community: Our CSR Journey

Created footprint in 26 states, reaching 1,424 villages and empowering communities. Our dedicated efforts have transformed 67 districts and uplifted 34 aspirational districts, driving meaningful community development and growth.

Fostered self-reliance and empowerment among communities by establishing 448 Self-Help Groups. These groups, along with various income generation activities, have significantly benefited rural communities, providing them with the resources and opportunities needed to thrive and achieve sustainable development.

Refurbished learning environments in 448 schools and provided infrastructure support to 1,49,933 students, ensuring better educational opportunities. Additionally, we empowered students with modern education tools by digitalising 163 schools through the SATHI initiative.

Promoted climate-resilient farming among 766 farmers across 2,973 hectares and established four farmer producer organisations. This was achieved through the formation of 420 farmer interest groups, strengthening agricultural communities, and fostering collaboration for sustainable farming practices.

Extended health support to 61,864 individuals, providing vital medical services and resources that have significantly improved the well-being and quality of life for numerous families. Through our efforts, we have addressed critical health needs, promoted wellness, and created a healthier, more resilient society.

Created 2,875 rural enterprises, generating ₹ 17,88,21,830 as income. This initiative has significantly contributed to economic growth by fostering entrepreneurship and creating job opportunities in rural areas.

Corporate Information

BOARD OF DIRECTORS

Shri Siddhartha Mohanty
Chairperson

Shri Jagannath Mukkavilli
Non-Executive Director
(Nominee Director from LIC of India)

Shri Tribhuwan Adhikari
MD & CEO

Dr. Dharmendra Bhandari
Independent Director

Shri V. K. Kukreja
Independent Director

Shri Ameet N Patel
Independent Director

Shri P Koteswara Rao
Non-Executive Director

Shri Kashi Prasad Khandelwal
Independent Director

Shri Sanjay Kumar Khemani
Independent Director

Shri Akshay Rout
Non-Executive Director

Smt. Jagennath Jayanthi
Independent Director

Shri Ravi Krishan Takkar
Independent Director

Shri Ramesh Lakshman Adige
Independent Director

Shri Anil Kaul
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Sudipto Sil

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Varsha Hardasani

SENIOR EXECUTIVES

Dr. S C Sahoo
General Manager (Recovery)

Mr. K P Ramakrishna
General Manager (OS, Estates, Audit and Subsidiary Monitoring)

Mr. Debakanta Padhi
General Manager (HR, Staff Discipline and Legal)

Mr. Gourab Chand
General Manager (Marketing-Retail)

Dr. Sanjay Dayal
General Manager (Credit Appraisal, Credit Management, CRM and Document Management)

Mr. Sankar Parida
General Manager (IT)

Mr. H J Panchariya
General Manager (Accounts)

Mr. N Mahesh
Joint General Manager (Project Management, PR & Publicity, New Initiatives)

Ms. Jayshri Waman Wartak
Joint General Manager (Audit)

Mr. A Gopakumar
Joint General Manager (CSR & ESG)

Mr. J Sangameswar
Chief Risk Officer

Mr. Vikas Awasthi
Deputy General Manager (Marketing)

Mr. Hitesh B Talreja
Deputy General Manager (IT)

Mr. R Murali
Chief Compliance Officer

Mr. Roby Joseph Valolickel
Deputy General Manager (Taxation)

REGIONAL MANAGERS

Mr. Ramakrishna G A
Central Region

Mr. Akshaya Kumar Sahoo
East Central Region

Mr. Satyendr Mohan Naithani
Eastern Region

Mr. Alok Matiman
North Central Region

Mr. Vidhya Ratan Shukla
Northern Region

Mr. Siba Prasad Patnaik
South Central Region

Mr. Tapan Kumar Pattanaik
South Eastern Region

Mr. P V Saseendran
Southern Region

Ms. Rashmi Singh
Western Region

AUDITORS

Joint Statutory Auditors (JSAs)

M/s SGCO & Co. LLP
Chartered Accountants, Mumbai

M/s Khandelwal Jain & Co.
Chartered Accountants, Mumbai

BANKERS

Axis Bank
Bank of Baroda
Bank of India
Bank of Maharashtra
Canara Bank
DBS Bank
Federal Bank
HDFC Bank
HSBC
ICICI Bank
IDBI Bank
Indian Bank
Karnataka Bank Ltd.
Kotak Mahindra Bank Ltd.
Punjab and Sind Bank
Punjab National Bank
State Bank of India
The Jammu and Kashmir Bank
UCO Bank
Union Bank of India

REGISTERED OFFICE

Bombay Life Building, 2nd Floor,
45/47, Veer Nariman Road,
Mumbai – 400001.
Phones: 022-22040006,
22049682 & 22049919
Fax: (022) 22049839
CIN: L65922MH1989PLC052257

REGISTRAR & TRANSFER AGENT

Link Intime India Pvt. Ltd.

C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400083.
Phones: 022-28515606, 28515644
Fax: (022) 22641349
Email: mumbai@linkintime.co.in
Website: www.linkintime.co.in

CORPORATE OFFICE

131 Maker Tower, "F" Premises,
13th Floor, Cuffe Parade,
Mumbai – 400005.
Phones: 022-22178600,
22178700 & 22178610
Fax: (022) 22178777
CIN: L65922MH1989PLC052257
Email: lichousing@lichousing.com/
secretarial@lichousing.com
Website: www.lichousing.com

DEBENTURE TRUSTEE

Vistra ITCL (India) Limited
Plot C-22, G-Block,
Bandra-Kurla Complex,
Bandra East, Mumbai – 400051.
Phone: 022-26533333
Fax: (022) 26593038
Email: info@ilfsindia.com
Website: www.ilfsindia.com

Axis Trustee Services Ltd.
Axis House, 2nd Floor,
Wadia International Centre,
Pandurang Budhkar Marg,
Worli, Mumbai – 400025.
Phones: 022-24255215/24255216
Fax: (022) 24254200
Email: debenturetrustee@axistrustee.com
Website: www.axistrustee.com

SBICAP Trustee Company Ltd.
Mistry Bhavan, 4th Floor,
122 Dinshaw Vachha Road,
Churchgate, Mumbai – 400020.
Phone: 022-43025500/43025566
Fax: (022) 22040465
Email: nazer.kondkari@sbicaptrustee.com

Catalyst Trusteeship Limited
GDA House, First Floor, Plot No. 85
S. No. 94 & 95, Bhusari Colony (Right),
Kothrud, Pune – 411038.
Phone: 022-249220555
Fax: (022) 249220505
Website: www.catalysttrustee.com
Email: ComplianceCTL-Mumbai@ctltrustee.com

IDBI Trusteeship Services Limited
Universal Insurance Building,
Ground Floor, Sir P.M. Road,
Fort, Mumbai – 400001.
Phone: 022-40807000, +91 8097474599
Fax: (022) 66311776
Email: itsl@idbitrustee.com
Website: https://idbitrustee.com/

APPEAL TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies through electronic mode. The companies can now send various notices / documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register their e-mail addresses at enotices@linkintime.co.in, in respect of holdings in dematerialised mode with the Depository through their concerned Depository Participants. Those holding shares in physical forms are requested to send their e-mail address directly to the Company or to Registrar & Transfer Agent where various notices / documents can be sent through electronic mode.

Date of Annual General Meeting: 30th August, 2024

Time: 3:30 PM Onwards

Venue: Through Video Conference ('VC')/ Other Audio Visual Means ('OAVM') in compliance with the applicable provisions of the Companies Act, 2013 read with the MCA General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2023 dated 25th September, 2023

Date of Remote E-Voting:

Start Date: 27th August, 2024 (9:00 AM IST onwards)

End Date: 29th August, 2024 (Up to 5:00 PM IST)

Board of Directors

Shri Siddhartha Mohanty
Chairperson

Shri Mohanty, currently serving as the Chairperson of LIC of India, one of the world's leading insurers, brings with him a wealth of experience and academic credentials. Holding a Bachelor's degree in Law and a Master's degree in Arts (Political Science) from Utkal University, Bhubaneswar, Odisha, along with a Post Graduate Certification in Business Management from the Xavier Institute of Management, Bhubaneswar, Odisha, he has been at the helm of LIC since 29th April, 2023.

Before becoming the Chairperson, Shri Mohanty served as Managing Director of the Corporation. At that time, LIC underwent significant transformation of becoming a listed entity. Before his tenure as Managing Director, Shri Mohanty played pivotal roles in various capacities within LIC, including COO and CEO of LIC Housing Finance Limited. During the long and illustrious career, he has held various pivotal positions in LIC of India, such as, Senior Divisional Manager of multiple Divisions, Chief (Legal), Chief (Investment – Back Office), Executive Director (Legal), amongst others. During his tenure as Chief (Legal), Mumbai, the Corporation won the "Best Insurance In-House Legal Team of the Year" Award.

Beyond LIC, Shri Mohanty chairs the boards of several national and international subsidiaries and associate companies. Additionally, he holds key positions such as Chairperson of the Council of Insurance Ombudsman, Chairman of the Governing Board of the National Insurance Academy, and membership in the Council of the Institute of Actuaries of India.

His leadership style, marked by innovation, analytical prowess, and strategic acumen, has consistently delivered success across diverse assignments. With a comprehensive understanding of the industry landscape, he advocates for digital transformation and investments in competency development as essential pillars for LIC's continued success.

Shri M. Jagannath
Non-Executive Director

Shri M Jagannath, has taken charge as Managing Director of Life Insurance Corporation of India on 13th March, 2023.

Joining LIC in the year 1988 as a Direct Recruit Officer, Shri Jagannath brings with him rich experience of over three decades across various functions of the Corporation. Before taking charge of the current assignment, he was the Zonal Manager (In Charge) of South Central Zone, where he led the Zone's transformation by driving performance on vital metrics. Under his stewardship, the Zone scripted newer heights in New Business growth by nurturing a performance-oriented culture and driving a consumer-centric service model. Earlier, he was Head of Bancassurance for the South Central Zone and thereafter, the Regional Manager (Marketing) of the same Zone at Hyderabad and Bangalore locations. He also held the helm of Ernakulam, Dharwad and Bangalore-I Divisions in his earlier role as Senior Divisional Manager. Shri Jagannath's international experience comes from his tenure as Chief Executive Officer and Manager Director of LIC (Lanka) Ltd., Colombo, Sri Lanka between 2009 and 2013.

Shri Jagannath holds a Post-Graduate Diploma in Marketing, International Post-Graduate Diploma in Life Insurance, General Insurance & Risk Management from the Institute of Insurance and Risk Management (IIRM), Hyderabad. He is an Associate of the Insurance Institute of India, Mumbai.

Shri T Adhikari
MD & CEO

Shri Tribhuwan Adhikari, is a Direct Recruit of the 17th Batch joined LIC of India in September 1989. During his career in LIC, spanning more than 3 decades he has worked all over the country and has been posted in West Bengal, Bihar, Uttar Pradesh, Uttarakhand, & Maharashtra. He has mostly worked in Marketing and has held important positions as Branch Manager In-charge of various Branches, Chief Manager in Branch 925 of Mumbai Division-4, Marketing Manager in two Divisions viz. Nanded in Maharashtra and Dehradun in Uttarakhand. He has had the privilege of holding independent charge of two Divisions of LIC i.e., Dehradun in Uttarakhand and Kanpur in Uttar Pradesh. On the administrative side he has held positions like Manager Information Technology of Dehradun & Kanpur Divisions, Regional Manager New Business & Actuarial and Regional Manager Information Technology of North Central Zone Kanpur. Moreover, working in different streams of life insurance management viz., administrative & marketing has given him the twin advantages of enriched knowledge and clarity on processes and procedures in the life insurance industry.

Shri Adhikari joined LICHFL as the Chief Operating Officer on the 03rd of June 2023 and took charge as Managing Director & Chief Executive Officer of LICHFL on the 03rd of August 2023.

Shri Akshay Rout
Non-Executive Director

Akshay Rout is a leader in development management, social mobilisation, communication and public campaigns, Institution building, training, academic and capacity development besides having senior level experience in programme and project implementation.

After 36 years in years in civil service (IIS), Akshay Rout is currently Senior Fellow, NITI Aayog, supporting newly incubating missions. He is also Senior Adviser, providing strategic support to urban water and sanitation missions in Government of India. Rout is a member of the National Focus Group on Adult and Lifelong Education and an Advisor with Union Public Service Commission. He contributes as a resource and Special Observer in elections. Akshay Rout is Director on the Board of LIC Housing Finance Limited, India's largest housing finance company.

Rout earlier served as Senior Adviser with UNICEF (covid response in schools) for Ministry of Education and as visiting Professor at the Central University of Odisha. During 2019-2020, he served UNICEF and UNOPS to assist India and other national governments in scaling up safe water and sanitation. He was Senior Adviser, Indian Renewable Energy Development Agency (IREDA) during 2019-21.

As Director General in Swachh Bharat Mission (deemed as world's largest), Akshay Rout contributed to its strategy, implementation, communication, and consolidation. He set out models of involving millions of Indians, particularly the weaker and marginalised sections, women, youth, and children, while also collating resources from corporate and non-government sectors, for a self-empowering sanitation movement, that culminated in an Open Defecation Free India and led to better health and livelihood and dignified living.

From 2009 to 2014, as Director General in Election Commission of India, Akshay Rout led initiatives that yielded significant increase in enrolment and record turnout of voters. He is associated with acclaimed interventions like SVEEP (Systematic Voters' Education and Electoral Participation) and National Voters' Day. Rout laid the foundation of India International Institute of Democracy and Election Management (IIIDEM), a global knowledge and resource Centre for capacity development in elections; and was its first Director General. He observed national elections in Mexico, Tanzania, Russia, Australia, and South Korea.

Akshay Rout has made distinguished contribution to mass media development and broadcast practices. His tenures as I/C Director General and Addl. Director General in Doordarshan News were marked by a series of structural reforms and content interventions. He represented AIR and DD in Southeast Asia and Bangladesh from 2000 to 2003.

Akshay Rout is a triple Masters in English literature, in Economics and Management and in Public Policy and Sustainable Development. A regular columnist and broadcaster in national media and speaker at a range of national institutions, he mentors extensively on development and social sector; water, sanitation, and hygiene; elections and democracy, public participation, and communication.

Akshay Rout is associated with two historic achievements in recent times: the sustained increase in voters' registration and turnout in Indian elections & the fulfilment of the Swachh Bharat Mission.

Shri P Koteswara Rao
Non-Executive Director

Shri P Koteswara Rao is a Fellow member of Institute of Chartered Accountants of India with Bachelor's Degree in Commerce from Sri Venkateswara University, Tirupati (AP). He has experience in the area of Accounts, Finance, Fund Management, Portfolio Management, Office Services, etc. He is also NSE Certified Market Professional. Shri P Koteswara Rao joined LIC of India as Direct Recruit Officer (CA Batch) in the year 1986. He has held various responsible positions in senior cadres throughout his career spanning 30 years in various capacities in LIC of India and always added value to his job role. He worked as Marketing Manager and Senior Divisional Manager of Machilipatnam Division of LIC of India in Andhra Pradesh. He also worked as Regional Manager (OS) in the Western Zonal Office, Mumbai, as Regional Manager (F&A) in Southern Zone, Chennai and also as Regional Manager (F&A) in Northern Zone, Delhi. For a brief period of one year Shri P Koteswara Rao was General Manager in LIC Housing Finance Limited in charge of Credit Appraisal and Project Finance before moving to LIC of India as Chief (Investment/Operations), Central Office, Mumbai.

He had served in the Board of SKS Trust (Private) Ltd. as nominee Director for more than three years. His hobbies include reading books. He has attended a programme on Strategic leadership at Indian School of Business, Hyderabad. Shri P Koteswara Rao participated in training programme on Fixed Income Instruments at Asian Institute of Management, Manila, Philippines.

He was one of the speakers in the seminar conducted by Insurance Institute of India on ERM in June 2019 on Risk Management. After retiring from the services of LIC of India as Chief (Investment) in 2016, he has joined Insurance Institute of India, Mumbai, as Faculty (life) and continues to be faculty member. He has given faculty support on Insurance subjects, including Insurance Regulatory matters, Investment, Risk Management, etc. He has visited Bhutan and Armenia on academic assignments.

Dr. Dharmendra Bhandari
Independent Director

Dr. Dharmendra Bhandari served as a member of the Faculty of Commerce in the University of Rajasthan, Jaipur. He has a PhD in Commerce and is also a qualified Chartered Accountant. He has more than 30 years of academic and professional experience in the financial sector.

Dr. Bhandari has served as the Sole Consultant to the Joint Parliamentary Committee (JPC) that was set up by the Government of India for Enquiry into Irregularities in Securities and Banking Transactions (1992–93), where he assisted in writing the report, strengthening the systems and fixing accountability. In 1994, he was appointed as Officer on Special Duty (1994–95) with the Reserve Bank of India, Mumbai. He was also a member of the Central Council of the Institute of Chartered Accountants of India.

Dr. Bhandari has served as Director of Dena Bank, Bank of Maharashtra and Bank of Baroda, JP Morgan Mutual Fund (India) Pvt Ltd, SBI Capital Markets, Barclays Investments & Loans (India) Ltd etc. He was also on the Board of several companies such as Tata Timken, Birla Corp, etc.

Apart from his academic pursuits in the fields of economics and finance, Dr. Bhandari has also authored several books, prominent among them being R K Laxman – The Uncommon Man, Mosaic of Faith – Places of Worship in India and Nani Palkhivala, God's Gift to India (Biography by a friend).

Shri Ameet Patel
Independent Director

Shri Ameet Patel was appointed as Independent Director of LIC Housing Finance Limited. on 19th August, 2015. Presently, he is serving the 2nd term as independent director of the Company. He qualified as a Chartered Accountant in 1986 with a rank at all India level and has been in private practice since then. He did his article ship with a reputed firm – S.V. Ghatalia & Associates. Currently, he is a partner at Manohar Chowdhry & Associates. He has spent a large part of his professional career dealing with taxation matters and in the past few years, he has focussed on tax matters of FIIs, Banks, Mutual Funds, AIFs, and FPIs as also on audit of portfolio management schemes and AIFs.

His core practice consists of tax planning, appeals and representations and Information Technology related issues. He has also advised several foreign companies who have set up subsidiaries in India. He has a keen interest in technology and has a large network on social media. He is currently studying the concept of cryptos and virtual digital assets closely to understand its nuances.

He is a member of the Finance & Taxation Panels of CII's Maharashtra Region. He is also chairman of Technology Initiatives Committee and member of Taxation Committee of Bombay Chartered Accountants' Society (which is a voluntary body of CAs with about 8,500 members from across India). He headed this organisation as its President in the year 2009-10.

He is also an independent director of SBM Bank (India) Ltd. and Quantum Trustee Company Private Limited.

He has been a regular speaker at various seminars and conferences organised by the ICAI, BCAS, KSCAA, LCAS, Assocham, CII, private banks such as Kotak Mahindra Bank, income-tax department's Regional Training Institutes, Rotary Clubs and other bodies.

He is a co-author of following publications of the Bombay Chartered Accountants' Society:

"Calculators to Computers – a Paradigm Shift"

"Shares And Securities - Taxation & Accounting"

"Tax Deduction at Source"

"FAQs on e-TDS"

"Reporting under the New Format in Form 3CD – A specimen"

His articles have appeared in various magazines and websites such as Money Outlook, MoneyLife, CNBC's moneycontrol.com, Taxsutra, Journals of the BCAS & ICAI. He has also appeared on several programmes on national television and his views are regularly quoted in newspapers and websites and is very active on various social and professional media networks. He has also travelled extensively across the world and has spoken at international forums too.

Shri V K Kukreja
Independent Director

Shri V.K. Kukreja, is a Chartered Accountant by profession with a vast experience in the area of accounts, finance, fund management, portfolio management, risk management and information technology. He has held various coveted and responsible positions throughout his career and has always added value to his erstwhile job role before moving on to the next position in order to continue to add value to his next job role.

He started his career as an Accounts Officer and worked for National Textile Corporation (DPR) Ltd Malout and Central Electronics Limited Sahibabad (A Unit of Ministry of Science and Technology) respectively in brief tenures. He joined Life Insurance Corporation of India (LICI) as Direct Recruit Officer (CA Batch) in Jan 1983. By 1996 he had been elevated to the post of Dy. General Manager in LIC Mutual Fund. He had been posted in three zones of LIC as Regional Manager (finance and accounts). In the year 2005, he was made Chief (Investment operations) in the Mumbai Head office of LIC where he managed Equity, Debt and G-Secs Portfolios and also managed the entire treasury operations. He also rose to become the Executive Director (Investment- RMR) in 2009 and established new Dept. Risk Management and Research.

Shri Kukreja appeared speaker on LIC programme 'Why Insurance My Insurance' on CNBC TV 18 in 2009, Convention on "Exploring investment opportunities in Orissa 2007" held in Delhi on Infrastructure Issues.

Shri V.K. Kukreja has also been Nominee Director on the boards of various companies in sectors such as Power Generation & Distributions, Commodity Exchange, Co-operative Housing Finance and Brokerage. He was also a committee member on committees of various companies/funds, in sectors such as Private Equity, Infrastructure, IRDA, etc. He retired from LIC of India in Sept 2012 as Executive Director (F&A).

Global exposure: -

Shri Kukreja participated in various international conference like Deutsche Bank international credit market conference 2005 South Africa, 2nd Treasury offsite Macau, Hong Kong 2009 Birla Sunlife AMC.

Shri Kukreja visited Bahrain in 2008 and formulated investment policy for LIC Bahrain office.

Shri Kukreja was a keynote speaker at Indian Private Equity IQ Middle East conference Dubai 2007.

Shri Kukreja visited Sri Lanka and Nepal in 2012 to review internal control systems in the area of Finance and Accounts in LIC (Lanka) Ltd and LIC (Nepal) Ltd respectively.

Shri Kashi Prasad Khandelwal
Independent Director

Shri Kashi Prasad Khandelwal is Chartered Accountant by profession for last 46 years. He was appointed as Financial Audit Consultant by World Bank, Washington, USA in August 2010 for the Emergency Monrovia Urban Sanitation (EMUS) Project, funded for Monrovia City Corporation, Govt. of Liberia.

Shri Kashi Prasad Khandelwal is associated as Independent Director with Kesoram Industries Ltd., GPT Infraprojects Ltd. and GPT Healthcare Limited -Tantia Group of Company, LIC Housing Finance Limited, and a Director with Cygnet Industries Ltd – wholly-owned subsidiary of Kesoram Industries Ltd.

Shri Kashi Prasad Khandelwal was Member of the Central Council of The Institute of Chartered Accountants of India during 1998-2001, 2004-2007 and 2007-2010. During the period he was Chairman, Vice-Chairman and member of various standing and non-standing Committees of ICAI. He was also member of 1st Quality Review Board. He was member of EIRC of the ICAI during 1985-88 and 1988-92. Honorary Secretary, Vice Chairman and Chairman for the year: 1986-87, 1987-88 and 1988-89 respectively. He was Member of SAFA Centre of Excellence on Ethics and Independence of Auditors, SAFA Working Group on Best Corporate Governance Practices in South Asian Countries and Committee on Accounting and Auditing Standards of South Asian Federation of Accountants (SAFA) (2009).

He was President of the Association of Corporate Advisors and Executives during the year 1994-95. During the year 1995-96, he was President of the Institute of Internal Auditors, Kolkata Chapter. Also he was President of Direct Taxes Professionals Association and Avantika for year 2014-15 and 2015-16 respectively.

Shri Kashi Prasad Khandelwal has been Hony. Secretary of the Institute of Internal Auditors – India (an affiliated body with its Head Quarter at Florida, U.S.A.). He was associated with Public Sector Banks, Insurance Companies and Public Sector Undertaking like: UCO Bank, LIC of India., Indian Oil Corporation Ltd. etc. as a Central Statutory Auditors & Statutory Auditors. He has been Internal Auditors of Reliance General Insurance Company Limited, Bajaj Allianz Limited, ICICI Limited and DLF Limited etc.

Shri Kashi Prasad Khandelwal has been a faculty for training programmes organised by the Ministry of Textiles and Ministry of Company Affairs, Government of India. Also, a prolific speaker on prime subjects such as Union Budget, Service Tax, Accounting, Auditing, Corporate Laws, Corporate Governance, Professional Ethics, Information Technology and Income Tax matters.

He is actively involved with various social organisations. He has to his credit recognition as a Past President and District Cabinet Secretary of Lions Club of Kolkata (Park Street), Dist. 322B and awarded certificate of appreciation from Lions Clubs International. He is Life member of Nagrik Swasthya Sangh, a social service organisation. He is also associated with Friends of Tribals Society (FTS), a leading organisation carrying out various social activities.

Shri Kashi Prasad Khandelwal awarded SAMAJ BHUSHAN by Khandelwal Vaisya Mahasabha.

Shri Sanjay Kumar Khemani
Independent Director

Mr. Sanjay Kumar Khemani is Practicing Chartered Accountant and Senior Partner of M M Nissim & Co LLP and possesses more than 33 years of post-qualification experience in rendering professional services to Banking, Insurance and Other Financial Services sector entities and advising on Corporate & Tax Law. He has rich experience of conducting Statutory Audit of reputed private sector banks, public sector banks, foreign banks, NBFCs, Insurance Companies, Mutual Funds, Schemes of National Pension Fund, Banking Correspondents and Stockbrokers. He also has rich experience of conducting internal audit of Stock Exchange, Regulators, Primary Dealers, Custodians, Portfolio Managers, Depository Participants etc. He has been advising large Banks on direct and indirect taxation matters and also has experience of conducting investigative/forensic audits.

He was on the Board of Asset Reconstruction Company of India Limited as an independent director for 6 years. Presently he is serving on the Board of Yes Bank Limited as an Independent Director. He is / has been associated with various NGOs for Social Service and is a member of Institute of Social Auditors and Institute of Company Secretaries of India.

Smt. J Jayanthi
Independent Director

Smt. J Jayanthi is a Post Graduate in Commerce from University of Madras, ICWAI (Inter) and Fellow of Insurance Institute of India.

She started her career as direct recruit officer with The New India Assurance Co Ltd, in the year 1985. She has risen to the rank of General Manager and superannuated in November 2020. In her career spanning 35 years, she worked in various places across the country. She was heading a Division as Senior Divisional Manager & as Chief Regional Manager in charge of Large Corporate and Broker Office, Chennai she handled corporate as well as retail customers besides Brokers. As Deputy General Manager she was in charge of Chennai Regional Office, one of the leading flagship offices of her organisation and on her promotion as General Manager she was posted to Head Office Mumbai and in charge of various technical departments like Fire, Engineering, Motor, Crop Insurance (PMFBY).

During her voyage of over three decades and a half in her career, she handled challenging scenarios and environments, associating with people within and outside the organisation in which she worked with diverse capabilities and culture. Her working style, people orientation, quick decision-making & sound technical knowledge has resulted in success in each of her assignments.

She has qualified for the post of Independent Director in the examination conducted by IICA. Smt. J Jayanthi is also an Independent Director in Policybazaar Insurance Brokers Private Ltd since June 2021.

Shri Ravi Krishan Takkar
Independent Director

Shri Ravi Krishan Takkar is a commerce graduate from Shri Ram College of Commerce, New Delhi and obtained a law degree from Delhi University. He started his banking career with Oriental Bank of Commerce (now amalgamated with Punjab National Bank) in 1979. Worked in various capacities as branch head, Regional Manager and Administrative Head of various departments in Head Office. He has wide and varied experience in operations, credit, merchant banking. He was promoted to General Manager in November 2010. Shri Takkar was appointed as Executive Director of Dena Bank (now amalgamated with Bank of Baroda) by MOF, Govt of India on 1st February, 2014. He was elevated as MD & CEO of UCO Bank w.e.f 2nd November, 2015 and superannuated from UCO Bank on 1st November, 2018.

Shri Takkar has attended various seminars and conferences in India and abroad including Advanced Leadership Programme of CAFRAL, Leadership Development for corporate excellence of Kellogg and NIBM, SIBOS, IMF & World Bank Spring meeting. He has frequently featured on financial channels and newspapers and been a panelist member/speaker in various conferences.

Shri Takkar during his tenure as MD & CEO of UCO Bank was also appointed as director on the board of National Insurance Company Limited, member of governing body of NIBM, IIBM, SIBSTC, INPS, IBA, Chairman of governing body of IBPS and Chairman of negotiating committee for wage revision and HR committee of IBA, member Apex RBI Committee on MSMEs.

He is presently the Non-Executive Chairman and an Independent Director on the board of Nabsamruddhi Finance Limited, as well as an Independent Director at Aureus Investment Private Limited and Park Medi World Private Limited. He is also a working partner in M/s R and R Associates, a firm providing advisory services on legal and corporate matters.

Shri Ramesh Lakshman Adige
Independent Director

Mr. Ramesh Lakshman Adige, Non-Executive Independent Director is a B.E (Hons) from BITS Pilani & has a Post Graduate degree from the Faculty of Management Studies, University of Delhi. He has almost five decades of wide & in-depth experience, in the areas of Banking & Insurance, Marketing, Branding, Consumer durables, Automotive industry, Pharma, Global Corp Comm and Healthcare. In addition, Ramesh is adept at EHS and MDG/ESG administration, CSR, Sustainability reporting, Intellectual property policy, Public affairs, Public Policy, & Higher Education. He was Independent Director on the Board of Syndicate Bank & SUD Life and Fortis Healthcare. Ramesh was member of the BOG of the Indian Institute of Corporate Affairs. He was Executive Director on the Board of Fiat India, and Ranbaxy. He was Chairman of the PHD Rural Development Foundation. He was President of the Governing Council of ARAI, Pune, the premier institute for validation, homologation & certification of all automotive and allied industries. Ramesh was also a member of the Governing Council of TA Pai Management Institute Manipal for 15 years. He was a Member of the National Pharmacopeia Commission & National Formulary of India. After finishing his terms on various boards, he continues to be on the Board of LIC Housing Finance Limited, Union Bank of India Services Ltd and Fortis Malar Hospital Ltd. He is also Founder Member of the Biodiversity Foundation of NCT of Delhi chaired by the Lt Governor of Delhi. Ramesh has worked, in leadership roles in highly regulated & complex industries, and in challenging geographies such as India, USA, Europe and Africa, with a successful track record of building and managing the Brand and company reputation. The focus always being on value creation and positive outcome for stakeholders. His other interests are - Natural history, Ornithology & Tree Planting.

Shri Anil Kaul
Independent Director

Shri Anil Kaul has been the former managing director of TATA Capital Housing Finance. He has been a part of the banking and insurance industry since 1989 in various capacities and was associated with marquee names such as Citi Bank N.A., Standard Chartered Bank, ICICI Bank, ICICI Lombard, etc. in senior leadership positions. During these associations, he specialised in building and scaling up businesses, managing large teams and also handled major organisational changes.

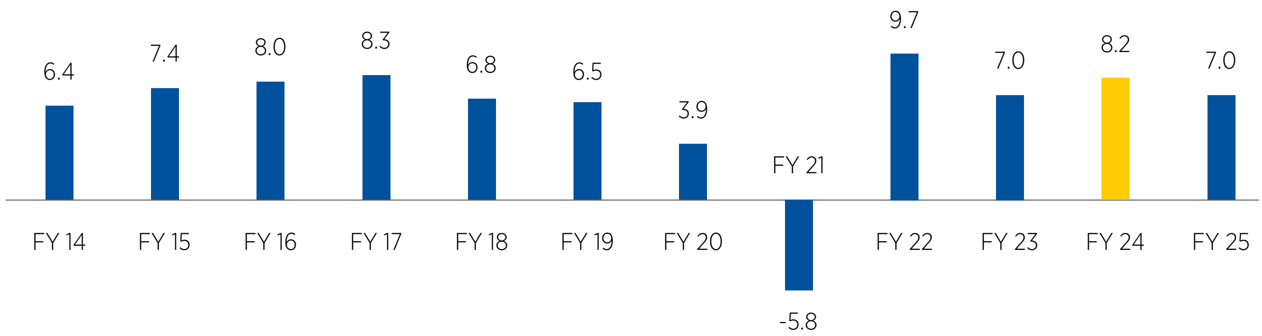
Along with his wealth of experience spanning over 3 decades, He is a gold medallist in MBA (Finance). Mr Kaul has attended Columbia University and The Wharton School, University of Pennsylvania to advance his leadership expertise through various programmes.

MANAGEMENT DISCUSSION & ANALYSIS

MACROECONOMIC OUTLOOK

In 2023, the Indian economy achieved remarkable growth, surpassing many developed economies globally. While many developed nations experienced economic slowdowns, persistent energy shortages, high inflation, and aging populations, India emerged as one of the world's fastest-growing economies. India's Gross Domestic Product (GDP) has grown to USD 3.75 trillion in 2023, up from approximately USD 2 trillion in 2014, propelling the nation from the world's 10th largest economy to the 5th largest. In FY 2023-24, the Indian economy is estimated to have grown by 7.6%, as compared to the 7.0% growth recorded in FY 2022-23, according to the second advance estimates from the National Statistical Office (NSO).

Indian GDP Growth (%)



Source: NSO estimates dated 29th February, 2024

RBI (Reserve Bank of India) MPC (Monetary Policy Committee) report dated 5th April, 2024

India's economy has witnessed robust growth, driven by strong domestic demand and robust expansion across various sectors. Gross Value Addition (GVA) growth is expected to reach 6.9% in FY 2023-24, an increase from 6.7% in FY 2022-23, reflecting broad-based improvements across the economy. The strong performances in the construction and manufacturing sectors have driven overall economic momentum in India. The construction sector recorded a double-digit growth rate of 10.7%, while the manufacturing sector's performance was also a key contributor to the GDP growth in FY 2023-24, with an expected growth rate of 8.5%, compared to a 2.2% contraction in the previous year. However, the agriculture sector faced some challenges, with an estimated growth of 0.7% in FY 2023-24, down from 4.7% in FY 2022-23, due to a moderate kharif harvest and a slow start to the Rabi sowing season. The services sector is estimated to expand by 7.5% in FY 2023-24, a moderation from the 9.4% growth achieved in FY 2022-23. The country's merchandise exports faced some challenges during the year, but the consistent performance of service exports had strengthened India's economic position.

In FY 2023-24, credit growth has significantly grown in both the industrial and retail sectors, signaling positive economic progress. Additionally, the return of foreign portfolio investors has further enhanced the positive outlook. Gross Non-Performing Assets (GNPAs) for Scheduled Commercial Banks (SCBs) declined by 21.1% year-over-year to ₹ 4.85 lakh crore as of 31st December, 2023, mainly due to lower slippages, steady recoveries, and write-offs. Public Sector Banks (PSBs) saw a 27.7% reduction in GNPAs to ₹ 3.61 lakh crore. The improvement in asset quality and reduction in non-performing assets indicates a healthier banking sector, setting a positive backdrop for FY 2024-25, where total receipts (excluding borrowings) are estimated at ₹ 30.80 lakh crore and total expenditure at ₹ 47.66 lakh crore, with tax receipts expected to be ₹ 26.02 lakh crore.

Innovative technology solutions have played a key role in improving financial inclusion in India, with digital payments like UPI (Unified Payments Interface), formal credit through account aggregator networks, and online tax platforms such as FASTag leading the way. The volume of digital payment transactions has seen tremendous growth, increasing from 2,071 crore in FY 2017-18 to 13,462 crore in FY 2022-23, representing an impressive Compound Annual Growth Rate (CAGR) of 45%. As of 11th December, 2023, digital payment transactions had already reached 11,660 crore, demonstrating the sustained momentum of digital payment adoption. Furthermore, the government's interim Union Budget for FY 2024-25, with its allocation of ₹ 1 lakh crore for technology financing, aligns with India's vision for continued technological innovation and progress.

The Government's commitment to structural reforms that encourage private investment has been instrumental in boosting investor confidence. Overall, these developments suggest a favorable environment for investment and growth. India's Gross Fixed Capital Formation (GFCF), a key investment indicator, accounted for around 34.1% of GDP in FY 2023-24, an increase from the 33.3% share in FY 2022-23, reflecting a greater focus on investment in the economy. Despite broader economic challenges, the government continued to prioritise capital expenditure and infrastructure spending. Meanwhile, private investment had also begun to rebound, largely due to improved balance sheets among banks and companies, indicating a healthier financial environment.

The Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) held the policy repo rate steady at 6.5% during FY 2023-24 while maintaining a 'withdrawal of accommodation' stance. The RBI reiterated its goal to keep headline inflation at 4% and projected an inflation rate of 5.4% for FY 2023-24.

India's economic resilience was supported by strong Goods and Services Tax (GST) collections, consistent bank credit growth, and a positive Purchasing Managers' Index (PMI). Gross GST revenue for FY 2023-24 reached ₹ 20.18 trillion, an 11.7% increase from the previous year. As of 16th February, 2024, India's foreign exchange reserves had grown to USD 616 billion.

OUTLOOK

In FY 2024-25, private consumption is set to increase due to a favorable rabi crop and anticipated strong kharif production, driven by a likely above-normal southwest monsoon. The government's commitment to supporting farmers is evident in a significant budget allocation increase for agriculture, rising from ₹ 1.4 lakh crore during the 2007-2014 period to ₹ 7.3 lakh crore from 2014 to 2025. This substantial funding growth has reflected the government's farmer-centric approach and its efforts to boost the agricultural sector.

The rise in government capital expenditure is projected to stimulate economic growth, drive up consumer spending, and enhance infrastructure across the country. The government plans to raise capital expenditure to ₹ 11.1 lakh crore for FY 2024-25, up from ₹ 10 lakh crore allocated for FY 2023-24, indicating a strong commitment to promoting economic development and establishing a robust infrastructure framework.

The gradual reduction in India's fiscal deficit has further improved the government's financial stability. The fiscal deficit target for FY 2024-25 has been lowered to 5.1%, down from the previous target of 5.8% for FY 2023-24. This anticipated reduction indicates a shift toward greater fiscal discipline and suggests that the government is effectively managing its budgetary resources.

The economy's inherent strength, alongside recent reforms, has laid a strong foundation for sustained long-term growth. The Reserve Bank of India (RBI) forecasts India's GDP to grow by 7% in FY 2024-25, with an estimated inflation rate of 4.5% for the same period. This expected growth trajectory, coupled with a reduction in overall inflation, suggests that India is on track to become the world's third-largest economy by 2030.

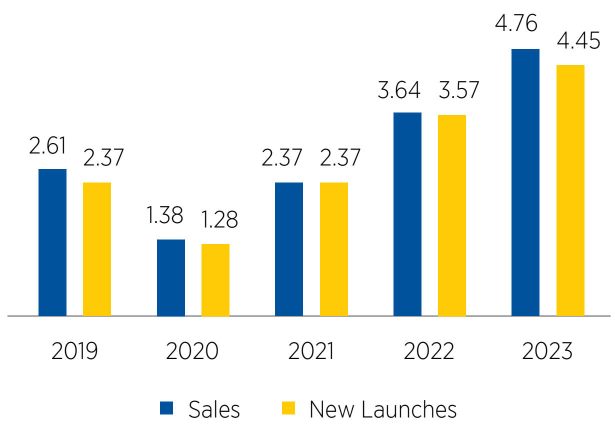
Source: PIB

INDUSTRY OUTLOOK

REAL ESTATE AND HOUSING SECTOR

Residential real estate sales in 2023 reached their highest level in last 15 years, even though concerns about inflation, high interest rates, and slowing economic growth persisted, but these factors did not substantially impact the market's underlying fundamentals. The total residential sales across the top seven cities in 2023 reached 4.76 lakh units, up from 3.64 lakh units in 2022, marking a 31% increase YoY. The rapid expansion across the real estate sector was fueled by policy reforms, increased consumer confidence, higher disposable incomes, and growing demand for bigger living spaces. Increased investment activity has also spurred growth across all asset classes, including commercial, retail, warehousing, and residential properties.

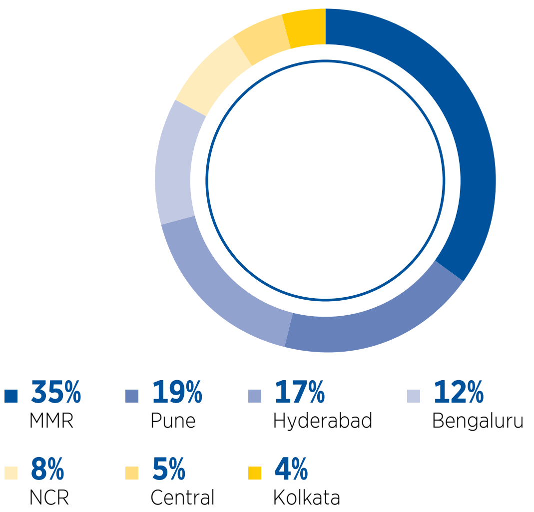
Total Sales and New launches in India (in Lakh Units)



Source: Anarock Indian Residential Real Estate Annual Report 2023

In 2023, the top seven cities experienced a 25% increase in new housing supply compared to the previous year. About 4.45 lakh new units were launched in 2023, up from over 3.57 lakh units in 2022. However, the total number of new launches in 2023 remained below the record high of 2014, when more than 5 lakh units were introduced in the top seven cities. The Mumbai Metropolitan Region (MMR) and Pune accounted for nearly 54% of these new launches, leading the way in overall residential market growth. Hyderabad closely followed with a 17% share among the newly launched housing units. Chennai, which held only a 5% share of the total new supply, recorded over 100% YoY growth in new unit launches, while the National Capital Region (NCR) saw a 45% YoY increase.

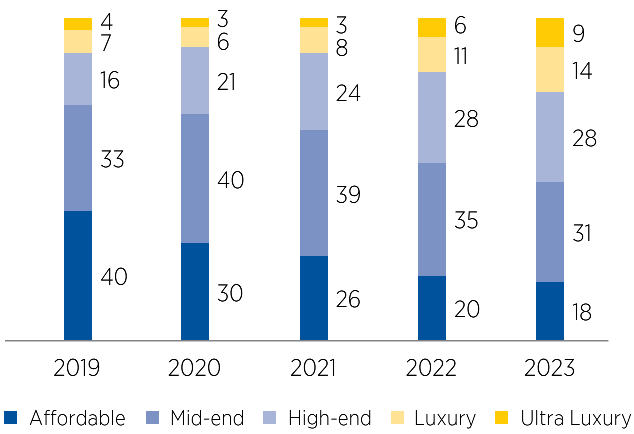
Supply – CityWise (%)



Source: Anarock Indian Residential Real Estate Annual Report 2023

In 2023, most new residential launches were in the budget range of ₹ 40 lakh – ₹ 80 lakh, constituting about 31% of the total new supply across the top seven cities; however, this share was lower than the 35% recorded in the previous year. The high-end segment, priced between ₹ 80 lakh and ₹ 1.5 crore, accounted for 28% of all new supply in 2023.

Supply – By Income Segments (%)

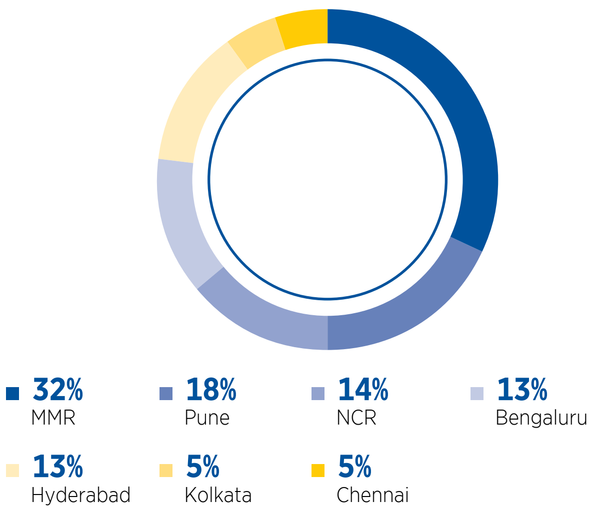


Source: Anarock Indian Residential Real Estate Annual Report 2023

The real estate developers have responded to the growing demand for luxury projects, leading to a significant increase in launches in the luxury and ultra-luxury segments. These premium categories accounted for almost 23% of new launches in 2023, up from 17% in 2022. In contrast, affordable housing experienced moderation, comprising about 18% of total new launches in 2023, down from 20% in 2022.

The MMR and Pune led in sales, accounting for half of the sales across the top seven cities in 2023. MMR recorded the highest sales with about 1,53,870 units sold in 2023, while Pune followed with around 86,680 units. The NCR saw sales exceeding 65,600 units, contributing 14% of the total, despite fewer new launches during 2023.

Sales – CityWise (%)



Source: Anarock Indian Residential Real Estate Annual Report 2023

Residential property prices across the top 7 cities have seen significant growth in response to rising demand. During the year, prices have appreciated between 10% and 24%, mainly due to increased construction costs and strong buyer demand.

Hyderabad experienced the most substantial price hike, with a 24% increase from ₹ 4,620 per square feet in 2022 to ₹ 5,750 per square feet at the end of 2023. Bengaluru experienced an 18% YoY increase in property prices, while both the MMR and the NCR saw a 15% rise in 2023. Other cities also reported price hikes, with Pune up by 13%, Chennai by 12%, and Kolkata by 10% during the year.

In 2023, housing sales continued to outpace new supply for the second consecutive year, reducing available inventory by 5%. About 6 lakh housing units were available across the top 7 cities, down from 6.30 lakh units at the end of 2022. The mid-end and affordable segments held the largest share of available inventory, followed by the high-end segment. Such trends indicate a more balanced real estate market, with improved inventory management and a positive outlook for sustained growth in the coming years.

KEY EMERGING GROWTH DRIVERS

The residential real estate market in India is evolving rapidly, reflecting the broader changes in the country. Here are the key trends shaping the sector:

- **Rise of Low-Density Housing and Luxury Housing:** There has been growing demand for low-density housing, including villas, townhouses, and plotted developments.

Such housing promotes sustainability and provides a quiet alternative to crowded urban areas. Around 33% of high-net-worth individuals (HNIs) and ultra-high-net-worth individuals (UHNIs) are willing to spend over ₹ 10 crore for such properties. In response to this trend, developers are launching carefully designed low-density projects that focus on open spaces, lush greenery, and a sense of exclusivity. Thus, the luxury housing market is expanding as more buyers seek exclusive properties with top-tier amenities. The luxury home sales in India increased by 130% in the first half of 2023 compared to the previous year. The real estate developers are responding with high-end projects offering unique amenities and design features to attract this segment.

- **Technological Advancement:** The residential real estate sector has been incorporating more technology to improve convenience and security. Smart homes with IoT (Internet of Things) devices and AI (Artificial Intelligence)-powered systems are gaining popularity, enhancing the living experience. The smart home market in India is expected to reach USD 6.5 billion in 2024. Additionally, India is expected to have 442 million smart homes by 2025, indicating a strong trend toward tech-savvy living environments.
- **Rising Preference for Homeownership:** The COVID-19 pandemic has shifted attitudes toward homeownership, with more people opting to buy rather than rent. This change reflects a desire for stability and personalised living spaces. As a result, there's a growing recognition of the intrinsic value of homeownership, providing a stronger sense of security and stability during uncertain times.
- **Rising Demand for Housing in Tier 2 Cities:** Tier 2 cities are becoming real estate growth hubs as people seek more stable and affordable living options. These cities are attracting significant investment and experiencing rapid infrastructure expansion, driven by the government's push for smart cities and policies that support township development. A report by Cushman and Wakefield indicates that Tier-2 cities like Bhubaneswar, Coimbatore, Indore, Jaipur, Kochi, Lucknow, Nagpur, Surat, Thiruvananthapuram, and Visakhapatnam have become attractive hubs for real estate development.
- **Government Support:** The government has made significant progress under the Prime Minister Awas Yojana – Gramin (PMAY Rural) program, with nearly 3 crore houses built as part of the initial target. Moreover, under the Interim Budget for FY 2024-25, an additional 2 crore homes under the same scheme have been announced, bringing the total to 5 crore homes. These new homes are expected to be completed within the next 5 years till 2029.

The demand for residential properties in India continues to rise, driven by various factors such as changing demographics, technology, and post-pandemic trends. Developers and policymakers are adapting to these changes, ensuring the real estate market's sustained growth and inclusivity.

Source: PIB

HOUSING FINANCE INDUSTRY – STRUCTURE & DEVELOPMENT

Housing Finance Companies (HFCs) play a crucial role in India's financial system, providing essential funding to the housing sector. This is reflected in the uptick in individual housing loans and the disbursement of funds by Primary Lending Institutions (PLIs), signaling a robust recovery in housing credit. HFCs have driven this growth by adapting to market changes and continuing to meet the housing finance needs of a growing population. The ongoing support of HFCs has helped create a more stable and accessible housing market, mirroring their significance within the broader financial landscape.

As of 30th June, 2023, a total of 97 HFCs were registered in India. The Individual Housing Loan Portfolio of PLIs saw a notable annual growth rate of 14.9% during FY 2022-23. By the end of March 2023, the Individual Housing Loan portfolio of HFCs had expanded by 15.3%, reaching a total of ₹ 9,28,542 crore. This significant growth in individual housing loans demonstrates the strong performance of HFCs in supporting the housing finance sector and reflects the continued demand for housing credit in India.

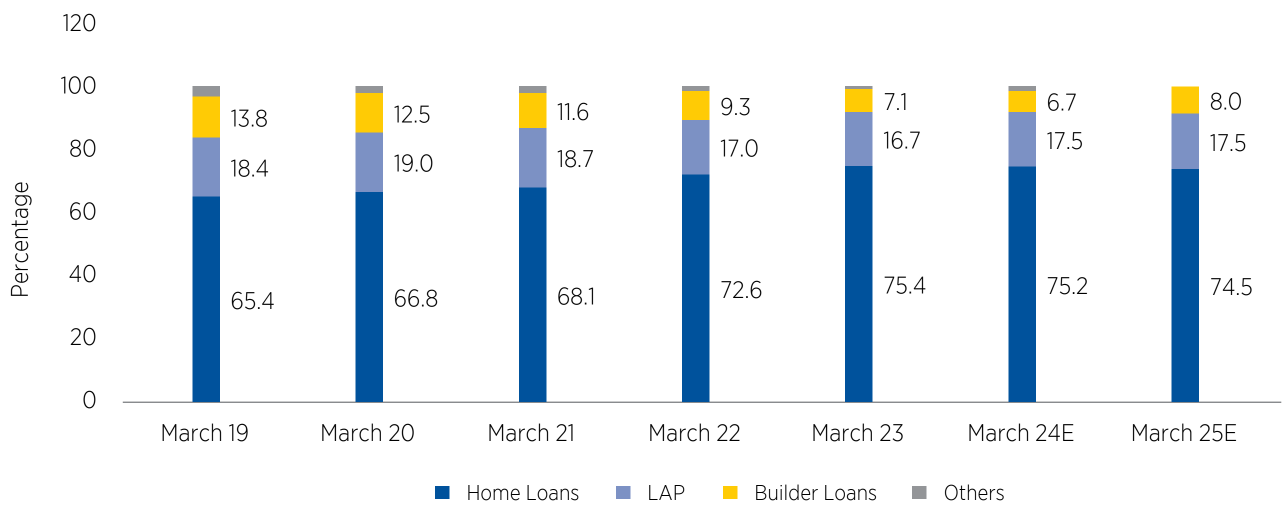
Individual Housing Loan Outstanding of Primary Lending Institutions

Individual Housing Loan Portfolio	Outstanding (In ₹ Crore)		Growth (%)
	As on March 2022	As on March 2023	
Housing Finance Companies	8,05,367	9,28,542	15.29
Public sector Banks	10,52,482	11,96,416	13.67
Private Sector Banks	5,72,926	6,67,484	16.50
Total Outstanding	24,30,775	27,92,442	14.88

Source: NHB Annual Report FY 2022-23

Going forward, with strong residential sales, a declining number of distressed developers, and ongoing resolutions/recoveries in the developer financing book, the share of developer financing is expected to gradually increase in the medium term. Home loans form a significant part of HFCs' business portfolio. According to a CareEdge report, home loans made up about 75.4% of the overall portfolio for HFCs in FY 2022-23. This share is expected to slightly decrease to 75.2% in FY 2023-24 and to 74.5% in FY 2024-25. The share of Loans Against Property (LAP) is projected to reach 17.5% in both FY 2023-24 and FY 2024-25, as compared to 16.7% recorded in FY 2022-23. In addition, the Assets under management (AUM) size is expected to grow at 12.3% in FY 2023-24 and by 13.5% in FY 2024-25, as compared to 8.9% growth registered in FY 2022-23.

Portfolio Mix OF HFCs (%)

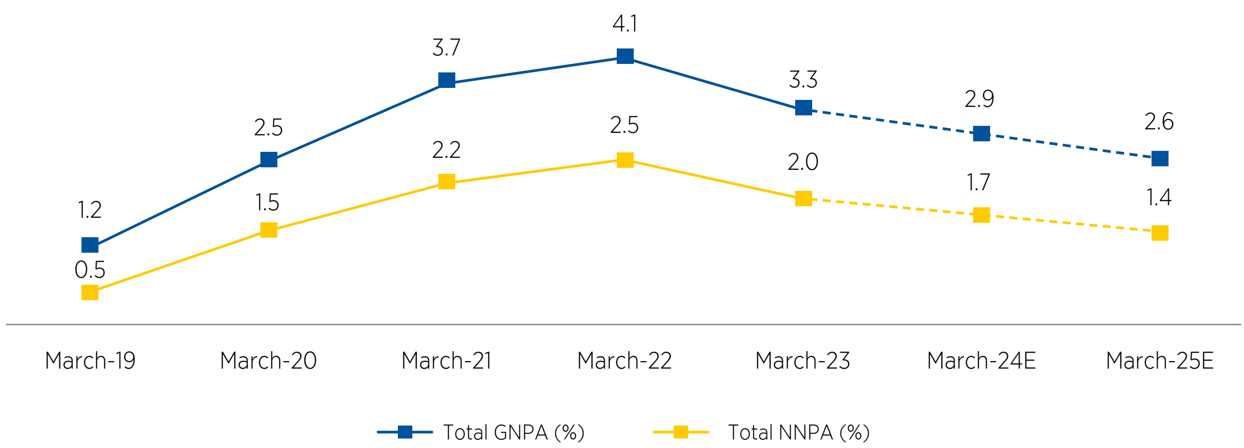


Source: CareEdge April 2024 report

During the 2023-24 financial year, most HFCs that specialise in providing loans for prime housing responded to the rising cost of borrowing by increasing their interest rates. This rate hike was then passed on to their customers, leading to higher mortgage rates or loan costs for those seeking home financing. The strong margin growth, along with decreasing credit costs, is expected to enhanced profitability for HFCs in FY 2023-24 and FY 2024-25. Going forward, the lenders are expected to take a balanced approach, focusing on both growth and asset quality. The Return on Total Assets (ROTA) for HFCs is projected to be near or slightly above pre-COVID levels in FY 2023-24. It is expected to increase to 1.8% in FY 2023-24 and further to 1.9% in FY 2024-25 as compared to 1.4% recorded in FY 2021-22 and 1.7% recorded in FY 2022-23.

With FY 2022-23 marking the first full year of economic recovery and an uptick in demand, Non-Performing Asset (NPA) levels have exhibited improvement, a trend expected to persist. The GNPA reduced from 4.1% in FY 2021-22 to 3.3% in FY 2022-23 and is further expected to improve by declining to 2.9% in FY 2023-24 and to 2.6% in FY 2024-25. The provision coverage ratio for HFCs, estimated at 42% as of 31st March, 2023, is expected to stay robust, ranging between 44% and 46% during FY 2023-24 and 2024-25, indicating that HFCs are maintaining adequate provisions to mitigate credit risks.

Asset Quality of HFCs (%)



Source: CareEdge April 2024 report

Government Initiatives

- **Pradhan Mantri Awas Yojana (PMAY)**

  PMAY, under the broader mission "Housing for All by 2022," aims to address the housing needs of both urban and rural populations in India through two distinct programs: PMAY (Urban) and PMAY (Gramin).

- **Pradhan Mantri Awas Yojana (Urban) - Credit Linked Subsidy Scheme (CLSS)**

  The Credit Linked Subsidy Scheme (CLSS) is a core component of PMAY (U) designed to make housing more affordable by offering interest subsidies on home loans. It targets Economically Weaker Sections (EWS), Low Income Groups (LIG), and Middle-Income Groups (MIG). PLIs like Scheduled Commercial Banks (SCBs), HFCs, Regional Rural Banks (RRBs), Co-operative Banks, Small Finance Banks (SFBs), and Non-Banking Financial Company-Micro Finance Institutions (NBFC-MFIs) have implemented the scheme. The National Housing Bank (NHB) serves as the Central Nodal Agency (CNA), overseeing the scheme's implementation for the Government of India's Ministry of Housing and Urban Affairs (MoHUA).

- **CLSS for EWS/LIG**

  This scheme offers interest subsidies for loans with maximum tenures of 20 years (or the actual tenure if shorter). The interest rate subsidy is 6.5% for households in the EWS/LIG categories, where EWS has an annual income of up to ₹ 3 lakh, and LIG has an annual income between ₹ 3 lakh and ₹ 6 lakh. NHB, as the CNA, has disbursed ₹ 10,643.87 crore in 2022-23, benefiting 4.31 lakh households. By 30th June, 2023, 295 PLIs had signed MoUs with NHB, leading to a total disbursement of ₹ 39,736.1 crore to 239 PLIs, benefiting 16.45 lakh households.

- **CLSS for MIG**

  This scheme covers Middle Income Groups, with two segments: MIG-I (annual income between ₹ 6 lakh and ₹ 12 lakh) and MIG-II (annual income between ₹ 12 lakh and ₹ 18 lakh). MIG-I receives a 4% interest subsidy on loans up to ₹ 9 lakh, while MIG-II receives a 3% subsidy on loans up to ₹ 12 lakh. NHB has disbursed a total of ₹ 9,733.9 crore by 30th June, 2023, benefiting 4.62 lakh households through various PLIs.

- **Rural Housing Interest Subsidy Scheme (RHISS)**

  To complement PMAY-G, the Rural Housing Interest Subsidy Scheme (RHISS) aims to provide institutional loans for those not covered under PMAY-G. Launched on 19th June, 2017, RHISS offers a 3% interest subsidy on loans up to ₹ 2 lakh for a maximum tenure of 20 years. It covers rural areas outside statutory towns and is implemented through a range of PLIs. NHB is the Central Nodal Agency for RHISS, and by 30th June, 2023, it had executed MoUs with 100 PLIs and disbursed ₹ 21.23 crore to 24 PLIs, benefiting 10,533 households.

These initiatives demonstrate the government's commitment to addressing India's housing needs, with a focus on affordability, inclusivity, and sustainability, while leveraging various financial institutions to deliver results effectively.

Tax Incentives on Home Loans

An individual can claim a home loan tax exemption for the following principal repayments and interest payments made on a home loan:

- Upto ₹ 1.5 lakh u/s 80C for principal repayments
- ₹ 2 lakh worth of housing loan tax benefit u/s 24(b) of the Income Tax Act; the actual interest amount paid in a financial year or ₹ 1.5 lakh, whichever is lesser, under the Affordable Housing Scheme u/s 80EEA

The Section 80EEA housing loan tax benefit is in addition to Section 24(b). Thus, an individual who meets the eligibility requirements of Sections 24(b) and 80EEA can claim a total tax rebate on a home loan up to the applicable tax rate on ₹ 3.5 lakh for interest payments made on their home loan. The maximum possible tax refund for a taxpayer in the 30% tax bracket can exceed ₹ 1.05 lakh. Section 24(b) of the Act allows individuals who own a residential property to claim a house loan tax exemption of up to ₹ 2 lakh for the interest payments made on their home loan, regardless of whether the property is occupied by them or their family or is vacant. However, if the property has been let-out, the actual amount paid as interest towards the mortgage can be claimed, without any upper limit for a mortgage interest tax deduction.

To facilitate the efficient flow of credit, promote financial inclusion, and promote financial stability, the National Financial Information Registry is to be set up to serve as the central repository of financial and ancillary information. A new legislative framework is to govern this credit for public infrastructure and will be designed in consultation with the RBI. The deduction from capital gains on investment in residential houses under sections 54 and 54F to be capped at ₹ 10 crore for better targeting of tax concessions and exemptions.

Revised Regulatory Framework Issued by RBI to improve financial stability.

- **Guidelines for Public Deposits:** HFCs that accept public deposits are required to maintain specific prudential parameters. The revised guidelines align these requirements with those applicable to Non-Banking Financial Companies (NBFCs), ensuring a consistent approach. HFCs must maintain liquid assets equivalent to a specified percentage of their public deposits, with gradual increases leading to 15% by 31st March, 2025. This approach aims to ensure financial stability and protect depositors' interests.
- **Safe Custody of Liquid Assets:** HFCs are required to follow strict rules to ensure the safe storage of their liquid assets, which are assets like cash or easily convertible securities. These rules, set out by the Reserve Bank of

India, align with the regulations for NBFCs. The regulations are designed to ensure that HFCs keep their liquid assets in secure places, such as with reputable financial institutions, to avoid misuse or loss. The Master Direction for NBFC & HFC (Reserve Bank) Directions, 2021, has been updated to maintain uniformity in the regulations, ensuring that both HFCs and NBFCs adhere to the same standards for the safe custody of liquid assets.

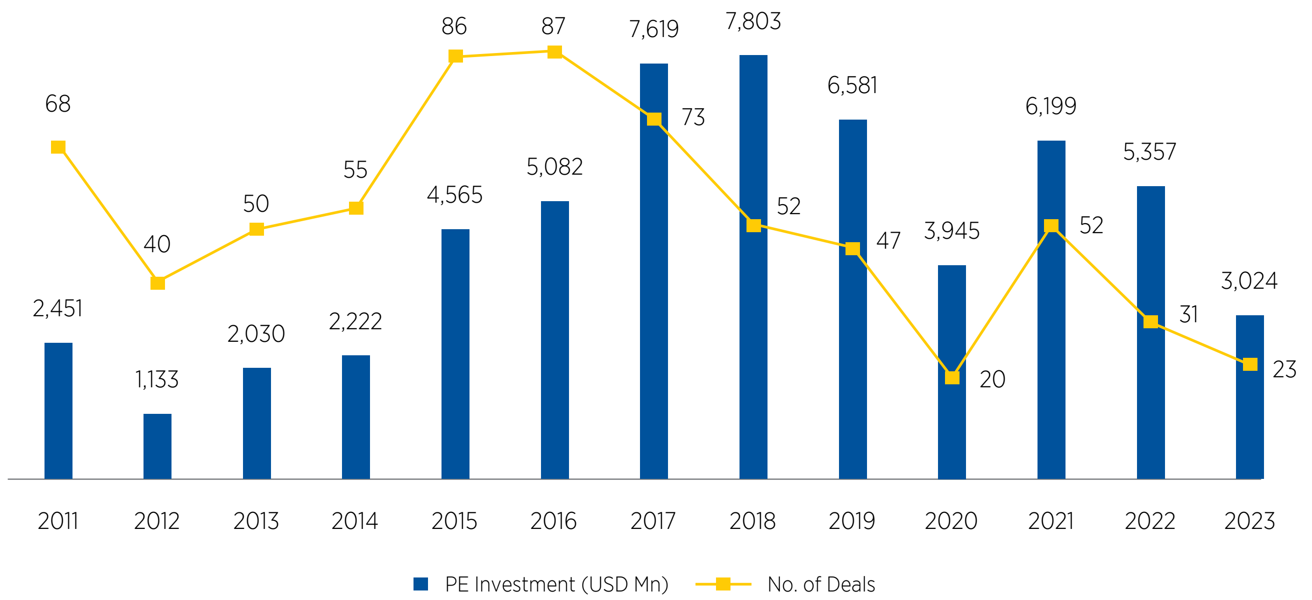
- **Deposit Limitations:** The ceiling for public deposits that HFCs can hold has been reduced from 3 times to 1.5 times of their net owned fund, indicating a move toward stricter regulations. Additionally, the period for which public deposits can be accepted or renewed has been limited to between 12 and 60 months. These limitations aim to reduce risk and ensure that HFCs maintain financial discipline.
- **Investment Restrictions:** HFCs are required to set internal Board-approved limits for investments in unquoted shares, distinguishing them from subsidiaries or companies within the same group. This change is designed to limit risky investments and align with broader capital market regulations. Additionally, HFCs must consider their exposure to capital markets when setting these limits.
- **Participation in Derivative Markets:** HFCs are permitted to participate in currency derivatives and interest rate futures to hedge their risks. However, they must comply with the guidelines from the Reserve Bank of India (RBI) and provide necessary disclosures. This permission allows HFCs to manage their financial risks more effectively while adhering to regulatory requirements.
- **Co-branded Credit Cards:** HFCs can issue co-branded credit cards in partnership with scheduled commercial banks, but they require prior approval from the Reserve Bank of India. These cards are issued without risk sharing, ensuring that HFCs comply with the stipulated regulations and follow the guidelines detailed in Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023.
- **Accounting Year and Audit Requirements:** HFCs are required to prepare their financial statements for the year ending on 31st March and finalise their balance sheets within three months. If HFCs seek to extend their accounting year, they must first get approval from the National Housing Bank (NHB). Additionally, Information System (IS) audits must be conducted as per the periodicity prescribed by the RBI's guidelines on IT governance and risk management.

Source: RBI

Private Equity ('PE') investments

PE investments totaling USD 3.0 billion had flowed into various sectors of the Indian real estate market, including office spaces, warehousing, and residential segments as of 12th December, 2023.

Private Equity Investments: Number of deals (in Units) and Deal Value (USD Million)



Source: Knight Frank

However, compared to 2022, PE investors in 2023 adopted a more cautious approach, resulting in a 44% YoY decline in PE investments. This decreased investment activity can be attributed to geopolitical uncertainties and high interest rates worldwide, which made investors more cautious and led to limited market engagement. The surge in interest rates has dampened investment activities from different nations. The impact of increased interest rates was relatively moderate, with significant transactions occurring in the office and warehousing sectors. Investors strategically positioned their investments across different sectors, with the office segment attracting the largest share of funds. Foreign PE investors continued to play a significant role, contributing to 78% of India's total PE investments in 2023.

However, over the past two years, India has seen increased interest from investors in the Middle East and Asia because of growing wealth in these regions and Western PE investors' sensitivity to rising interest rates. During this period, the distribution of PE investments showed that office properties took the lead with 58%, followed by warehousing at 23%, and residential properties at 19%. MMR and the NCR attracted the most significant share of PE investments across sectors among Indian cities in 2023. Additionally, over 69% of the total PE investments were directed toward readily available assets, reflecting the cautious approach adopted by investors. India is currently an attractive investment destination on the global stage, owing to its strong economic growth and a variety of lucrative exit opportunities for investors.

COMPETITION

The disbursement of Individual Housing Loans by HFCs has shown a consistent upward trend over recent years. The growth in loan disbursements gained significant momentum, with total disbursements reaching ₹ 2.61 lakh crore in FY 2021-22 and ₹ 3.11 lakh crore in FY 2022-23. This steady increase underscores the expanding role of HFCs in providing housing finance and reflects the growing demand for housing loans in India. However, HFCs face intense competition from banks which occupy majority of the share in housing loans in India. In FY 2022-23, loan disbursements by PSBs grew at a faster rate of 32.38%, while HFCs saw a growth rate of 19.05%.

Individual Housing Loan Disbursement by Primary Lending Institutions

Individual Housing Loan Disbursement	Disbursement (In ₹ Crore)		Growth (%)
	FY 2022	FY 2023	
Housing Finance Companies	2,61,429	3,11,237	19.05
Public sector Banks	2,42,463	3,22,306	32.38
Private Sector Banks	1,69,564	1,75,011	3.21
Total Disbursements	6,74,456	8,08,554	19.88

Source: NHB Annual Report for FY 2022-23

OPPORTUNITIES

India's real estate sector in 2024 is on a positive trajectory, owing to strong market growth in 2023. This upward trend has been expected to continue, indicating the sector's resilience and potential. The combination of stable interest rates and rising property prices has led to a surge in demand, especially in the residential market, creating a vibrant and encouraging environment.

Government initiatives are crucial in promoting stability and accessibility within the real estate sector. The "Housing for All" program exemplifies the government's commitment to providing housing for every Indian, addressing the housing shortage while boosting economic activity by creating jobs in construction and related sectors.

Additionally, the sector's push for sustainability, with policies like the Green Rating for Integrated Habitat Assessment (GRIHA), promotes eco-friendly construction practices. Since real estate plays a significant role in India's emissions, contributing 22%, adopting energy-efficient practices and green building standards offers a valuable opportunity for the sector's future. As developers and homebuyers increasingly adopt green building standards, the industry's shift towards sustainability is becoming more pronounced, further supporting the sector's positive outlook.

BENEFITS OF BUYING PROPERTY

- **Property Appreciation**

  Housing finance companies highlighted that real estate generally appreciates over time, which allows homeowners to build equity. This increase in property value can be used to finance future investments or significant expenses like education or retirement, making it a valuable long-term asset.

- **Stability and Security**

  Owning a home provides a sense of stability and control over living conditions. Homeowners aren't subject to unexpected rent increases or lease terminations, promoting a more secure environment for families and individuals planning long-term residency.

- **Tax Advantages**

  Homeownership offers significant tax benefits, such as deductions on mortgage interest, property taxes, and certain home-related expenses. These tax advantages can lower the overall tax burden, helping improve financial health and providing additional savings.

- **Passive Income Opportunities**

  Property ownership can open the door to passive income opportunities by renting out the property. This consistent revenue stream contributes to financial stability and can support other ventures, attracting those who wish to diversify their income sources.

- **Customisation**

  Owning a home gives homeowners the freedom to customise their living spaces according to their tastes and needs. This ability to personalise the home not only enhances comfort and satisfaction but also can improve the overall quality of life.

THREATS (BOTTLENECKS)

India's real estate sector has exhibited positive trends, but it also faces several significant challenges that require close attention. One of the primary concerns is the effective implementation of government policies. Even the best policies can fall short if they aren't executed with precision, efficiency, and transparency. Collaboration among stakeholders is essential to ensure that these policies are carried out properly and deliver the intended benefits.

Another major issue is affordability, a critical factor for sustainable and inclusive growth. Despite programs like the Pradhan Mantri Awas Yojana (PMAY) aimed at providing housing for low and middle-income groups, challenges persist. These include complex land acquisition processes and the need for stronger infrastructure in affordable housing projects. Addressing these hurdles is crucial to narrow the affordability gap and promote broader economic inclusion.

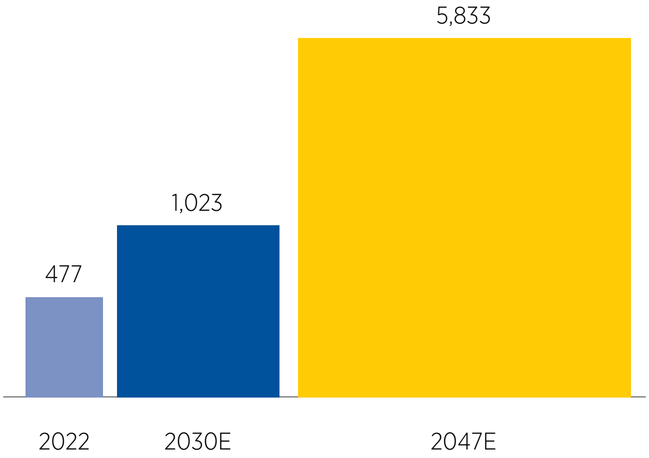
Maintaining a balanced real estate market, especially in the luxury segment, also requires careful consideration. While the sector generally shows positive signs, there's a risk of correction in high-end markets. This underscores the importance of balanced growth to prevent disruptions that could impact the sector's stability.

OUTLOOK

The Indian real estate sector in FY 2023-24 presents a multifaceted yet optimistic outlook, with market growth driven by supportive government policies and a focus on sustainability. The sector's progress is challenged by issues like policy implementation hurdles and affordability concerns. Real estate developers must adopt a balanced approach, staying informed through industry insights and expert analysis to navigate this evolving landscape. Sustainable practices are increasingly emphasised to ensure long-term success, benefiting the broader economy and community well-being.

India's real estate sector has significantly changed owing to a strong economy and rapid urbanisation. The sector connects with around 250 supporting industries, making it one of the biggest job creators after agriculture, accounting for 18% of total employment. The market size is estimated at USD 477 billion, contributing 7.3% to India's economic output. By 2047, the sector is expected to grow to USD 5.8 trillion, accounting for 15.5% of the country's total economic output.

Multifold growth in India's real estate market size (USD billion)



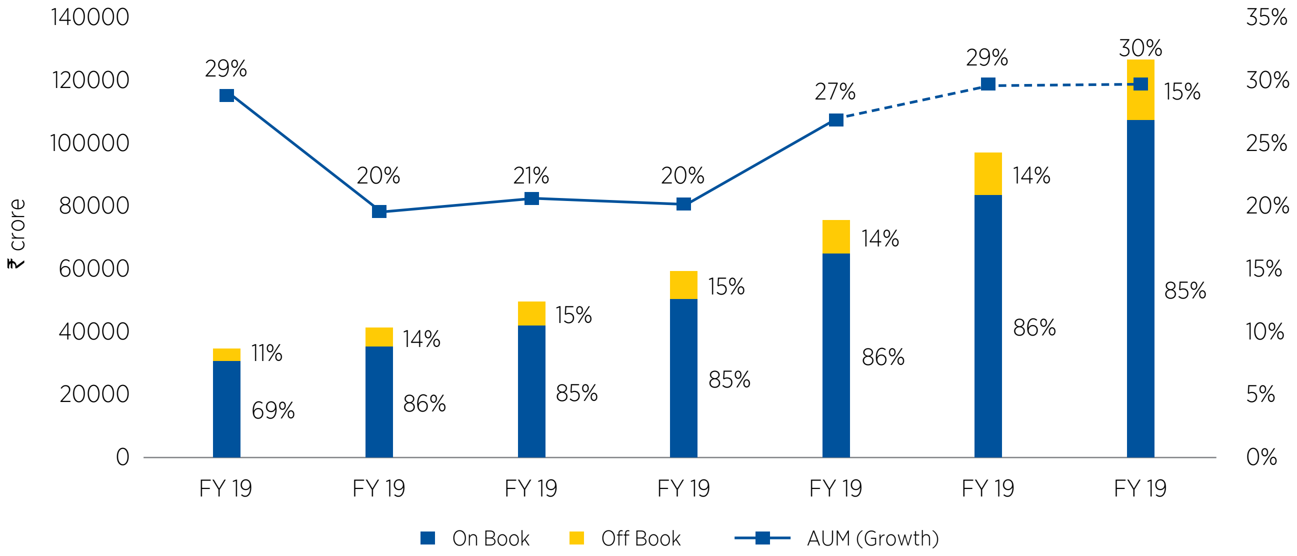
Source: Knight Frank Report (India Real Estate: Vision 2047)

Foreign Direct Investment (FDI), along with government programs like the Pradhan Mantri Awas Yojana (PMAY), play critical roles in driving growth and reducing the housing gap. The government's policy allowing up to 100% FDI in specific segments can attract a substantial influx of foreign capital, aiding industry expansion and positioning India as a favorable destination for global real estate investment. As the sector employs over 80 million people, its continued expansion could have a significant socio-economic impact. However, attention must be paid to high vacancy rates in certain areas and interest rate fluctuations, highlighting the need for careful planning and adaptive strategies to maintain stability and growth.

Affordable Housing and Affordable Housing Finance

Affordable housing and affordable housing finance are expected to be key drivers of long-term growth in the real estate sector. These two factors contribute to broader socio-economic objectives while promoting sustainability in the housing market. As of December 2023, over 3.8 crore houses have been sanctioned under PMAY-Urban, indicating a significant contribution to housing supply. The government's ambitious target of completing 1 crore houses under PMAY-Urban by 2024 reflects its commitment to reducing the housing gap. Affordable Housing Finance Companies (AHFCs) experienced a resurgence in FY 2022-23, achieving 27% YoY growth in its overall AUM size. According to the CareEdge report, this upward trend would continue in the coming period, with estimated growth of 29% for FY 2023-24 and 30% for FY 2024-25. In addition, amid intense competition and the need to preserve margins, the share of the non-housing portfolio among AHFCs increased from 17% on 31st March, 2019, to 26% on 31st March, 2023, and is further projected to rise to 27% by 31st March, 2024.

AHFCs AUM



Source: CareEdge February 2024 Report

On 16th November, 2023, the RBI issued guidance to address the rapid growth in specific consumer credit segments, directing banks and NBFCs to mitigate risks by increasing the risk weights for NBFCs rated A and above on consumer credit exposures, excluding housing loans, education loans, vehicle loans, and loans secured by gold and gold jewelry. While housing loans are exempted, which reduces sectoral vulnerability, the tightening liquidity conditions are expected to keep the cost of funds high in the short to medium term.

As disbursements and branch networks expand, the ratio of operating expenses to average total assets has returned to pre-COVID levels. Strong asset quality metrics have kept credit costs under control. However, with interest rates expected to decline in the second half of FY 2024-25, AHFCs could face a higher risk of customers transferring their loan balances to other lenders. Given the higher operating expenses ratio and the expected narrowing of Net Interest Margins (NIM), the ROTA is forecast to moderate to 3.23% in FY 2023-24 and further to 3.04% in FY 2024-25, as compared to 3.8% in FY 2022-23.

Growth Factors

A key factor driving strong growth in the real estate sector is the rising demand for residential properties due to urbanisation and higher disposable incomes. Alongside residential growth, the demand for modern office spaces, hospitality, and retail properties is also rising to meet growing consumption needs. Additionally, the e-commerce boom has increased the demand for warehousing and storage facilities, which has further boosted the sector.

The expanding use of telecommunications has created a need for data centres and data storage facilities, adding to the sector's growth. Government initiatives like affordable housing, smart city projects, and tax deductions on housing loans have also stimulated investment in real estate. These factors together indicate a fast-growing real estate sector in India, offering substantial opportunities for employment and contributing to the economy.

Additionally, many companies are expanding their focus on the rural economy, investing in areas like agribusiness, rural infrastructure, and microfinance, further driving market growth. This broadening of the investment landscape is attracting a range of private equity entities seeking robust returns and a share of India's expanding market potential.

HFCs’ Core Strengths

HFCs have unique strengths that distinguish them in the financial sector, especially in housing finance. Their specialised focus on housing loans gives them an edge in understanding the complexities of homeownership and meeting diverse borrower needs. HFCs are known for their customer-centric approach, building strong relationships with clients, and providing personalised support throughout the loan process. This focus on customer service increases loyalty and repeat business, as borrowers value the detailed assistance and personal attention that HFCs offer.

Another key strength of HFCs is their flexibility in loan structures, accommodating a wide range of income levels, employment types, and property categories. This versatility allows them to serve a broader customer base, including salaried workers, the self-employed, and those in the informal sector. HFCs are also recognised for their quick and efficient loan processing, which is often faster than traditional banks. This speed gives them a competitive advantage, especially in a dynamic housing market.

Additionally, HFCs have a deep knowledge of local markets and a strong presence across different regions. This local expertise helps them assess property risks and tailor loan offerings to fit regional trends. Their established networks with real estate developers, property agents, and other stakeholders provide valuable insights into the housing market. HFCs are committed to financial inclusion, offering housing finance to underserved groups, including low- and middle-income families. This focus on inclusivity supports broader social and economic development, aligning with goals like affordable housing and community growth. Overall, HFCs play a critical role in the housing finance landscape, showing a unique ability to adapt to changing market conditions and contributing to the growth and stability of the real estate sector.

COMPANY OVERVIEW

Segment-wise Reporting

The segments have been defined following the Accounting Standard for segment reporting, considering the organisational structure and the different risks and returns associated with each segment. LIC Housing Finance Ltd. (hereafter referred to as "the Company" or "LICHFL") primarily operates in the Housing Finance industry, which serves as its main source of revenue.

Risks and Concerns

Risk management plays a crucial role in the Company's operations. It involves several key measures such as risk assessment, a comprehensive risk catalogue, a framework for risk appetite, risk planning, risk culture, internal controls, and robust governance practices. The Company has clearly defined its risk appetite, functional policies, and key risk indicators (KRIs) to set out the degree and type of risk it is willing to accept. LICHFL has a structured risk management approach that identifies risks proactively, implements effective mitigation strategies, and continuously monitors them for improvement. The Company's success as one of the leading HFC heavily relies on maintaining strong risk management practices.

The Company's Board of Directors has assigned the Risk Management Committee (RMC) the responsibility to oversee risk management, ensuring the effectiveness of framework in line with the Company's set risk tolerance levels.

The HFC business faces several key risks, including credit risk, market and interest rate risk, liquidity risk, and operational risk. LICHFL has adopted a range of tools to address these risks, such as time-bucket-wise liquidity statements, duration gap reports, and forex exposure reports, all of which help manage risks related to liquidity, interest rates, and currency fluctuations.

The Company continually optimises its asset-liability management function to further mitigate these risks. This approach aims to protect against adverse movements in liquidity, interest rates, and currency exchange rates. LICHFL seeks to ensure that these risks have minimal impact on its Net Interest Income (NII) by following prudent risk management procedures. The following sections outline the most significant risks and the Company's key mitigation strategies:

Credit Risk

Credit risk refers to the risk of default on a loan resulting from a borrower's failure to make principal or interest payments to the lender. Virtually all forms of credit involve some level of default risk, and if a customer fails to pay within 90 days of the due date, the loan is classified as a Non-Performing Asset (NPA) on the Company's balance sheet.

LICHFL follows a standardised credit approval process that incorporates a thorough credit risk assessment. This assessment involves analysing both quantitative and qualitative data to evaluate the borrower's creditworthiness. Loans are disbursed in lump-sums and repaid in Equated Monthly Installments (EMIs), which are linked to the progress of construction or other relevant factors.

The Company conducts ongoing dynamic and static analysis of its data and loan portfolio, identifying trends and potential red flags. This data-driven approach allows LICHFL to take corrective actions when necessary. LICHFL also has a detailed Standard Operating Procedure (SOP) that outlines the due diligence process, covering credit evaluation, legal appraisal, technical appraisal, verification, valuation, documentation etc. The Company periodically reviews and updates the SOP to incorporate lessons learned and adapt to the industry trends.

Market Risk

Market risk represents the potential for loss in a Company's trading assets or an increase in its trading liabilities due to fluctuations in interest rates, credit spreads, external factors, or market prices. Balance sheet items subject to market risk include floating-rate home loans, floating-rate developer loans, Non-Convertible Debentures (NCDs) with options, bank loans with options, foreign currency bank loans, and coupon swaps, among others.

Market risk can be broadly categorised into two types:

- **Interest Rate Risk:** It is the risk that a Company's net interest income and the value of its assets and liabilities may fluctuate due to adverse movements in interest rates, whether caused by market dynamics or regulatory interventions by the Reserve Bank of India (RBI). These shifts can pose risk when higher interest rates increase the cost of liabilities, or when lower yields reduce the value of assets. The lending industry is particularly susceptible to this risk due to frequent maturity mismatches and the need for periodic re-pricing of assets and liabilities. The Company regularly monitors the composition and pricing of its assets and liabilities to mitigate interest rate risk. Additionally, the Asset Liability Committee (ALCO) actively reviews the current interest rate environment and continuously tracks the Company's Asset-Liability Management (ALM) position to take timely corrective actions.

- **Liquidity Risk:** Liquidity risk refers to the risk of not having enough liquid assets or adequate access to financing to meet obligations when they become due, comply with regulatory requirements, or support the Company's investment needs. Moreover, a finance Company like LICHFL must maintain adequate liquidity to handle redemptions, unexpected disbursements, and operational expenses. External factors like a Cash Reserve Ratio (CRR) hike, increased government borrowing, or advance tax payments can also affect the Company's liquidity. Excess liquidity can also be harmful to business efficiency. LICHFL prudently manages its cash flow, assets, and liabilities based on years of market experience. The management sets standards to ensure sufficient liquidity for immediate needs. The Company's borrowing strategy is tailored to fluctuating liquidity conditions and evolving business requirements. LICHFL uses a diversified resource pool to optimise its short- and long-term debt structures to mitigate these risks.

Operational Risk

Operational risk is the potential for loss due to inadequate or ineffective internal procedures, personnel, or systems, as well as external events. A breakdown in any of these areas can lead to capital loss, financial damage, or reputational harm. LICHFL's operational and financial growth could face setbacks if its operational controls are not properly implemented.

The Company relies on robust internal control systems and consistent monitoring procedures to ensure operational efficiency and control to address this risk. Additionally, LICHFL has adopted strict Management Information System (MIS) reporting practices to further mitigate these risks.

Operational risks can be categorised into the following types:

- **Compliance Risk:** As an HFC, LICHFL must comply with regulations set by various governing bodies, government agencies, and industry associations. Failure to meet these ever-changing rules and regulations could adversely affect the Company's business operations and financial stability. LICHFL is regulated by the National Housing Bank (NHB) and the Reserve Bank of India (RBI) and is registered with the Registrar of Companies (ROC) and has its equity shares listed on the Bombay Stock Exchange (BSE), and the National Stock Exchange of India Limited (NSE). Thus, the Company must adhere to all relevant laws and regulations. The Compliance Officer at LICHFL precisely oversees all regulatory obligations to ensure the Company consistently meets the necessary requirements.

- **Legal Risk**: Legal risks include the potential costs of litigation resulting from cases due to inadequate legal diligence. Since LICHFL operates in the lending business, it must execute numerous legal contracts to protect its interests. Legal risks can arise from omissions, negligence, fraud, or misconduct during legal due diligence or other legal processes. LICHFL's primary business is lending money for or against home loans, making these legal issues a significant concern. The Company manages these risks by appointing a team of highly skilled legal and technical experts with extensive industry experience. The team actively monitors strict legal procedures, ensuring thorough title verification and legal review of all loan documents. LICHFL has established stringent customer service standards and created robust operational processes to ensure compliance with these guidelines, aiming to reduce customer complaints.

Regulatory Risk

LICHFL's operations are subject to supervision by various regulatory and governing bodies. The Company's business continuity could be compromised if it fails to comply with continuously changing regulations and standards. LICHFL mitigates these risks by tracking and adapting to all directives, rules, or expected changes issued by authorities like NHB, SEBI, RBI, etc., and adjusting its operations and systems accordingly.

Competition Risk

The housing finance market's lucrative opportunities and high fragmentation increases the risk of competition, potentially leading to revenue or market share loss for LICHFL. Factors such as economic growth, increased urbanisation, government incentives, broader societal credit acceptance, and the rise of nuclear families contribute to the likelihood of many new players entering the housing finance industry. LICHFL has established a strong reputation in the industry, with a proven track record of positive ALM and decreasing NPA. LICHFL mitigates competitive risks by focusing on customer-centricity, adopting advanced infrastructure such as Information Technology (IT) interfaces, and adapting effective marketing strategies. LICHFL leverages its established market position and a flexible team across various industry verticals to lead continually by offering superior products, competitive pricing, and excellent customer service.

ASSET LIABILITY MANAGEMENT

LICHFL complies with "The Asset-Liability Management System for Housing Finance Companies – Guidelines" issued by the NHB. The Board has approved the Company's ALM policy, which outlines prudential gap limits, tolerance limits, and the reporting system. The ALM policy is reviewed periodically to integrate regulatory changes or adjust to the economic environment. The Asset Liability Committee (ALCO) evaluates ALM reports periodically and provides regular updates to the Board on ALM-related matters.

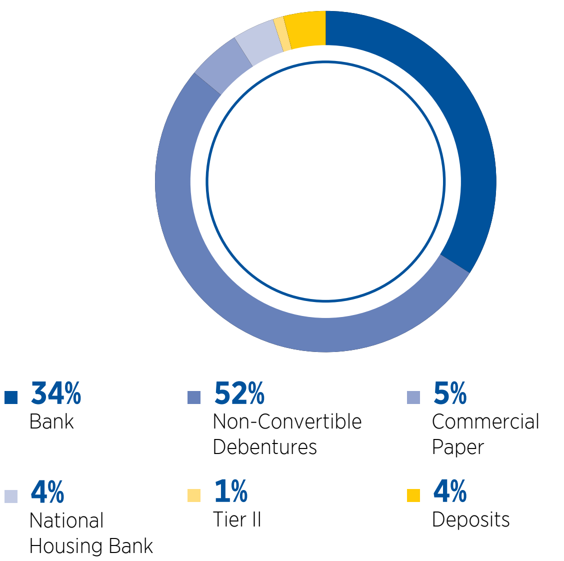
INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

Internal controls are crucial for promptly identifying and correcting operational irregularities while providing a consistent and accurate overview of the organisation's status. Effective internal controls ensure that transactions are properly authorised, recorded, and reported, and that assets are protected from unauthorised use or disposal. LICHFL has implemented an internal control system that suits its size and operations. The Company follows strict procedures, systems, policies, and processes to ensure that financial information is recorded accurately, assets are secured, fraud and errors are prevented, accounting records are complete, financial information is prepared promptly, and compliance with relevant regulations and laws is maintained. Regular internal inspections and audits ensure responsibilities are carried out effectively and on time. Management reviews internal audit reports and takes corrective actions to strengthen controls and improve existing systems. The Board's Audit Committee receives summaries of these reports and acts on them as needed.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE FINANCIAL / FUND MANAGEMENT

LICHFL takes ALM gaps, interest rate discrepancies, and market conditions into account while planning its borrowing strategy. LICHFL holds the highest ratings from CRISIL, CARE, and ICRA for its bank borrowings, non-convertible debentures, commercial paper (CP), and public deposit plans, enabling it to secure funding at competitive rates. The Company frequently reviews its prime lending rate, adjusting it to set a benchmark for asset pricing. The Company checks its cash position daily and invests excess funds in fixed deposits and overnight or liquid mutual fund schemes according to board-approved policies to prevent excess costs from idle cash.

Outstanding Borrowing: ₹ 2,53,030 crore



For FY 2023-24, Incremental Cost of funds was 7.76%.

STATEMENT OF COMPLIANCE

These Standalone Financial Statements were prepared by the Company using the historical cost method, apart from certain financial instruments. The financial statements include the Balance Sheet as of 31st March, 2024, the Statement of Profit and Loss, the Statement of Cash Flows, and the Statement of Changes in Equity for the year ended 31st March, 2024, as well as accounting policies and other explanatory information (collectively referred to as "Standalone Financial Statements" or "Financial Statements" below).

In an orderly transaction between market participants at the measurement date, fair value is the price that would be received upon the sale of an asset or paid to transfer a liability. The price does not need to be directly observable; it can also be estimated using another valuation technique. The Company considers an asset's or liability's characteristics when estimating an asset's or liability's fair value if market participants would consider those characteristics when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are classified into Level 1, Level 2, or Level 3, depending on how observable the inputs to the measurements are and how important those inputs are overall. These categories are described as follows:

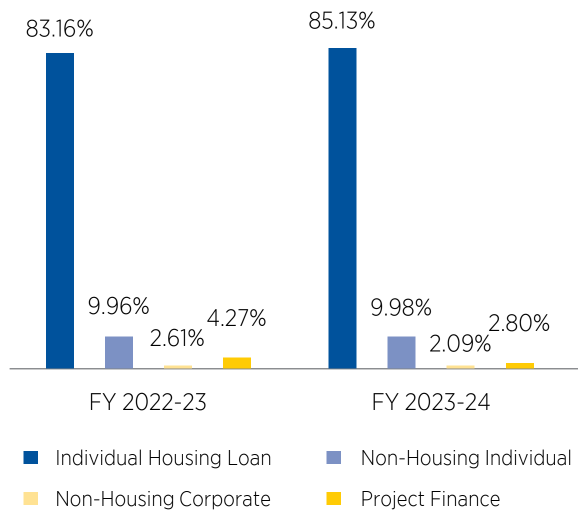
- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.
- The financial statements are only available in Indian Rupees (₹), and except when otherwise stated, all values are rounded to the nearest crore.

PERFORMANCE / OPERATION HIGHLIGHTS

Total disbursements for FY 2023-24 stood at ₹ 58,937 crore, as compared to ₹ 64,115 crore in the previous year. The total outstanding portfolio grew by 4.29%, from ₹ 2.75 lakh crore to ₹ 2.87 lakh crore. The Individual Housing Loan segment, the largest component of the total outstanding portfolio, increased by 6.77% year-on-year, from ₹ 2.29 lakh crore in FY 2022-23 to ₹ 2.44 lakh crore in FY 2023-24. The Non-Housing Individual Loan segment grew by 4.43% YoY, from ₹ 27,411 crore to ₹ 28,624 crore.

However, the Non-Housing Corporate Loan segment and Project Finance Loan segment saw declines in annual growth of 16.58% and 31.54%, respectively, during FY 2023-24.

Percentage Share of Outstanding loans during the last two years



Revenue from operations for FY 2023-24 reached ₹ 27,228.22 crore, up from ₹ 22,656.95 crore for FY 2022-23, representing a 20% increase. The net profit after taxes also grew, from ₹ 2,891.03 crore in the previous year to ₹ 4765.41 crore in FY 2023-24. The Net Interest Margin (NIM) for FY 2023-24 was 3.08%, compared to 2.41% for the previous year. Tax expenses for FY 2023-24 increased to ₹ 1288.51 crore, up from ₹ 665.97 crore the year before. The Net Interest Income (NII) increased by 36.66% to ₹ 8650.89 crore in FY 2023-24, from ₹ 6,330.26 crore in FY 2022-23. A dividend of 450%, amounting to about ₹ 9 per share, is proposed by the Board for FY 2023-24, and if approved by the shareholders dividend declared shall be ₹ 0.5 per share more than the dividend declared for the FY 2022-23.

During FY 2023-24, both the outstanding loan portfolio and the number of disbursements grew steadily. Additionally, the asset quality showed signs of stability and improvement. Various initiatives were undertaken and proposed during the year, such as opening new branches, forming clusters to improve turnaround time, and implementing SAP to streamline operations.

IMPAIRMENT ASSESSMENT

The Company applies general approach to provide for credit losses prescribed by Ind AS 109, which provides to recognise 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognise lifetime expected credit losses for financial instruments for which there has been significant increase in credit risk since initial recognition considering all reasonable present and forward looking information.

DEFINITION OF DEFAULT

The Company considers a financial instrument as defaulted when the borrower becomes 90 days past due on its contractual payments. Such instruments are considered as Stage 3 (credit-impaired) for ECL calculations.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue

Stage-wise Categorisation of Loan Assets

The Company classifies loan assets based on their Days Past Due status:

Stage 1 [0-30 days Past Due]: it represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. The Company uses the same criteria mentioned in the standard and assume that when the days past due exceeds '30 days', the risk of default has increased significantly. Therefore, for those loans for which the days past due is less than 30 days, one year default probability is used.

Stage 2 [31-90 days Past Due]: [31-90 days Past Due] The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset).

Stage 3 [More than 90 days Past Due]: The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. The Company use the same criteria mentioned in the standard and assume that when the days past due exceeds '90 days', the default has occurred.

Legislation like the SARFAESI Act allows the Company to use one of the most effective NPA recovery systems in its category. For certain financial instruments, detecting significant changes in credit risk before they become overdue can be challenging. However, for individual housing loans, the underlying security provides enough margin to absorb risks. The Company conducts a collective evaluation of significant increases in credit risk for individual housing loans by analysing data indicating major credit risk increases for categories of financial instruments.

LICHFL classifies financial instruments according to shared credit risk characteristics to evaluate credit risk increases and determine loss allowances collectively, enabling prompt detection of significant increases in credit risk. The Company doesn't have a history of loans transitioning from one rating to another over a sufficient time frame to generate a valid transition matrix. Instead, to determine the default rate, LICHFL used a transition matrix developed and published by a prominent Indian rating agency.

ECL MODEL AND ASSUMPTIONS CONSIDERED IN THE ECL MODEL

The Company has through its previous experience estimated the probability of default on loans. Thus, it is seen that receivable for an account moves through different delinquency stages every month. For example, an account in the "Regular" state this month will continue to be in the "Regular" state next month if a payment is made by the due date and will be in the "30 days past due" state if no payment is received during that month.

Further, focus is on maintaining the progression and timing of events in the path from "Regular" to "Defaulted". For example, an account in the "Regular" state doesn't suddenly become "Defaulted". Instead, an account must progress monthly from the "Regular" state to the "30 days past due" state to the "60 days past due" state and so on until foreclosure activities are completed and the collateral assets are sold to pay the outstanding debt.

The transition represents the period-by-period movement of receivables between delinquency classifications or states. The transition evaluates loan quality and loan collection practice. The loan portfolio for the past years is analysed to arrive at the transition matrix. Each loan is traced to find out how the loan has performed over such a period. The occurrences of every loan over the past years are considered to arrive at the total transitions happening from different buckets in the previous month to different buckets in the current month.

Probability of Default

Stage 1 – [No significant increase in credit risk]: the monthly transition matrix is converted into a 12-month transition matrix for determining the probability of default for those loan accounts on which the risk has not increased significantly from the time the loan is originated. The Company uses the same criteria mentioned in the standard and assume that when the days past due exceeds ‘30 days’, the risk of default has increased significantly. Therefore, for those loans for which the days past due is less than 30 days, one-year default probability is considered.

Stage 2 – [Significant increase in credit risk]: The credit risk is presumed to have increased significantly for loans that are more than 30 days past due and less than 90 days past due. For such loans, lifetime default probability is considered. Based on the maturity date of the loan, the probability of default is arrived at to determine the quantum of the loan that is likely to move into the buckets ‘90 days past due’ and greater. The monthly transition matrix is used to find out the transition matrix applicable for the loan considering the maturity date of such loan.

Stage 3 – [Defaulted loans]: As per the standard there is a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due unless an entity has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The definition of default used for these purposes shall be applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument. The Company assumed that the default has occurred when a loan moves into ‘90 days past due’ bucket.

When the loan moves from stage 3 to stage 2 / stage 1 or from stage 2 to stage 1, from an ECL computation perspective there is a curing period of one quarter on such loans.

Exposure at Default

The borrower’s ability to raise its exposure as it nears default as well as potential early repayments are both considered in the Exposure at Default (EAD), which represents the gross carrying value of the financial instruments subject to impairment calculation.

Probability of default of the loan that is likely to move into buckets 90 days past due and above over next 12 months. The PD is used to measure quantum of loan that is likely to move buckets 90 days past due and above over the remaining life of the loan.

Loss given Default

The loans are secured by adequate collateral. The present value of such collateral property is considered while calculating the Expected Credit Loss. The Company initiates the recovery process of non-performing accounts within the statutory time limit as per SARFAESI and other applicable laws and accordingly the realisable period has been considered for computing the Present Value of Collateral. The difference between present value of collateral and EAD is loss given default.

<table>
<tr><th rowspan="2">Lending Vertical</th><th colspan="3">PD</th><th rowspan="2">EAD</th><th rowspan="2">LGD</th></tr>
<tr><th>Stage 1</th><th>Stage 2</th><th>Stage 3</th></tr>
<tr><td>Home Loans</td><td colspan="2" rowspan="5">The Historical data is used for computing the probability of default. Forecasted PD is estimated based on multivariate regression methodology.</td><td rowspan="5">100%</td><td rowspan="5">EAD is the Net Present Value of the Contractual Cash-Flows discounted based on the Effective Interest Rate which would be the Principal Outstanding at the date of exposure. The undrawn loan commitments is considered as part of the EAD.</td><td rowspan="5">LGD is computed as (1 - Recovery Rate). The Recovery Rate is present value of collateral divided by the EAD. The value of collateral of each loan is computed separately.</td></tr>
<tr><td>Loan Against Property</td></tr>
<tr><td>Lease Rental Discounting</td></tr>
<tr><td>Developer Loans</td></tr>
<tr><td>Other Loans</td></tr>
</table>

Legislation like the SARFAESI Act allows the Company to use one of the most effective NPA recovery systems in its category. For certain financial instruments, detecting significant changes in credit risk before they become overdue can be challenging. However, for individual housing loans, the underlying security provides enough margin to absorb risks. The Company conducts a collective evaluation of significant increases in credit risk for individual housing loans by analysing data indicating major credit risk increases for categories of financial instruments.

LICHFL classifies financial instruments according to shared credit risk characteristics to evaluate credit risk increases and determine loss allowances collectively, enabling prompt detection of significant increases in credit risk.

INDIVIDUAL HOUSING LOANS

In FY 2023-24, LICHFL's Individual Housing Loan book accounted for 83.31% of the total disbursed loans. The individual home loan segment recorded disbursements of ₹ 49,103 crore in FY 2023-24, slightly down from ₹ 53,459 crore during the same period of the previous year.

NON-HOUSING INDIVIDUAL LOANS

In FY 2023-24, non-housing individual loans accounted for 11.32% of total disbursed loans. LICHFL disbursed approximately ₹ 6,671 crore in this category, compared to ₹ 7,459 crore in FY 2022-23. The total number of non-housing individual loans disbursed in FY 2023-24 was 26,195, compared to 31,975 loans in FY 2022-23.

NON-HOUSING CORPORATE LOANS

In FY 2023-24, non-housing corporate loans accounted for 1.02% of total disbursed loans. LICHFL disbursed approximately ₹ 603 crore in non-housing corporate loans in FY 2023-24, an increase from ₹ 500 crore in FY 2022-23. The total number of non-housing corporate loans in FY 2023-24 was 93, compared to 80 loans in the previous year.

PROJECT LOANS

In FY 2023-24, Project Finance loans accounted for 4.35% of total disbursed loans. Total disbursements for Project Loans in FY 2023-24 were ₹ 2,560 crore, as compared to ₹ 2,697 crore in the previous fiscal year.

Credit Quality Analysis – Classification on the basis of risk pattern (Collective and Individual Basis) (in ₹ crore)

Parameter	Stage 1		Stage 2		Stage 3		Total	
	Outstanding Balance	Impairment Loss	Outstanding Balance	Impairment Loss	Outstanding Balance	Impairment Loss	Outstanding Balance	Impairment Loss
As at 31st March, 2024	2,65,401.77	625.46	11,959.22	768.35	9,483.39	4,876.26	2,86,844.39	6,270.06
As at 31st March, 2023	2,48,839.34	677.73	14,083.07	1,171.32	12,124.74	5,381.22	2,75,047.15	7,230.27
As at 31st March, 2022	2,31,837.84	579.32	7,665.50	240.11	11,616.40	5,019.68	2,51,119.74	5,839.11

ECL MODEL AND ASSUMPTIONS CONSIDERED IN THE ECL MODEL

The Company has through its previous experience estimated the probability of default on loans. Thus, it is seen that receivable for an account moves through different delinquency stages every month. For example, an account in the "Regular" state this month will continue to be in the "Regular" state next month if a payment is made by the due date and will be in the "30 days past due" state if no payment is received during that month.

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MARKETING

LICHFL has established itself as a leading authority in the market and has one of India's largest marketing networks. In FY 2023-24, the Company implemented several transformational changes, including a new technology platform, SAP integration, restructuring the marketing setup with 46 new offices and 44 cluster offices, and enhancing the credit process with specialised credit appraisal clusters. As of 31st March, 2024, the Company's network includes 9 Regional Offices, 310 Marketing Offices, 23 Back Offices and 44 Cluster Offices to handle credit evaluation and administrative tasks, and a centralised Customer Service Point. LICHFL operates across more than 450 centers, providing extensive geographical coverage to meet customers' housing finance needs. The Company operates a representative office in Dubai to expand its global presence. LICHFL's priority has been to strengthen its distribution network through ongoing development efforts, enabling itself to expand its reach and better serve customers. The Company has brought together a strong team of Home Loan Agents, Direct Selling Agents, and Customer Relationship Associates to maintain close contact with end customers. Throughout the year, LICHFL promoted its products across various regions in India through a range of media, contributing to its marketing success.

RECOVERY MANAGEMENT

Gross NPAs totaled ₹ 9,483.39 crore as of 31st March, 2024, accounting for 3.31% of the Company's loan portfolio. This is a significant improvement over 31st March, 2023, when gross NPAs were ₹ 12,124.74 crore, or 4.41% of the loan portfolio. Net NPAs as of 31st March, 2024 were ₹ 4,607.13 crore, or 1.63% of the loan portfolio, compared to ₹ 6,743.52 crore, or 2.50%, a year earlier. Ind AS 109 governs the asset categorisation and provisioning for expected credit loss (ECL), and the ECL provisions were ₹ 6,270.06 crore as of 31st March, 2024, the same were ₹ 7,230.26 crore on 31st March, 2023. The Stage 3 Exposure at Default was 3.31% on 31st March, 2024, a decrease from 4.41% on 31st March, 2023.

The Company is committed to enhancing recovery rates by directing increased resources to its most critical business sector and intensifying its efforts. The Company's overall collection efficiency reached 91.89% in March 2024.

HUMAN RESOURCES DEVELOPMENT

LICHFL considers its human resources critical to the Company's growth and success. Overall the Human Resources department acts as a bridge between the employees and the organisation, ensuring a smooth workflow and effective resource management.

LICHFL is committed to maintaining a safe, inclusive, and productive work environment throughout its operations. The Company invests in employee welfare and professional development through a range of programs, including performance appraisals, learning management, talent management, and various internal and external training courses. LICHFL's human resource management practices create a work environment that promotes employee satisfaction, continuous motivation, and high retention rates. The Company regularly reviews its business and personnel policies to improve workplace practices. As of 31st March, 2024, LICHFL had 2,396 employees. The loan asset per employee was ₹ 119.72 crore, and the net profit per employee was ₹ 1.99 crore.

DISCLAIMER

This report contains "forward-looking statements" within the meaning of relevant laws, rules, and regulations. These statements describe the Company's goals, plans, estimates, and expectations. The Company disclaims all liability if actual results differ considerably from those projected due to changes in internal or external causes. These statements are based on various assumptions about anticipated future events.

BOARD'S REPORT

To the Members of LIC Housing Finance Limited

Your Directors are pleased to present the Thirty Fifth Annual Report together with the Audited Financial Statements (standalone and consolidated) for the year ended 31st March, 2024 of LIC Housing Finance Limited (**'the Company'**).

FINANCIAL RESULTS

(₹ in crore)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Profit before Tax	6,053.92	3,557.00
Tax Expense	1,288.51	665.97
Profit after Tax	4,765.41	2,891.03
Other Comprehensive Income	(3.57)	5.03
Total Comprehensive Income	**4,761.84**	**2,896.06**
Appropriations		
Special Reserve u/s 36(1)(viii) of the Income Tax Act,1961	1,309.99	984.99
Statutory Reserve u/s 29C of NHB Act,1987	0.01	0.01
General Reserve	1,000.00	850.00
Impairment Reserve	-	-
Dividend	467.55	467.55
Balance carried forward to next year	1,984.29	593.51
	4,761.84	**2,896.06**

The above figures are extracted from the financial statements prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under Sections 129 and 133 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act. The detailed Financial Statements as stated above are presented as separate section of this Annual Report.

APPROPRIATION

Transfer to Reserves

The Company has transferred ₹ 1309.99 crore to Special Reserve u/s 36(1)(viii) of the Income-tax, Act., 1961 excluding transfer of ₹ 0.01 crore to the Statutory Reserve maintained u/s 29C of NHB Act; and an amount of ₹ 1,000 crore to General Reserves.

Hence, the total amount transferred to special reserve is ₹ 1310 crore (including ₹ 0.01 crore to Statutory Reserve u/s 29C of NHB Act) and ₹ 1000 crore to General Reserves.

DIVIDEND

The Company has formulated a robust Dividend Distribution Policy in accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy aims to ensure prudent decision-making regarding dividend allocation to shareholders. It strikes a balance by earmarking adequate funds for the Company's growth and long-term objectives while judiciously distributing dividends. Before recommending dividends to the Members of the Company, the Board of Directors meticulously considers various parameters.

Performance and Dividend Recommendation for FY 2023-24

During the financial year 2023-2024, the Company's Board of Directors evaluated its performance. Balancing prudence with capital conservation, the Board aimed to meet shareholders' expectations. Taking into account the Dividend Distribution Policy and RBI Circular No. DOR.ACC.REC.No.23/21.02.067/2021-22 dated 24th June, 2021, the Board recommends a dividend payment of ₹ 9 per equity share (face value of ₹ 2/- per share) at a rate of 450 percent. The total dividend outgo, if approved by shareholders at the 35th Annual General Meeting, would be ₹ 495.06 crore which will result in additional outgo of ₹ 27.51 crore as compared to the payout for the previous year. The final dividend is subject to approval by the Members of the Company at the ensuing Annual General Meeting.

The dividend if declared by the Company for the financial year ended 31st March, 2024 would be in compliance with the Dividend Distribution Policy of the Company. The Dividend Distribution Policy is available on the website of the Company at https://www.lichousing.com/policy-codes/

INDIAN ACCOUNTING STANDARDS

The Company has complied with the applicable Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013. The financial statements for the year have been prepared in accordance with Schedule III to the Companies Act, 2013.

PERFORMANCE

Income and Profit

The Company earned total revenue of ₹ 27,234.64 crore for the FY 2023-24 as compared to ₹ 22,674.20 crore in the FY 2022-23, registering an increase of 20.11 percent, as compared to previous year. The percentage of administrative expenses to the housing loans, which was 0.36 percent in the previous year, has increased to 0.40 percent during the financial year 2023-24, mainly due to provisions made for arrears of wages created in the previous year which were included in employee benefits expenses.

Profit before tax and after tax for FY 2023-24 on standalone basis stood at ₹ 6,053.92 crore and ₹ 4,765.41 crore respectively as against ₹ 3,557.00 crore and ₹ 2,891.03 respectively, for the previous year. The increase in the profit before and after tax during the FY 2023-24 is attributable to increase in Net Interest Margin & reduction in ECL charge for the year.

Lending Operations

The Company is a Housing Finance Company registered with National Housing Bank (NHB) and is mainly engaged in financing purchase / construction of residential flats / houses to individuals and project finance to developers, Loan against Property (LAP), Lease Rental Discounting (LRD) etc. All other activities revolve around the main business of the Company.

As at 31st March, 2024 the loan book constituted of 85.13 per cent of Individual Housing Loans, 9.98 per cent of Non-Housing Loans to Individuals (NHI), 2.09 per cent of Non-Housing Loans to Corporates & 2.80 per cent of project portfolio. (As per IND-AS)

Individual Housing Loans (IHL)

During the year the main thrust continued to be on individual housing loans. The Company has sanctioned 1,84,377 Individual Housing Loans (IHL) amounting to ₹ 54,352 crore and disbursed 171,944 loans aggregating to ₹ 49,103 crore during FY 2023-24. IHL constitute 79.04 percent of the total sanctions and 83.31 percent of the total disbursements for the FY 2023-24 as compared to 82.92 percent and 83.38 percent respectively during the FY 2022-23. The gross IHL portfolio grew by 6.77 percent from ₹ 2,28,730 crore as on 31st March, 2023 to ₹ 2,44,205* crore as on 31st March, 2024.

Non-Housing Individual Loans (NHI)

The company has sanctioned 27,701 Non-Housing Individual Loans (NHI) amounting to ₹ 7,186 crore and disbursed 26,195 loans amounting to ₹ 6,671 crore during the FY 2023-24. NHI constitutes 10.45 percent of the total sanctions and 11.32 percent of the total disbursement for the FY 2023-24 as compared to 11.39 percent and 11.63 percent respectively during FY 2022-23. The gross NHI portfolio grew by 4.42 percent from ₹ 27,412 crore as on 31st March, 2023 to ₹ 28,624 crore as on 31st March, 2024.

Non-Housing Corporate (NHC)

The company has sanctioned 111 Non-Housing Corporate Loans (NHC) amounting to ₹ 665 crore and disbursed 93 loans amounting to ₹ 603 crore during the FY 2023-24. NHC constitute 0.97 percent of the total sanctions and 1.02 percent of the total disbursement for the FY 2023-24 as compared to 0.85 percent and 0.78 percent respectively during FY 2022-23 The gross NHC portfolio decreased by 16.57 percent from ₹ 7,168 crore as on 31st March, 2023 to ₹ 5,980 crore as on 31st March, 2024.

The cumulative sanctions and disbursements since incorporation, in respect of IHL, NHI and NHC are:

Amount sanctioned:	₹ 636,935 crore
Amount disbursed:	₹ 608,917 crore

Since inception 37,20,687 customers have been serviced by the Company up to 31st March, 2024. The number of live accounts on 31st March, 2024 were 15,47,688 and out of which unique customers are 11,83,515.

PROJECT LOANS

The project loans sanctioned and disbursed by the Company during the year amounted to ₹ 6,564 crore and ₹ 2,560 crore respectively. Corresponding figures for the previous year were ₹ 3,096 crore and ₹ 2,697 crore. These loans are generally for short durations, giving better yields as compared to individual housing loans.

AWARDS AND RECOGNITIONS

In the dynamic landscape of business, recognition serves as a compass, guiding us towards excellence. As we reflect on the past year, we take immense pride in the accolades bestowed upon us. From being named the "Best CSR Team of the Year" by the "UBS Forums" at the 10th Edition of CSR Summit and Awards 2024, our journey has been marked by triumphs and milestones. a testament to our commitment to transparency and accountability.

PRESENTING THE COMPANY'S OUTSTANDING AWARDS AND RECOGNITIONS FOR THE YEAR

- The Company has been awarded "Technology Innovation Award" in recognition of CSR support for the "Early Oral Cancer Detection Device" project undertaken by IIT Kanpur between FY 2021-20 and FY 2023-24 by IIT Madras.
- The Company has been awarded "Jury's Choice" award for Empowering the Rural Population Category in recognition of the HRIDAY Project at ICC Social Impact Awards 2024.
- Adjudged as the runner-up for the Sujalam Project in the "Clean Water and Sanitation Project".
- Adjudged as the Winner in the "Best CSR Team of the Year" and received recognition for the "Best Use of CSR Practices in Various Sectors" by UBS Forums' 10th Edition CSR Summit and Awards 2024.

These honours fuel our passion to continue pushing boundaries and delivering exceptional value to our stakeholders.

MARKETING AND DISTRIBUTION

During the year under review, efforts were taken to further strengthen the distribution network. The distribution network of the Company consists of 310 Marketing Offices and Customer Service Points. The distribution network also includes 46 offices of LICHFL Financial Services Ltd., wholly-owned subsidiary company engaged in distribution of various financial products including housing loan. The Company has representative offices in Dubai.

REPAYMENTS

During the FY 2023-24, ₹ 45,530.35 crore were received by way of scheduled repayment of principal through monthly instalments as well as prepayment of principal ahead of schedule, as compared to ₹ 38,778.33 crore received in the previous year.

NON-PERFORMING ASSETS AND PROVISIONS

The amount of gross Non-Performing Assets (NPAs) as of 31st March, 2024 were ₹ 9,483.39 crore, which is 3.31 percent of the loan portfolio of the Company, as against ₹ 12,124.74 crore i.e., 4.41 percent of the loan portfolio as of 31st March, 2023. The net NPA as of 31st March, 2024 was ₹ 4607.13 crore i.e. 1.63 percent of the loan portfolio vis-à-vis ₹ 6,743.52 crore i.e. 2.50 percent of the loan portfolio as at 31st March, 2023. The total cumulative provision towards housing loan portfolio including provision for standard assets as at 31st March, 2024 is ₹ 6,270.06 crore as against ₹ 7,230.29 crore in the previous year.

Company has written off ₹ 2,005.62 crore during the FY 2023-24, in comparison to the amount of ₹ 544.71 crore which has been written off in the previous year.

RESOURCE MOBILISATION

During the year, the Company mobilised funds aggregating to ₹ 96,647.60 crore by way of the Non-Convertible Debentures (NCD), Term Loans / Line of Credit (LoC) / Working Capital Demand Loan (WCDL) from Banks, NHB refinance, Commercial Paper and Public Deposits. The Company has availed refinance of ₹ 750 crore from NHB. The following is a brief about the various sources of funds mobilised during FY 2023-24:

NON-CONVERTIBLE DEBENTURES (NCD)

During the year, the Company issued NCDs amounting to ₹ 32,506.30 crore on a private placement basis which have been listed on Wholesale Debt Segment of National Stock Exchange of India Ltd. The NCDs have been assigned highest rating of 'CRISIL AAA/Stable' by CRISIL & 'CARE AAA/Stable' by CARE. As at 31st March, 2024, NCDs amounting to ₹ 1,32,808.62 crore were outstanding. The Company has been regular in making repayment of principal and payment of interest on the NCDs.

As at 31st March, 2024, there were no NCDs that have not been claimed by the Investors or not paid by the Company after the date on which the said NCDs became due for redemption. Accordingly, the amount of NCDs remaining unclaimed or unpaid beyond due date is Nil.

TIER II BONDS

As at 31st March, 2024, the outstanding Tier II Bonds stood at ₹ 1,796.33 crore. Considering the balance term of maturity as at 31st March, 2024, ₹ 1,796.33 crore of the book value of Tier II Bonds is considered as Tier II Capital as per the Guidelines issued by NHB for the purpose of Capital Adequacy.

TERM LOANS FROM BANK / LOC / WCDL, REFINANCE FROM NHB / COMMERCIAL PAPER

The total Term / LOC outstanding from the Banks as at 31st March, 2024 were ₹ 87,272.11 crore as compared to ₹ 83,089.07 crore as at 31st March, 2023. The Refinance from NHB as at 31st March, 2024 stood at ₹ 8,864.47 crore as against ₹ 11,303.18 crore as at 31st March, 2023. During the year, the Company has availed ₹ 750 crore Refinance from NHB under various refinance schemes. As at 31st March, 2024, Commercial Paper amounting to ₹ 11,856.70 crore were outstanding as compared to ₹ 13,513.59 crore for corresponding previous year. During the year 2023-24, the Company issued Commercial Paper amounting to ₹ 13,852.04 crore from market as compared to ₹ 17,668.89 crore for the previous year.

The Company's long term loan facilities have been assigned the highest rating of 'CRISIL AAA/STABLE' and short-term loan has been assigned rating of 'CRISIL A1+ & ICRA A1+' signifying highest safety for timely servicing of debt obligations.

FIXED DEPOSITS (INCLUDING PUBLIC DEPOSIT)

As at 31st March, 2024, the outstanding amount on account of Public Deposits was ₹ 3,949.81 crore as against ₹ 3,505.27 crore in the previous year and outstanding amount on account of Corporate Deposits was ₹ 5,948.75 crore as against ₹ 8,120.94 crore in the previous year. During FY 2023-24, the number of deposits from the public has increased from 21197 to 22377 and for Corporate Deposits the same number has reduced from 1180 to 1032.

₹ 1,871.17 crore has been collected as Public Deposits while ₹ 5,141.59 crore was collected as Corporate Deposits. Total aggregate amount collected was ₹ 7,012.76 crore.

CRISIL has, for the Seventeenth consecutive year, re-affirmed a rating of "CRISIL AAA/Stable" for the Company's deposits which indicates highest degree of safety regarding timely servicing of financial obligations and carries the lowest credit risk.

The support of the agents and their commitment to the Company has been vital in mobilisation of deposits and making the product a preferred investment avenue for individual households and others.

TRANSFER OF UNCLAIMED DIVIDEND / DEPOSITS AND SHARES TO INVESTOR EDUCATION & PROTECTION FUND (IEPF)

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, rules made thereunder and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto, the amount of dividend / deposits remaining unclaimed for a period of seven years from the date of transfer to unpaid dividend account are required to be transferred to IEPF as constituted by the Central Government. Further, as per the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules 2016, the shares in respect of which the dividend has not been claimed for seven consecutive years are required to be transferred by the Company to the designated demat account of the IEPF Authority. The details of the unclaimed dividend/deposits and the shares transferred to the IEPF, are uploaded on the website of the Company, as per the requirements. Link for the same is https://www.lichousing.com/investors-education.

UNPAID/UNCLAIMED DIVIDEND

During the financial year under review, after giving due notice to the members, your Company has transferred unclaimed dividend of ₹ 1.20 crore pertaining to the financial year 2015-16 to the IEPF, upon expiry of seven years from the date of transfer to unpaid dividend account.

TRANSFER OF SHARES TO IEPF

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the Rules made thereunder, the Company has transferred in aggregate 1,25,600 equity shares of ₹ 2/- each to IEPF in respect of which the dividend remained unclaimed for a period of seven consecutive years i.e., from 2015-16 till the due date of 29th September, 2023 in respect of which, individual notices had also been sent to concerned Shareholders.

UNCLAIMED DEPOSITS

424 Nos. of Fixed deposits amounting to ₹ 80.91 crore (out of which 369 are public deposits amounting to ₹ 17.38 crore) which were due for repayment on or before 31st March, 2024 were not claimed by the depositors. Since then, 89 depositors have claimed or renewed deposits of ₹ 49.36 crore (out of which 63 are public deposits amounting to ₹ 11.26 crore) as on 30th June,2024. Depositors were appropriately intimated for renewal / claim of their deposits. Further, adequate follow-up is initiated in respect of those cases where Fixed deposits are lying unclaimed.

As per the provisions of Section 125 of the Companies Act, 2013, deposits and interest thereon remaining unclaimed for a period of seven years from the date they became due for payment have to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, accordingly, as on 30th June,2024 ₹ 3.31 lakh against unclaimed Principal and ₹ 5.15 lakh against unclaimed interest on deposits has been transferred to IEPF. Concerned depositors can claim their refunds from the IEPF authority.

Being a housing finance company registered with the National Housing Bank established under the National Housing Bank Act, 1987, the disclosures as per Rule 8(5)(v) &(vi) of the Companies (Accounts) Rules, 2014 read with section 73 and 74 of the Companies Act, 2013 are not applicable to the Company.

Any person who is entitled to claim unclaimed dividend or deposits etc. which have been transferred to IEPF, can claim the same by making an application directly to IEPF in the prescribed form under the IEPF Rules which is available on the website of IEPF i.e., www.iepf.gov.in.

REGULATORY COMPLIANCE

Following the amendment in the Finance Act of 2019 and the subsequent notification by the Reserve Bank of India (RBI) in August 2019, Housing Finance Companies (HFCs) are now categorised as Non-Banking Financial Companies (NBFCs) for regulatory purposes. Consequently, they fall under the direct oversight of the RBI. However, the National Housing Bank (NHB) continues to supervise HFCs. In this context, the Master Direction titled 'Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021' was issued on 17th February, 2021, superseding the regulations and directions previously outlined in Chapter XVII.

The Company diligently adheres to guidelines, circulars and directions issued by the RBI/NHB, from time to time. The Company has complied with the following regulatory frameworks:

- Master Direction-Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 - Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023

Additionally, the Company has followed the directions and guidelines prescribed by the RBI. These encompass various aspects, including acceptance of deposits, accounting standards, prudential norms, capital adequacy, credit rating, corporate governance, liquidity management, information technology framework, fair practice code, fraud monitoring, concentration of investments, risk management, capital market exposure norms, Know Your Customer (KYC) guidelines, maintenance of liquidity coverage ratio, and anti-money laundering measures.

Your Company has been maintaining capital adequacy ratio as prescribed by the RBI. The capital adequacy ratio was 20.78 percent as at 31st March, 2024, as against 18.23 percent as at 31st March, 2023 (as against the regulatory minimum of 15 percent).

The Company also has been following Directions / Guidelines / Circulars issued by SEBI, MCA, NHB and RBI from time to time, as applicable to a Listed Company. Regulatory and statutory updates are regularly presented before the Board, and the Company has established robust systems and processes to ensure compliance with these requirements.

As per the requirements of the RBI's Scale Based Regulations, the Internal Capital Adequacy Assessment Procedure (ICAAP) is being implemented and the ICAAP policy has been approved by the Board of Directors of the Company on 7th March, 2024 and the ICAAP implementation would be completed on or before 30th September, 2024.

POLICIES AND CODES

During the year, the Company has reviewed all its policies and modifications therein as required in terms of provisions of the Act, RBI Directions, Listing Regulations and Insider Trading Regulations issued by the SEBI and placed all the statutory policies on its website at https://www.lichousing.com/policy-codes/

DISCLOSURE UNDER HOUSING FINANCE COMPANIES FOR ISSUANCE OF NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS (NHB) DIRECTIONS, 2014 READ WITH MASTER DIRECTION – NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021.

During the financial year under review, the Non-Convertible Debentures issued on private placement basis, were repaid / redeemed by the Company on their respective due dates and there were no instances of any Non-Convertible Debentures which have not been claimed by the investors or not paid by the Company after the date on which the Non-Convertible Debentures became due for redemption.

AUDITORS, AUDIT REPORTS AND OBSERVATIONS

Statutory Audit

As per the guidelines for appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by the RBI vide ref. no. DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated 27th April, 2021, the Company is required to appoint the statutory auditors for a continuous period of three years, subject to the firms satisfying the eligibility norms (to be confirmed by the firms in Form B) each year and also to inform RBI (i.e. Central Office of RBI (Department of Supervision)) about the appointment of SCAs/SAs for each year by way of a certificate in Form A within one month of such appointment.

Accordingly, the Company has appointed the following statutory auditors:

M/s. SGCO & CO LLP, Chartered Accountants (Firm Registration No.: 112081W/W100184) and

M/s. Khandelwal Jain & Co, Chartered Accountants (Firm Registration No.: 105049W)

These auditors will serve as Joint Statutory Auditors (JSAs) for a term of three consecutive years. The appointment was made at the Thirty-Third Annual General Meeting held on 29th September, 2022 and will continue until the conclusion of the Thirty-Sixth Annual General Meeting in the year 2025. The Company has also communicated the above appointment to the National Housing Bank (NHB), RBI, and the Ministry of Corporate Affairs (MCA).

The Joint Statutory Auditors have conducted the audit of the standalone and consolidated Financial Statements of the Company for the FY 2023-24 in accordance with the Standards on Auditing specified under sub-section (10) of section 143 of the Companies Act, 2013. The Auditors' Report for FY 2023-24 does not contain any qualification, reservation or adverse remark on the financial statements for the year ended 31st March, 2024. The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Joint Statutory Auditors' Report dated 15th May, 2024 for the financial year 2023-24 is enclosed with the financial statements in this Annual Report.

INTERNAL AUDIT

Internal Audit, Auditor and Audit Report

The Reserve Bank of India (RBI) has issued Circular No. RBI/2021-22/53-DoS. CO. PPG.SEC/03/11.01.005/2021-22 dated 11th June, 2021, making the Risk-Based Internal Audit (RBIA) Framework applicable to our Company. As per the provisions of this circular, the Company was required to establish an RBIA framework by 30th June, 2022. We are pleased to report that the Company has in place an RBIA policy in accordance with the aforementioned circular.

Internal Audit of Back Offices

The Company has established an in-house mechanism for conducting internal audits of all its back offices, which serve as nodal offices responsible for accounting, sanction, and disbursement functions. These audits are carried out by teams of in-house officials from the audit department. To facilitate this process, the Company maintains a comprehensive checklist/ questionnaire, which is regularly updated. The in-house internal audit teams submit quarterly reports for the back offices assigned to them. These reports undergo periodic review by the Internal Audit Committee at the Corporate Office—a management-level committee. Detailed deliberations occur regarding key points raised in the Internal Audit Reports, and the same points are also presented to the Audit Committee of the Board for their information and guidance.

Internal Audit of Corporate Office

The Company has established an in-house mechanism for conducting internal audits of the Corporate Office. Starting from FY 2023-24, these audits are conducted by in-house officials from the audit department, except for specific areas that require specialised domain expertise. In such cases, we engage external experts. Notably, M/s. SK Patodia & Co., Chartered Accountants, and M/s. CNK & Associates, Chartered Accountants, were appointed as experts with the approval of the Audit Committee.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. BNP & Associates, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year 2023-24.

M/s. BNP & Associates diligently undertook the Secretarial Audit during the said financial year. We are pleased to report that the Secretarial Auditor's Report for the financial year 2023-24 contains no qualifications, reservations, or adverse remarks. The detailed Secretarial Audit Report in Form MR-3 is annexed to this report as Annexure-5.

Cost Records and Cost Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable in relation to the business activities carried out by the Company.

CORPORATE GOVERNANCE

Your Company remains committed to upholding the principles of good Corporate Governance. The Board of Directors continues to endorse the fundamental tenets of transparency, accountability, and integrity. The report on Corporate Governance is appended as a separate section in this Annual Report. In this year's report, we provide detailed insights into our corporate governance practices, including our code of governance, board composition, appointment procedures, membership criteria, declarations by Independent Directors, board evaluations, familiarisation programs, and our vigil mechanism etc.

A certificate from M/s. BNP & Associates, Practicing Company Secretaries, Mumbai (UIN: F005578F000777162), regarding compliance of the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the Corporate Governance Report, and the same does not contain any qualification, reservation or adverse remarks.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING BY LISTED ENTITIES

The Securities and Exchange Board of India (SEBI) has introduced revised requirements for sustainability reporting by listed entities with the new reporting format being called the "Business Responsibility and Sustainability Report" (BRSR) Core with effect from the financial year 2023 -2024, which is mandatory for the top 1000 listed companies ranked by market capitalisation at the end of the preceding financial year.

The Company has designated the ESG Committee of the Board to oversee the implementation of the Principles and Policies of Business Responsibility and Sustainability Report in the Company and delegated the powers to the ESG Committee to perform all the acts, deeds and things for implementation of the same. BRSR for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

From the financial year 2024-25 the top 250 listed companies (by market capitalisation) are required to obtain reasonable assurance / assessment on their BRSR Core disclosures. Further from financial year 2024-25 the BRSR Core shall also call for disclosures and assurance of ESG parameters for the Value Chain Partners of the top 250 listed companies (by market capitalisation). In this regard the Company is in the process of putting in place all the necessary arrangements to ensure compliance with these requirements.

DEPOSITORY SYSTEM

To facilitate the transaction of the Company's shares in dematerialised form, the Company has entered into an agreement with Central Depository Services (India) Ltd. (CDSL) and National Securities Depository Ltd. (NSDL). The shareholders have the flexibility to choose their Depository Participant. As at 31st March, 2024, 3755 members of the Company continue to hold shares in physical form. As per the SEBI circulars, the Company's shares must be transacted in dematerialised form and therefore, the members are requested to convert their physical holdings to dematerialised form. For assistance in this process, members may contact the R&T Agent. Notably, NSDL serves as the designated depository for various SEBI compliance purposes.

OUTLOOK FOR FY 2024-25

During the FY 2024-25 the focus, resources and logistics of the Company would be directed towards the following activities:

- Continuing to meet the housing needs of individuals and contributing to the overall growth and development of the nation
- Eyeing growth in retail book and ramping up Affordable Housing book for addressing the needs of the bottom of the pyramid
- Growing portfolio and increasing the share of high-margin products – Non-Core products and Griha Suvidha
- Tapping into newer markets not presently covered by recruiting marketing intermediaries/connectors and holding camp offices
- Continuing to further transformation-led initiatives, including Project RED that is helping drive automation in processing leading to improvement in turn-around time
- Streamlining customer acquisition, enhancing the efficiency of loan servicing, simplifying the application processes and improve access to financing solutions and bolstering the overall demand for housing units
- Adopting digital transformation processes to bring personalisation in customer servicing and enhancing customer experience throughout loan journey

  a. Strengthening digital processes through e-appraisal and PLO

  b. Making HomY app more effective and easing customer onboarding

  c. Maximising digital onboarding go more than 50% (including HomY)

  d. Making use of data and analytics for segment driven customer acquisition

  e. Increasing the use of cloud-based office automation and collaboration tool

  f. Modernising technology in line with growing business needs and automation

- Solidifying the base of Direct Marketing Executive (DME) / Direct Marketing Intermediaries (DMIs) Channel by recruiting new market intermediaries and individuals and increasing business share of business from this channel; increasing the emphasis on marketing activities in smart cities to increase business share
- Cross-selling insurance products by exploring the role of corporate agency and earning fee-based income
- Explore strategic tie-ups which may increase customer touchpoints and also enable LIC HFL to offer value-added services
- Increasing presence in social media and augmenting about customer engagement programs to increase brand visibility
- Reaching out to new customers through differentiated products backed by mortgage insurance cover to improve yields
- Shrinking the share of Project Loans and moving to high-yielding segments
- Customising products to tap into niche segments like HNI and Millennials/Gen Z segments of customers
- Assessing Risk-Reward relationship in credit decision making in view of the overall profitability

MANAGEMENT PERSPECTIVE ABOUT FUTURE OF THE COMPANY

The outlook looks optimistic, driven by favourable macro-economic conditions, ongoing industry trends and strategic initiatives and technological upgrades completed in FY 2023-24. The Company is positioning to capture growth opportunities while navigating potential challenges. Building on our strong foundation and legacy, the Company is committed to expanding market presence and enhancing service offerings to meet the evolving needs of our customers.

The economic environment is expected to be conducive to growth in the housing finance sector. The projection of GDP growth and stable interest regime sets a conducive backdrop for real estate sector and housing finance, in particular. Additionally, continued government focus on affordable housing, as evidenced by announcement for 3 crore homes under the Pradhan Mantri Awas Yojana (PMAY), will provide a strong impetus for growth in this segment. LICHFL plans to increase its affordable housing portfolio from 10% to 25% over the next two/three years. This shift is expected to tap into the rising demand in tier-2 and tier-3 cities. The Company's product offerings will meet diverse customer needs, including loans against property.

The key drivers to the Company's growth strategies will be the emerging opportunities in residential space and commercial realty like office building. Apart from loans to individuals, the Company is planning to increase the share of loans to builders and developers. LICHFL will capitalise to increase its share through diverse loan products, increase the Company's footprints through augmentation of distribution network and deepen our presence in the markets where we serve. The Company will on continuous basis enhance risk management frameworks that will safeguard against potential market and credit risks. The Company plans a loan book growth of 12 to 15% for FY 2024-25.

The Company's ongoing digital transformation will enhance customer experience and operational efficiency which will help us to manage costs effectively. Continued investment in digital transformation and technology upgradation are critical focus areas. This includes the introduction of digital platforms for loan applications and leveraging our HomY app for streamlining loan application processes and reducing turnaround time. Improving service standards through digital transformation is a priority. The Company's priority is to enhance customer satisfaction and retention.

The Company is also exploring green financing options, including the issuance of green bonds to support environmentally sustainable housing projects. Aligning with global sustainability trends, the Company is committed to green financing, which will not only diversify its funding sources but also promote eco-friendly housing solutions.

FY 2024-25 is set to be a year of significant growth and transformation for the Company. The Company is confident in its strategic direction and committed to achieving its financial and operational goals. The Company is confident of receiving the continued support of all its stakeholders.

The Company continues to churn its borrowings to maintain lower borrowing cost and to positively impact Net Interest Margin (NIM). Through constant review and upgradation of compliance initiatives, it endeavours to put in place the best corporate governance practices.

COMPLIANCE UNDER COMPANIES ACT, 2013

Pursuant to section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company has diligently fulfilled its compliance requirements. The specific details of compliances under Companies Act, 2013 are as follows:

ANNUAL RETURN

In accordance with Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on 31st March, 2024 is available on the website of the Company in the following link (Please download the document and then try to view):

https://www.lichousing.com/annual-report-companies-act

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Joint Statutory Auditors nor the Secretarial Auditors have reported any instances of fraud committed against the Company by its officers or employees, as required by Section 143(12) of the Companies Act, 2013.

SECRETARIAL STANDARDS

The Company strictly adheres to all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

RATING RATIONALE

CRISIL had reaffirmed its outstanding rating as 'CRISIL AAA/ Stable' rating to the non-convertible debentures issue of LIC Housing Finance Limited and has also reaffirmed its 'CRISIL AAA/Stable/CRISIL A1+' ratings on other debt instruments, bank facilities and fixed deposit programme of the company.

Total Bank Loan Facilities Rated	₹ 1,30,085.88 crore
Long Term Rating	CRISIL AAA/Stable (Reaffirmed)
Short Term Rating	CRISIL A1+ (Reaffirmed)
₹ 45,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Assigned)
₹ 30,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Assigned)
₹ 6,929 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 11,705 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 199 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 15,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 15,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 15,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 5,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 10,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 15,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 25,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 25,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 25,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 25,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 25,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 5,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 5,976 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 20,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 4,750 crore Tier II Bond	CRISIL AAA/Stable (Reaffirmed)
Fixed Deposits Programme	CRISIL AAA/Stable (Reaffirmed)
₹ 17,500 crore Commercial Paper	CRISIL A1+ (Reaffirmed)

CARE had reaffirmed its outstanding rating as 'CARE AAA/ Stable' rating to the non-convertible debentures and Tier II Bond issue of LIC Housing Finance Limited.

₹ 40,000 crore Non-Convertible Debentures	CARE AAA / Stable (Assigned)
₹ 2,53,441 crore Non-Convertible Debentures	CARE AAA / Stable (Reaffirmed)
₹ 3,000 crore Tier II Bond	CARE AAA / Stable (Reaffirmed)

ICRA Limited had reaffirmed ICRA A1+ rating to the ₹ 17,500 crore commercial paper issue of LIC Housing Finance Limited and has reaffirmed its ICRA A1+ which is one notch higher than [ICRA]A1.

BOARD MEETINGS HELD DURING THE YEAR

During the year under review, **Seven (7) Board meetings** were convened. Detailed information on these Board meetings as well as meetings of several Committees set up by the Board, their composition and attendance record of the members of respective Committees is included in the Report on Corporate Governance which forms integral part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind As) under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values. The Company adheres to the provisions of the Companies Act, 2013 (to the extent modified), guidelines issued by SEBI, and guidelines issued by the National Housing Bank (NHB) and the Reserve Bank of India (RBI) (collectively referred to as 'the Previous GAAP') in preparation of the financial statements.

The Ind AS are prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India. Accounting policies have been consistently applied. Wherever applicable, newly issued accounting standards or revisions to existing standards have been duly incorporated into the accounting policies hitherto in use.

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013, and based on the information provided by the management, your Directors state that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;

(b) the Directors had 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 31st March, 2024 and of the profit of the Company for the year ended on that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively. Note on internal financial control is attached as **Annexure 1** to this Report and

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023-24.

STATEMENT ON DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013. These declarations confirm that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA

The Company endeavours to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. As of 31st March, 2024, the Board comprises of Thirteen (13) members as under:

One (1) Executive Director and two (2) Non-Executive Nominee Directors nominated by LIC of India ('The Promoter'), being the Managing Director & CEO, the Chairman and the Non-Executive Director, Two (2) Non-Executive and Non-Independent Directors. Eight (8) Non-Executive Independent Directors, including one Independent woman director.

The Nomination and Remuneration Committee had laid down Criteria for determining Director's Qualification, positive attributes and independence of a Director, remuneration of Directors, Key Managerial Personnel and also criteria for evaluation of Directors, Chairperson, Non-Executive Directors and Board as a whole and also the evaluation process of the same which is approved by the Board of Directors.

The performance of the members of the Board, and the Board as a whole were evaluated at the meeting of Independent Directors held on 7th March, 2024.

We affirm that except Nominee Directors (Chairman, LIC Director, Managing Director & CEO and COO*), sitting fees is paid to all the other Directors for Board and Committee Meetings attended by them. However, the Managing Director & CEO and COO* are being paid remuneration as applicable to an Officer in the cadre of Zonal Manager of LIC of India and PLI as per the terms laid out in the Nomination and Remuneration Policy of the Company. The remuneration payable to them has been duly approved by the Board as also by the shareholders of the Company.

(*) Shri Ashwani Ghai ceased to be the Whole Time Director and COO of the Company on account of his transfer as Additional Director to MDC Mumbai by LIC India with effect from 13th June, 2023.

(#) Shri Yerur Viswanatha Gowd ceased to be the Managing Director and CEO of the Company on account of his superannuation from LIC of India w.e.f 31st July, 2024.

(**) Shri T Adhikari was appointed as the Managing Director & CEO of the Company by the Board w.e.f. 3rd August, 2023 and the appointment was regularised by the members on 28th August, 2023.

(^)Shri Ramesh Lakshman Adige was appointed as an Independent Director w.e.f. 1st September, 2023 by the shareholders through postal ballot on 27th October, 2023.

QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY JOINT STATUTORY AUDITORS AND SECRETARIAL AUDITOR

There are no observations, qualifications, reservations or adverse remarks in the Joint Statutory Auditors' Report dated 15th May, 2024 for the financial year 2023-24.

The management accepts responsibility for establishing and maintaining internal controls and has evaluated the effectiveness of the internal control system of the Company details of which have been disclosed to the Auditors and the Audit Committee, the deficiencies, of which the management is aware of, in the design or operation of the internal control systems and has accordingly taken the steps to rectify these deficiencies.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11) of the Companies Act, 2013, details of loans made, guarantee given, or security provided by the HFC in the ordinary course of its business are exempted from disclosure in the Annual Report to the members.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO SECTION IN 188(1) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(2) OF COMPANIES (ACCOUNTS) RULES, 2014

Considering the nature of the industry in which the Company operates, all Related Party Transactions that were entered during the financial year were in the ordinary course of the business of the Company and were on an arm's length basis. There were no materially significant related party transactions which were entered into by the Company with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company. All such Related Party Transactions are placed before the Audit committee and Board of Directors for approval, wherever applicable. Prior omnibus approval as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also obtained from Audit Committee for the Related Party Transactions which are of repetitive nature as well as in the ordinary course of business.

The Related Party Transactions Policy and Procedures, as amended from time to time, as reviewed by the Audit Committee and approved by Board of Directors is uploaded on the website of the Company at https://www.lichousing.com/policy-codes.

The particulars of contracts or arrangements with the 'Related Parties' referred to in sub-section (1) of Section 188 of the Act, are furnished in **Note No. 48** of the Notes forming part of the Standalone Financial Statements and **Note No. 49** of the Notes forming part of the Consolidated Financial Statements for FY 2023-24, forming a part of the Annual Report. This apart, the same is also referred to in **Annexure - 3** which forms an integral part of the Board's Report.

Form AOC-2 pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure - 2** to this report.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company i.e. 31st March, 2024 and the date of the Board's Report i.e. 18th July, 2024.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company is engaged in financial services activities, its operations are not energy intensive nor does it require adoption of specific technology and hence information in terms of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is not provided in this Board's Report.

A. Technology absorption

(i) Company has implemented CFSS (Core Financial Services Solution) to enable digital lending and with the help of various 3rd party tools the processes of KYC, verification, employment analysis, bank statements analysis has been automated. The company has leveraged various fintech solution improve overall credit assessment process. The company has also implemented SAP for GL & financial accounting to standardise its processes. The various digital enhancements involve Homy app is being made available for deposits customers also. Other implementations include: Other implementations include:

- Digitisation of all legacy documents
- Customer servicing using digital channels like Bots, WhatsApp etc.
- Deposits automation and customer service through Homy app.
- Compliance to regulatory framework like AML & KYC

(ii) The benefits derived like product improvement, efforts to reduce cost of fund, product development or import substitution – The benefits are mainly towards:

- Reduced TAT for customer onboarding
- Digital lending and STP process
- Phygital journey enables lesser paper consumption
- Online payment services

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of financial year)- Not applicable.

(a) The details of technology imported – Not applicable.

(b) The year of import – Not applicable.

(c) Whether the technology has been fully absorbed – Not applicable

(d) If not fully absorbed areas where absorption has not taken place and the reason thereof – Not applicable

(iv) The expenditure incurred on Research and Development – Not applicable

B. Foreign Exchange Earnings and Outgo

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows.

During the year ended 31st March, 2024, the Company does not have any foreign exchange earnings and

Following were the foreign exchange outgo transactions during the year:

1. A total of ₹ 1.65 crore outgo with respect to Operating Expenses of Overseas Area Offices.

2. The Company had listed its Global Depository Receipts at the Luxemburg Stock Exchange on 8th September, 2004

and in this regard M/s Bank of New York were appointed as depository/ listing agent. During the year, the Board had approved the voluntary delisting of the GDRs and terminating the listing agreement with BNY on account of continuing listing not being sustainable with only 992 units of GDR remained outstanding. Accordingly, the Company has paid ₹ 0.92 Lacs to M/s Bank of New York towards fees for termination of agreement. The Company has delisted its Global Depository receipts form the Luxembourg Stock Exchange with effect from 25th March, 2024.

The above transactions do not include foreign currency cash flows in derivatives.

RISK MANAGEMENT POLICY OF THE COMPANY

The Board of Directors of the Company has constituted a Risk Management Committee which is responsible for framing, implementing, monitoring, and reviewing the risk management policy. The committee also assesses the current status of risk limits specified in the policy and reports to the Board. Under the risk management mechanism, the Company identifies and evaluates the risks it faces. For each identified risk, corresponding controls are assessed, and policies and procedures are in place for ensuring ongoing monitoring, mitigation, and reporting.

The Board affirms that none of the risks faced by the Company pose a threat to its existence. Additionally, the Company has appointed Mr. J Sangameswar as the Chief Risk Officer, effective from 1st May, 2023, replacing Mr. K Ramesh.

The Company maintains a robust Risk Management Policy. During the financial year under review, the Risk Management Policy of the Company was reviewed and put up to the Board of Directors. The same was approved in the Board Meeting dated 7th March, 2024.

REMUNERATION POLICY

The Company has framed the Remuneration Policy in order to align itself with various provisions under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI Circular DOR.GOV.REC.No.29/18.10.002/2022-23 dated 29th April, 2022. The Policy was last reviewed by the Board on 7th March, 2024.

The Remuneration policy relating to the remuneration of Directors, Key Managerial Personnel and other employees is as below:

REMUNERATION TO NON-EXECUTIVE DIRECTORS

The Non-Executive Directors would be paid such amount of sitting fees as decided by the Board from time to time for every Board and Committee Meeting, they attend. Apart from sitting fees no other remuneration / commission would be payable to them.

In future, if Company decides to pay any remuneration / commission to Non–Executive Independent Directors, then the same will be in compliance with the Companies Act, 2013 and Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

REMUNERATION TO NON-EXECUTIVE NOMINEE DIRECTORS

The Non-Executive Nominee Directors would not be paid any sitting fees for the Board and Committee Meetings they attend. The Non-Executive Nominee Directors are not paid any salary and / or other benefits by the Company.

REMUNERATION TO EXECUTIVE NOMINEE DIRECTOR

The Executive Nominee Directors who are designated as Managing Director & CEO and COO are paid remuneration as applicable to an Officer in the cadre of Zonal Manager (Selection Cadre) of LIC of India. This apart, the Executive Nominee Directors are entitled for PLI as per criteria approved by the Nomination and Remuneration Committee of the Board and by the shareholders.

As and when there is any revision in the pay scales of the Executive Nominee Director as per the charter decided by the LIC of India, then the same is made applicable to the Executive Nominee Director at par with those of the officials in the similar cadre. Further, tenure and terms and conditions of appointment of Executive Nominee Director are as decided by LIC of India from time to time and as approved by the Board of Directors of the Company.

However, the remuneration payable to Executive Nominee Director at any point of time shall be within the limits specified under the Companies Act, 2013 and as per Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

REMUNERATION TO KEY MANAGERIAL PERSONNEL (OTHER THAN MD & CEO) AND OTHER EMPLOYEES

In the present set up of the Company, the Key Managerial Personnel, other than Managing Director & CEO, are the Company Secretary and Chief Financial Officer. Remuneration payable to Company Secretary, Chief Financial Officer and other employees is as decided by the Board of Directors as per Service Terms, Conduct Rules 1990 as amended from time to time and as recommended by the Nomination and Remuneration Committee. Further the Company has adopted the Compensation Policy for Key Managerial Personnel and Senior Management in the Meeting of the Board of Directors dated 2nd March, 2023. This is in confirmation to the requirements of the circular issued by the Reserve Bank of India dated 29th April, 2022 on Guidelines on Compensation of Key Managerial Personnel and Senior Management in NBFCs.

Except Managing Director & CEO who is a whole time Executive Director, none of the Directors of the Company is paid excluding sitting fees as indicated above, any other remuneration or any elements of remuneration package under major groups, such as salary, benefits, bonuses, stock options, pension, performance linked incentive etc.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Company has established Corporate Social Responsibility Committee of the Board and the statutory disclosures with respect to the CSR Committee and an Annual Report on CSR activities is annexed as **Annexure-4** to this report.

Composition of the Corporate Social Responsibility Committee is as follows:

Shri Akshay Kumar Rout	Chairman	Non-Executive Non-Independent Director
Ms J. Jayanthi	Member	Non–Executive Independent Director
Shri Ramesh Adige	Member	Non–Executive Independent Director
Shri T Adhikari	Member	Managing Director & CEO

(#) Shri Y Viswanatha Gowd ceased to be the member of the committee on account of his retirement from LIC of India w.e.f. 31st July, 2023.

(*) Shri T Adhikari became member of the Committee from the date of his appointment as the Managing Director & CEO i.e. w.e.f. 3rd August, 2023

(##) Shri Ramesh Lakshman Adige became member of the Committee from the date of his appointment as Director of the Company i.e. w.e.f. 1st September, 2023

ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE

The Nomination and Remuneration Committee had formulated and recommended the evaluation criteria and process for the Directors, Chairperson, Non-Executive Directors, Board-level committees, and the Board as a whole as approved by the Board.

The Board of Directors, excluding the independent directors, conducted an annual performance evaluation in accordance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This evaluation was carried out through circulation. The Board's performance was assessed based on inputs received from all Directors. Criteria included the Board's composition and structure, the effectiveness of Board processes, information and functioning, disclosure and communication processes, and access to timely, accurate, and relevant information.

The performance of the various Board Committees was evaluated by the Board, using inputs from the respective committee members. The criteria for this evaluation included the composition of the committees, the effectiveness of committee meetings, and their overall functioning.

The Board also reviewed the performance of Individual Directors. This was based on criteria such as the Director's contribution to Board and Committee Meetings, their preparedness on the issues discussed, their meaningful and constructive contributions and inputs in meetings, and their ability to present views convincingly and resolutely. The Chairman was also evaluated on the key aspects of his role.

On 7th March, 2024, the Independent Directors held a meeting to evaluate the performance of Non-Independent Directors, the Board as a whole, and the Chairman.

REPORT ON THE PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

Pursuant to Section 129 of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company along with its subsidiaries and associates, in the same form and manner as that of the Company which shall be laid before the ensuing Thirty Fifth Annual General Meeting of the Company along with the Company's Financial Statement under sub-section (2) of Section 129 i.e. Standalone Financial Statement. Further, pursuant to the provisions of Indian Accounting Standard (Ind AS) 110, Consolidated Financial Statements notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, issued by the Ministry of Corporate Affairs, the Consolidated Financial Statements of the Company along with its subsidiaries and associates for the year ended 31st March, 2024 form part of this Annual Report.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the Annual Report of the Company, the Annual Financial Statements and the related documents of the Company's subsidiary and associate companies are hosted on the website of the Company.

THERE HAS BEEN NO CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY DURING THE YEAR UNDER REVIEW

Directors

As on 31st March, 2024, the Board had Thirteen members, including two (2) Non-Executive Non-Independent Directors and one (1) executive Director nominated by the promoter, LIC of India being the Chairman, Shri Siddhartha Mohanty, the Non-Executive Director, Shri Jagganath Mukkavali, and the Managing Director & CEO, Shri T Adhikari respectively. Apart from these two (2) Non-Executive Nominee Directors, there are two (2) Non-Executive and Non-Independent Directors namely Shri P Koteswara Rao, and Shri Akshay Kumar Rout. Other eight (8) Board Members are Independent Directors including one Independent Woman Director namely Ms. Jagennath Jayanthi. The other Independent Directors are viz., Dr. Dharmendra Bhandari, Shri Ameet N Patel, Shri V. K. Kukreja, Shri Kashi Prasad Khandelwal, Shri Ravi Krishan Takkar, Shri Sanjay Kumar Khemani, Smt Jagennath Jayanthi, and Shri Ramesh Lakshman Adige*.

Note:

(^) Shri Ashwani Ghai ceased to be WTD & COO w.e.f 13th June, 2023 on account of his transfer as Additional director to MDC Mumbai by LIC India. Shri Y Viswanatha Gowd superannuated as MD&CEO w.e.f. 31st July, 2023

(*) Shri Ramesh Adige was appointed as an Independent Director w.e.f. 1st September, 2023 by the shareholders through postal ballot on 27th October, 2023.

Succession Planning

In order to ensure stability and effective implementation of long-term business strategies and for smooth transition at MD & CEO level, the Board has decided that the new MD & CEO should be posted in advance, say 4-6 months prior to his/her taking charge as MD&CEO, as (Chief Operating Officer (COO) who would subsequently take over as MD & CEO on retirement / elevation / transfer of the existing MD & CEO.

In terms of Article 138(b) of the Articles of Association of Company, LIC of India is entitled to nominate up to one third of the total number of Directors of the Company and therefore, the Board after consideration, approved the posting of senior official from LIC of India as Nominee of LIC of India for the post of COO as part of succession plan for MD & CEO with a view to ensure stability and effective implementation, within a reasonable time (generally 4 to 6 months) prior to the exit of the serving MD&CEO, of long term business strategies. LIC of India had posted Shri T Adhikari as COO of the Company with effect from 22nd June, 2023 (date of Joining LICHFL being 7th September, 2022). Subsequently he was appointed as the Managing Director & CEO w.e.f. 3rd August, 2023 and his appointment has been approved by the Members in the 34th Annual General Meeting held on 28th August, 2023. Currently, there is no officer designated as COO.

Further, in terms of the Regulation 17 (4) of the SEBI (LODR), 2015 the Company has adopted a succession planning policy for its Key Managerial and senior management personnel. The Company's succession planning policy ensures smooth transitions and continuity by identifying suitable candidates for senior management positions. In case of unexpected vacancies, interim appointments are made following the organisation chart until regular appointments are made. The Succession Planning Policy of the Company has been hosted on the website of the Company on the below mentioned link:

https://www.lichousing.com/static-assets/pdf/Policy_on_Succession_Planning.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

APPOINTMENTS / RESIGNATIONS OF DIRECTORS

Appointments

Shri Siddhartha Mohanty (DIN 08058830)

On the resignation of Shri M. R. Kumar (DIN 03628755) from the Chairmanship of the Board of the Company, the Nomination and Remuneration Committee in terms of 'Fit and Proper' criteria adopted by the Board, after having undertaken process of due diligence, and after considering Shri Siddhartha Mohanty (DIN 08058830) suitable and eligible based on evaluation, qualification, expertise, track record, integrity and 'fit and proper' criteria, had recommended his appointment to the Board and the Board appointed him as Chairman, Additional Director in the capacity of Non-Executive Nominee Director of the Company with effect from 5th April, 2023. Subsequent to being appointed as an Additional Director under Articles 143 of the Articles of Association of the Company pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, SEBI Listing Regulations, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 including any amendment, modification, variation or re-enactment thereof, for the time being in force and in terms of Articles 141, 143 of the Articles of Association of the Company, the appointment of Shri Mohanty as the Chairman and Director was approved by the members through postal ballot on 28th June, 2023.

Shri Jagannath Mukkavilli (DIN 10090437)

On resignation of Shri Raj Kumar (DIN 06627311) as Non-Executive Nominee Director of the Board of the Company, the Nomination and Remuneration Committee in terms of 'Fit and Proper' criteria adopted by the Board after having undertaken process of due diligence, and after considering Shri Jagannath Mukkavilli (DIN 10090437) suitable and eligible based on evaluation, qualification, expertise, track record, integrity and 'fit and proper' criteria, recommended his appointment to the Board and the Board appointed him as Additional Director in the capacity of Non-Executive Nominee Director of the Company with effect from 5th April, 2023. Subsequent to being appointed as an Additional Director under Articles 143 of the Articles of Association of the Company pursuant to the provisions of Section 152, 161 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder, SEBI Listing Regulations, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 including any amendment, modification, variation or re-enactment thereof, for the time being in force and in terms of Articles 141, 143 of the Articles of Association of the Company, the appointment of Shri Jaganath Mukkavelli as Director liable to retire by rotation, under the provisions of Articles of Association of the Company was approved by the members through postal ballot on 28th June, 2023

Shri Tribhuwan Adhikari (DIN: 10229197)

Shri Tribhuwan Adhikari was appointed as the Chief Operating Officer and Key Managerial Personnel. He was inducted on the Board of Directors with effect from 22nd June, 2023.

Further based on the evaluation, qualification, expertise, track record, integrity, due diligence and the satisfaction of the 'fit and proper criteria', the Nomination and Remuneration Committee recommended and thereby the Board appointed Shri T Adhikari as Managing Director & Chief Executive Officer of the Company with effect from 3rd August, 2023. Subsequently, the appointment and the terms thereof was approved by the shareholders at the 34th Annual General Meeting held on 28th August, 2023.

Shri Ramesh Adige (DIN: 00101276)

As per the recommendation of the Nomination and Remuneration Committee, which undertook process of due diligence, and considered the candidature to be suitable and eligible based on evaluation, qualification, expertise, track record, integrity and 'fit and proper' criteria, the Board at its meeting held on 1st September, 2023 approved the appointment of Shri Ramesh Adige as an Additional Director (Non-Executive Independent) for a period of five consecutive years, not liable to retire by rotation. The resolution approving his appointment as Independent Director effective from 1st September, 2023 and up to 31st August, 2028 was passed by the shareholders on 27th October, 2023 through Postal Ballot.

Shri Anil Kaul (DIN: 00644761)

As per the recommendation of the Nomination and Remuneration Committee, which undertook process of due diligence, and considered the candidature to be suitable and eligible based on evaluation, qualification, expertise, track record, integrity and 'fit and proper' criteria, the Board at its meeting held on 15th May, 2024 approved the appointment of Shri Anil Kaul as an Additional Director (Non-Executive Independent) for a period of five consecutive years, not liable to retire by rotation. The resolution approving his appointment as Independent Director effective from 15th May, 2024 and up to 14th May, 2029 was passed by the shareholders on 12th July, 2024 through Postal Ballot.

Resignation/ Superannuation/ Completion of term

Shri Ashwani Ghai (DIN 09733798)

Shri Ashwani Ghai ceased to be the COO and Whole Time Director of the company with effect from 13th June, 2023 on account of his transfer and appointment as Additional Director to MDC Mumbai by LIC India.

Shri Y Viswanatha Gowd

Shri Y Viswanatha Gowd (DIN 09048488) ceased to be the Managing Director & CEO of the company with effect from 31st July, 2023 on account of his attaining superannuation from the service of LIC India.

Completion of First Term of Independent Directors

(a) Shri Kashi Prasad Khandelwal

Shri Kashi Prasad Khandelwal is an Independent Director on the Board of LIC Housing Finance Limited. He joined the Board of the Company on 1st July, 2019 as an Additional Director and the appointment as an Independent Director was approved by the members in the Thirtieth Annual General Meeting of the Company held on 28th August, 2019 for a term of five years from 1st July, 2019 up to 30th June, 2024. Shri Kashi Prasad Khandelwal is due for retirement from his term as Independent Director on 30th June, 2024. Shri Kashi Prasad Khandelwal being eligible for reappointment for second term of five consecutive years, has been reappointed as an Independent Director by the Board with effect from 1st July, 2024 for second term of five consecutive years up to 30th June, 2029 subject to the approval of the members in the ensuing Annual General Meeting.

(b) Shri Sanjay Kumar Khemani

Shri Sanjay Kumar Khemani is an Independent Director on the Board of LIC Housing Finance Limited. He joined the Board of the Company on 1st July, 2019 as an Additional Director and the appointment as a Non-Independent Non-Executive Director was approved by the members in the Thirtieth Annual General Meeting of the Company held on 28th August, 2019. Further the members approved the change in the designation of Shri Sanjay Kumar Khemani from Non-Independent Non-Executive Director to an Independent Director whose term was made effective from 1st July, 2019 and up to 30th June, 2024 through Postal Ballot on 26th April, 2023. Shri Sanjay Kumar Khemani is due for retirement from his term as Independent Director on 30th June, 2024. Shri Sanjay Kumar Khemani being eligible for reappointment for second term of five consecutive years, has been reappointed as an Independent Director by the Board with effect from 1st July, 2024 for second term of five consecutive years up to 30th June, 2029 subject to the approval of the members in the ensuing Annual General Meeting.

DIRECTOR RETIRING BY ROTATION

Shri P Koteswara Rao who has been longest in office would be retiring by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

APPOINTMENTS / RESIGNATION OF THE KEY MANAGERIAL PERSONNEL

Shri Tribhuwan Adhikari, Managing Director & CEO, Mr. Sudipto Sil, Chief Financial Officer and Ms. Varsha Hardasani, Company Secretary & Compliance Officer, are the Key Managerial Personnel (KMP) as per the provisions of the Companies Act, 2013.

During the financial year the following changes took place in the positions of the KMPs:

Shri Ashwani Ghai (DIN 09733798)

Shri Ashwani Ghai ceased to be the COO and Whole Time Director of the company with effect from 13th June, 2023 on account of his transfer and appointment as Additional Director to MDC Mumbai by LIC India.

Shri Y Viswanatha Gowd (DIN 9048488)

Shri Y Viswanatha Gowd ceased to be the, Managing Director & CEO of the Company with effect from 31st July, 2023 on account of his superannuation from LIC of India.

Appointment of Shri T Adhikari (DIN 10229197)

Shri T Adhikari was appointed as the Managing Director & CEO of the Company with effect from 3rd August, 2023. The appointment was approved by the shareholders in the 34th Annual General Meeting dated 28th August, 2023.

COMMITTEES OF THE BOARD

The Company has various Committees which have been constituted as a part of the best corporate governance practices and in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has the following Committees of the Board:

I) Audit Committee

II) Stakeholders Relationship Committee

III) Nomination and Remuneration Committee

IV) CSR Committee*

V) Risk Management Committee

VI) Executive Committee

VII) Debenture Allotment Committee

VIII) Strategic Investment Committee

IX) IT Strategy Committee

X) Preferential Allotment Committee

XI) Investment Committee*

XII) Committee for approval of issuance of Duplicate Share Certificate(s)*

XIII) ESG Committee

*Note: Considering the enhanced regulatory provision for Environmental Social and Governance matters, a separate ESG Committee which earlier was part of CSR-ESG Committee was formed and CSR-ESG Committee was renamed as CSR Committee with effect from 7th June, 2023 on approval at 236th Meeting of Board of Directors.

**Note: The Preferential Allotment Committee is an event based Committee which had been constituted for the limited purpose of allotment of the Equity Shares on private placement basis to the promotors on 8th September, 2021.

*Note: The Investment Committee is an event based Committee which has been constituted to meet only in case any investment proposals needs to be considered. During the year two meetings of the said Committee were held.

*Note: Committee for approval of issuance of Duplicate Share Certificate(s) has only been constituted to sign and approve the request for issuance of Duplicate Share Certificate(s). The approval takes place through circulation of the relevant documents to the signing authorities based on their availability. No physical meeting of the said Committee is generally held.

Composition of Audit Committee is as follows

Shri Kashi Prasad Khandelwal	Chairman	Non-Executive - Independent Director
Shri V K Kukreja**	Member	Non-Executive - Independent Director
Smt Jagennath Jayanti	Member	Non-Executive - Independent Director

*Shri Sanjay Kumar Khemani ceased to be the member of the Committee w.e.f 2nd September, 2023 on account of reconstitution of the Committee.

**Shri V K Kukreja was inducted in the Committee w.e.f 2nd September, 2023 on account of reconstitution of the Committee.

There is no instance, during the year, when the recommendations of Audit Committee have not been accepted by the Board.

The details with respect to the compositions, powers, roles, terms of reference etc. of relevant committees are given in detail in the Report on Corporate Governance which forms part of this Report.

SUBSIDIARIES AND GROUP COMPANIES

As on 31st March, 2024, the Company has four Subsidiaries namely, LICHFL Care Homes Limited, LICHFL Asset Management Company Limited, LICHFL Trustee Company Private Limited and, LICHFL Financial Services Limited. The Consolidated financial statements incorporating the results of all the subsidiaries of the Company for the year ended 31st March, 2024, are attached along with the statement pursuant to Section 129 of the Companies Act, 2013, with respect to the said subsidiaries. Brief write up including the performance and financial position of each of the subsidiaries is provided as under:

1. LICHFL Care Homes Limited

LICHFL Care Homes Limited, a wholly owned subsidiary of LIC Housing Finance Limited, was incorporated on 11th September, 2001 with an authorised share capital of ₹ 75 crore. The basic purpose of incorporating the Company was to establish and operate 'assisted living community centres' for the senior citizens.

During the FY 2023-24, the Company reported Losses before Tax of ₹ 10.67 crore and Losses after Tax stood at ₹ 18.25 crore.

The Company has successfully completed a project at Bangalore in two Phases and Jeevan Anand Project at Bhubaneswar.

Further, the Company is in the process of developing new Care homes project at Jaipur, Rajasthan and Aluva, Kerala. The Company is also in the process of purchasing land at various locations across the Country. Going forward, these projects are likely to further improve the overall operations and stability of the Company.

2. LICHFL Asset Management Company Limited

The Company was incorporated on 14th February, 2008. The Company is in the business of managing, advising, administering Private Equity Funds including Venture Capital Fund (VCF) and Alternate Investment Fund (AIF)

The Company was appointed as Investment Manager in 2010 to raise and manage the LICHFL Sponsored, LICHFL Urban Development Fund (LUDF). The Company has raised total commitments of ₹ 529.35 crore from Banks, Financial Institutions, Corporates and HNIs as against the targeted size of ₹ 500 crore and announced financial closure on 30th March, 2013. The Company has deployed ₹ 461.30 crore in 9 Portfolio Companies, acquisition or operation of affordable / mid income housing, related infrastructure and Hospitals. The Fund with corpus of ₹ 529 crore. has made investments in 9 portfolio companies achieving a portfolio level IRR on cash receipt basis of 16.74%. Portfolio level IRR for entire portfolio (exited and subsisting based on valuation) stands at 18.14%.

The Company also launched a Alternative Investment Fund (AIF) namely LICHFL Housing & Infrastructure Fund (LHIF), with a total corpus of ₹ 1,000 crore including Green Shoe Option (GSO) of ₹ 250 crore and the focus of the Fund is on Affordable Housing and Property backed Infrastructure in sectors which include Educational Institutions, Hospitals, Industrial Parks & Warehouses. As on 31st March, 2024, the total Contribution Agreements signed in respect of LICHFL Housing & Infrastructure Fund is ₹ 812 crore of which the drawable amount is ₹ 765 crore. Fund has made cumulative drawdown call of ₹ 693.62 crore. (Inc. ₹ 66.92 crore of fees and expenses) out of which Fund has received ₹ 663.87 crore. On basis of investments made, distribution received and valuation, the Fund is poised to achieve an IRR of 20%.

The Company has also launched another fund which was registered with SEBI - LICHFL Real Estate Debt Opportunities Fund – I on 30th March, 2021 under AIF Category II of SEBI Alternate Investment Fund Regulations 2012 (AIF). The Fund is having a target corpus of ₹ 3,000 crore (Base corpus of ₹ 2,000 crore plus ₹ 1,000 crore as green shoe option). The Fund is envisaged to be raised from both Domestic and Overseas Investors. The focus sector of the Fund is Housing. The Fund has received commitment of 300 crore from LIC of India, 450 crore from LIC Housing Finance Limited, 65 crore from Indian Bank and IDBI Bank.

During the FY 2023-24, the Company earned a Profit before Tax (PBT) of ₹ 9.19 crore and Profit after Tax (PAT) stood at ₹ 6.58 crore. The Company has recommended dividend @ 30% for FY 2023-24 on it's paid-up share capital.

3. LICHFL Trustee Company Private Limited

The Company was incorporated on 5th March, 2008. The Company is undertaking the business of trusteeship services for Venture Capital Funds (VCFs) and Alternative Investment Funds (AIFs).

The Company was appointed as Trustee in 2010 for LICHFL Fund and further appointed LICHFL Asset Management Company Limited (LICHFL AMC) as Investment Manager for the Fund. In 2010 the Company had registered LICHFL Fund with SEBI as Venture Capital Fund (VCF) under the SEBI (Venture Capital Funds) Regulations, 1996. LICHFL Urban Development Fund achieved its financial closure with ₹ 529.35 crore on 30th March, 2013.

The Company was appointed as Trustee in 2017 for LICHFL Housing & Infrastructure Trust (LHIT) and further appointed LICHFL AMC Ltd. as Investment Manager for LICHFL Housing and Infrastructure Fund (LHIF). The Company had received registration for LHIF on October 2017 from SEBI under Alternative Investment Fund Regulations, 2012 as Category - I Infrastructure. LICHFL AMC launched LICHFL Housing & Infrastructure Fund (LHIF) in October 2017 and achieved initial closing on 31st March, 2018. The Fund announced its final closing on 31st March, 2021.

The Company was appointed as Trustee on 30th March, 2021 for a New Fund registered with SEBI - LICHFL Real Estate Debt Opportunities Fund – I on 30th March, 2021 and appointed LICHFL AMC Ltd. as Investment Manager for the Fund.

During the FY 2023-24, the Company earned a Profit before Tax (PBT) of ₹ 0.20 crore and Profit after Tax (PAT) stood at ₹ 0.15 crore.

4. LICHFL Financial Services Limited

LICHFL Financial Services Limited, a wholly owned subsidiary of LIC Housing Finance Limited, was incorporated on 31st October, 2007, for marketing of housing loan, insurance products (Life and General Insurance), mutual funds, fixed deposits, credit cards. It became operational in March, 2008 and at present has 48 offices spread across the country.

The vision of the Company is "SARVESHAM POORNAM BHAVATU" – to provide complete financial solutions" to secure not only the present but also the future of the customer and his family. In this endeavour, the marketing officials assist at every step – right from financial planning to manage every aspect of investment, both for the short & long term.

At present, the Company distributes Life Insurance products of LIC of India, Home Loans & Fixed Deposits of LIC Housing Finance Limited, Mutual Funds of various fund houses, General Insurance products of United India Insurance Company Limited, Tata AIG General Insurance Company Limited and HDFC ERGO General Insurance Company Ltd., Health Insurance products of Aditya Birla Health Insurance Co. Ltd. and Star Health and Allied Insurance Co. Ltd and Point of Presence for National Pension System (NPS). More business verticals will be added depending on market opportunities and customer needs.

The Company has earned a Profit before Tax (PBT) of ₹ 23.17 crore and Profit after Tax (PAT) stood at ₹ 17.17 crore for the FY 2023-24 and recommended dividend @ 30% for FY 2023-24 on paid up share capital of ₹ 9.50 crore.

The Company is striving to improve its Performance across all Business verticals in the coming years.

Name/s of Company/ies which have ceased / become subsidiary/joint venture/associate: None

AS ON 31ST MARCH, 2024, THE COMPANY HAS TWO ASSOCIATE COMPANIES NAMELY LIC MUTUAL FUND ASSET MANAGEMENT COMPANY LIMITED AND LIC MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED.

The Company does not have any material Subsidiary within the meaning of the term under Regulation 24 of the SEBI (LODR)Regulations.

The Annual Report which consists of the financial statements of the Company on standalone as well as consolidated financial statements of the group for the year ended 31st March, 2024, has been sent to all the members of the Company. It does not contain Annual Reports of Company's subsidiaries. The Company will provide Annual Report of all subsidiaries upon receipt of request by any member of the Company. These Annual Reports are also available on Company's website viz www.lichousing.com.

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status as also the operations of the Subsidiary Companies in future.

Brief write up including the performance and financial position of each of the associate companies is provided as under:

1. **LIC Mutual Fund Asset Management Company Limited (LICMFAMC)**

   LIC Mutual Fund was incorporated on 20th April, 1994. LIC Housing Finance Limited holds 33.52 % equity in this entity. Being an associate company of India's premier and most trusted brand, LIC Mutual Fund is one of the well-known players in the asset management sphere. With a systematic investment discipline coupled with a high standard of financial ethics and corporate governance, LIC Mutual Fund is emerging as a preferred Investment Manager amongst the investor fraternity.

   LIC Mutual Fund endeavours to create value for its investors by adopting innovative and robust investment strategies, catering to all segments of investors. LIC Mutual Fund believes in providing delight to its customers and partners by way of superior investment experience and unparalleled service thereby truly bring them Khushiyaan, Zindagi Ki.

   For the FY 2023-24 both the Profit before Tax (PBT) as well as Profit after Tax (PAT) of LICMFAMC stood at ₹ 10.98 crore, as there was no tax expense.

2. **LIC Mutual Fund Trustee Company Private Limited**

   LIC Mutual Fund Trustee Private Limited (Trustee Company) is the Trustee to the Mutual Fund, LICMFAMC. LIC Housing Finance Limited holds 35.30 % equity in this entity. LIC of India is the Sponsor of the Mutual Fund. The AMC either directly or through third party service providers engaged by the AMC (Service Providers) such as the Registrar and Transfer agents collects, receives, possesses, stores, deals or handles information received from investors/client/ customers whether existing or prospective.

   The Company has earned a Profit before Tax (PBT) of ₹ 32.51 lakh and Profit after Tax (PAT) stood at ₹ 24.24 lakh for the FY 2023-24.

FINANCIAL DETAILS OF SUBSIDIARIES

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ('the Act'), a statement containing salient features of the financial statements of subsidiaries, joint venture and associate companies in Form AOC-1 is attached as Annexure-6. The separate financial statements of the subsidiaries are available on the website of the Company and can be accessed at https://www.lichousing.com/subsidiary-financials.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.

The Board of Directors confirm that the Company has well-established internal control systems in place which are commensurate with the nature of its business and size, scale and complexity of its operations. Standard Operating Procedures (SOP) and Risk Control Matrices designed to provide a reasonable assurance are in place and are being continuously monitored and updated. The Company also periodically engages outside expertsto carry out an independent review of the effectiveness of various Internal Controls. The observations and best practices suggested are reviewed by the management and Audit Committee and appropriately implemented with a view to continuously strengthen internal controls. Note on Internal Financial Control as Annexure 1 is attached to this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy in place which provides whistle blowers an opportunity to raise concerns relating to reportable matters as defined in the policy.

The mechanism adopted by the Company encourages the whistle blower to report genuine concerns or grievances and provides for adequate safeguards against victimisation of whistle blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee. The Vigil Mechanism / Whistle Blower Policy is reviewed annually or as and when the Regulators' amendments are required to be incorporated therein, as the case may be. During the year the Board considered the modification in the Whistle Blower Policy. The revised whistle-blower policy aims to strengthen the existing framework, ensuring that reporting person feels comfortable and confident in coming forward with any information while maintaining their confidentiality and ensuring protection against retaliation.

During the period under review no concerns or grievances were reported under Vigil Mechanism/ Whistle Blower Policy.

EMPLOYEE STOCK OPTION

The company does not have any Employee stock option scheme.

EMPLOYEE REMUNERATION

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Non-Executive Directors (including Independent Directors)*	Ratio to median remuneration
Nil	N.A.

* Remuneration is not paid to Non-Executive Directors (including Independent Directors) other than by way of sitting fees for attending meetings of the Board and Committees of the Board.

Executive Director MD & CEO	Ratio to median remuneration
Shri Tribhuwan Adhikari (MD&CEO)#	5:1

Shri Yerur Vishwanatha Gowd superannuated as MD & CEO of the Company with effect from 31st July, 2023 and Shri T Adhikari was appointed as MD & CEO of the Company with effect from 3rd August, 2023

Note: Since Shri Ashwani Ghai ceased to be the COO & WTD with effect from 13th June, 2024 on account of his transfer as Additional Director at MDC Mumbai by LIC of India and there was no Whole Time Director thereafter designated till 31st March, 2024, the data for ratio to median remuneration is not comparative and hence excluded.

b. The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Non-Executive Directors (including Independent Directors)*	% increase in remuneration in the financial year
Nil	N.A.

*No remuneration is paid to Non-Executive Directors (including Independent Directors)

KMP	% Increase in remuneration in the financial year
MD&CEO	8.12%
COO*	N.A.
Chief Financial Officer**	3.93%
Company Secretary***	3.50%

*Shri Tribhuwan Adhikari who was appointed as COO on 13th June, 2023 was appointed and designated as MD & CEO on 3rd August, 2023 pursuant to the superannuation of Shri Y. Vishwanatha Gowd from LIC of India w.e.f. 31st July, 2023. The office of the COO remained vacant from 3rd August, 2023. Hence no comparable figure is available for FY 2023-24

**Remuneration of MD & CEO includes Salary for FY 2023-24 and PLLI 2022-23

***Remuneration of Company Secretary & CFO includes Salary for FY 2023-24 and PLLI 2022-23

c. The percentage increase in the median remuneration of employees in the financial year:

19.35%

d. The number of permanent employees on the rolls of the Company:

2396

e. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	31st March, 2024	15th November, 1994	% Change (IPO)
Market Price (in ₹)	611.05**	12*	4992.08

*Adjusted Issue price on account of sub-division

**BSE-closing Price

f. Average percentile increase already made in the salaries of employees other than managerial personnel in the 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:

Increase in managerial remuneration for the year was 8.12%. The average annual Increase in the salaries of the employees other than managerial personnel during the year was 19.35%.

g. Affirmation that remuneration is as per the Remuneration Policy of the Company

The Company affirms that the remuneration payable is as per the Remuneration Policy of the Company.

During the year the Company has not engaged any employee drawing remuneration exceeding the limit specified under Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In terms of Section 136(1) of the Companies Act, 2013 read with the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board's Report is being sent to all the shareholders of the Company excluding the annexure containing names of the top ten employees in terms of remuneration drawn. Any shareholder interested in obtaining a copy of the said annexure may write to the Company at: The Company Secretary, LIC Housing Finance Limited, Corporate Office, 131 Maker Towers, 'F' Premises, 13th Floor, Cuffe Parade, Mumbai – 400 005.

PREVENTION, PROHIBITION & REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

According to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has in place a Policy on Prevention, Prohibition & Redressal of Sexual Harassment of Women at Workplace and has a robust mechanism to redress the complaints reported thereunder. An Internal Committee has been constituted, which comprises of internal members who have experience in the subject field.

The Committee consists of 3 internal members (2 female and 1 male) and 1 independent member (female).

Your Company is committed to provide and promote safe and healthy environment to all its employees without any discrimination. Your Company on a regular basis sensitises its employees on prevention of sexual harassment through various workshops, awareness programmes.

Pursuant to the provisions of Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the complaints received thereunder and the details relating thereto are as follows:

(a) Number of complaints received in the year: One

(b) Number of complaints disposed of during the year: One

(c) Number of cases pending more than ninety days: Nil

(d) Number of workshops or awareness programme against sexual harassment carried out: Nil

(e) Nature of action taken by the employer or district officer: Nil

It may be noted that the Company has Zero tolerance towards any action on the part of any executive / staff which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman working in the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS/ EXCHANGES

During the year, no significant or material orders were passed by the regulators or courts or tribunals that would impact the going concern status or operations of the Company in the future.

The Reserve Bank of India, in exercise of the powers conferred under Section 52A of the National Housing Bank (NHB) Act, 1987, imposed an aggregate penalty of ₹ 49,70,000/- (Rupees Forty Nine Lakh Seventy Thousand only) vide its letter dated 5th April, 2024 on account of non-compliance to provisions of relevant directions under para 80.1 (part) and 85.6 of the RBI Master Directions. The Company has paid the penalty amount on 19th April, 2024.

HUMAN RESOURCES

Productive high performing employees are vital to the Company's success. The Company aims to align HR practices with business goals, increase productivity of Human resources by enhancing knowledge, skills and to provide a conducive work environment to develop a sense of ownership amongst employees.

The contribution and commitment of the employees towards the performance of the Company during the year was valued and appreciated. The Company recruited employees during the year for various positions and promoted employees to take up higher responsibilities. Apart from fixed salaries, perquisites and benefits, the Company also has in place performance-linked incentives which reward outstanding performers, who meet certain performance targets. In pursuance of the Company's commitment to develop and retain the best available talent, the Company had organised and sponsored various training programmes / seminars / conferences for upgrading skill and knowledge of its employees in different operational areas. Wellness programs were also conducted at various office locations to support the physical and mental health of our employees.

Employee relations remained cordial, and the work atmosphere remained congenial during the year. The Human Resource Department at your Company is committed to further improving employee engagement through various new initiatives.

CYBER SECURITY

Organisations embrace certain practices, including social distancing, remote working and all these, in turn, leading to significant dependence on and increased usage of digital technologies. We have implemented advanced security controls, technologies, processes and practices designed to protect networks, computers and data from attack, damage or unauthorised access and threat analytics by leveraging industry leading technologies to help and mitigate internal and external threats to the Company. Company has also deployed various solutions to mitigate cyber threats including Honeypot, firewalls etc. Our Cyber Security Policy ensures that our people are aware of the best practices to be followed in order to ensure that Company's data and infrastructure do not become vulnerable to external threats. We ensure that our IT Team is up to speed by providing them with avenues for continuous learning and making internal training forums available as well as courses through external academic institutions, to keep them enriched and in turn, help protect the Company from cyber-threats on a day-to-day basis.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There is no application made or pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

ACKNOWLEDGMENTS

The Directors place on record their appreciation for the advice, guidance and support given by the Life Insurance Corporation of India, the National Housing Bank, the Reserve Bank of India and all the bankers of the Company. The Directors also place on record their sincere thanks to the Company's clientele, lenders, investors and members for their patronage. The Directors express their appreciation for the dedicated services of the employees and their contribution to the growth of the Company.

For and on behalf of the Board

Chairman
Name: Siddhartha Mohanty
DIN: 08058830

Place: Mumbai
Date: 18th July, 2024

ANNEXURE 1
TO THE BOARD'S REPORT

NOTE ON INTERNAL FINANCIAL CONTROL

1. **Background:** As per the Section 134(5)(e) of the Companies Act 2013, the Directors' Responsibility Statement referred to in sub-section (3)(c) shall state that "the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively."

   Explanation: For the purposes of this clause, the term "internal financial controls" means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to 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.

2. **Policies and Procedures:** The Company has laid down relevant policies and procedures. As part of the Internal Control Framework (ICF), the Company has in place standard operating procedures (SOP) covering the key activities / functions / processes (Retail Loans, Project Loans, Borrowings, Treasury, Accounting etc.)

3. **Compliance Reporting:** The Company has in place process to ensure compliance with the provisions of all applicable laws and the same is reported in the form of quarterly compliance reports by the process owners to the MD & CEO as well as to the Board.

4. **Risk Management System:** The Company has in place a Risk Management Policy which provides a framework to address the risk faced by the Company on a sustainable basis. The risk management function within the Company is responsible for review of existing risks and identifying potential risks and risk mitigation measures. There is a system of quarterly reporting to the Risk Management Committee, Audit Committee and the Board. Apart from the Risk Management Policy, the company also maintains IFC documentation in the form of Risk Control Matrix (RCM), Entity Level Controls (ELC) and Financial Closure and Reporting process (FCRP) which forms the basis of IFC Testing.

5. **Internal Audit System:** The Internal Audit process determines the existence, adequacy, effectiveness and adherence to the Company's internal controls, besides review of processes, adherence to SOP and compliance with statutory provisions/ regulatory guidelines. The Internal Audit Department conducts the internal audit of the Back Offices and Corporate Office, except for certain specific areas within the Corporate Office audit that require specialised domain expertise. In this regard, two independent firms of Chartered Accountants were engaged as experts with the approval of the Audit Committee.

6. **Adequacy and Effectiveness of Internal Financial Control:** The SOP, Compliance Reporting, Risk Management System and Internal Audit System adopted by the Company facilitate orderly and efficient conduct of its business, including adherence to 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. All these ensure that Internal Financial Controls within the Company, are adequate and operating effectively.

   Further, the management accepts responsibility for establishing and maintaining internal controls and has evaluated the effectiveness of some internal control system of the Company which have been disclosed to the auditors and the Audit Committee, the deficiencies, of which the management is aware of, in the design or operation of the internal control systems and have taken the steps to rectify these deficiencies.

ANNEXURE 2
TO THE BOARD'S REPORT

FORM NO. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
   a) Name(s) of the related party and nature of relationship: N.A.
   b) Nature of contracts/arrangements/transactions: N.A.
   c) Duration of the contracts / arrangements / transactions: N.A.
   d) Salient terms of the contracts or arrangements or transactions including the value if any: N.A
   e) Justification for entering into such contracts or arrangements or transactions: N.A
   f) Date(s) of approval by the Board: N.A
   g) Amount paid as advance, if any: N.A
   h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: N.A.
2. Details of material contracts or arrangements or transactions at arm's length basis:
   a) Name(s) of the related party and nature of relationship: Annexure 3 (e) to this report
   b) Nature of transactions: As per Annexure 3 (e) to this report.
   c) Duration of the transactions: On-going basis
   d) Salient terms of the contracts or arrangements or transactions including the value if any: For basis of Transactions please refer Annexure-5.
   e) Date of approval by the Board: 15th May, 2024
   f) Amount paid as advance, if any: Nil

For and on behalf of the Board of Directors

Date: 18th August, 2024
Place: Mumbai

Siddhartha Mohanty
Chairman

ANNEXURE 3
TO THE BOARD'S REPORT

RELATED PARTY DISCLOSURE

Following are the Related Parties and Related Party Transactions for the year ended 31st March, 24.

a) Enterprise having Significant Influence on the Company:-

Name of the Related Party	% of shares held by LIC
Life Insurance Corporation of India	45.24%

b) Enterprises over which Control exists:-

Name of the Related Party	Nature of Relationship	% of shares held by LICHFL
LICHFL Care Homes Limited	Wholly Owned Subsidiary	100.00%
LICHFL Financial Services Limited	Wholly Owned Subsidiary	100.00%
LICHFL Asset Management Co. Ltd.	Subsidiary	94.62%
LICHFL Trustee Company Pvt. Ltd.	Wholly Owned Subsidiary	100.00%

c) Associates of the Company:-

Name of the Related Party	Nature of Relationship	% of shares held by LICHFL
LIC Mutual Fund Asset Management Co. Ltd	Associate	33.52%
LIC Mutual Fund Trustee Co. Ltd.	Associate	35.30%

d) Details of Key Management Personnel and Directors (Executive or Otherwise):-

Name of the Related Party	Nature of Relationship	
	For year ended 31st March, 2024	For year ended 31st March, 2023
Key Management Personnel		
Shri Tribhuwan Adhikari	Managing Director & CEO (From 3rd August, 2023)	-
Shri Y. Vishwanatha Gowd	Managing Director & CEO (Upto 31st July, 2023)	Managing Director & CEO
Shri Ashwani Ghai	Chief Operating Officer (Upto 13th June, 2023)	Chief Operating Officer (From 1st November, 2022)
Smt. Varsha Hardasani	Company Secretary	Company Secretary
Shri Sudipto Sil	Chief Financial Officer	Chief Financial Officer
Directors (Executive or Otherwise)		
Shri Siddhartha Mohanty	Chairman	-
Shri M R Kumar	-	Chairman (Upto 13th March, 2023)
Shri Jagannath Mukkavilli	Non-Executive Nominee Director	-
Shri Raj Kumar	-	Non-Executive Nominee Director (Upto 9th February, 2023)
Shri Jagdish Capoor	-	Independent Director (Upto 23rd May, 2022)
Shri Ravi Krishan Takkar	Independent Director	Independent Director (From 25th June, 2022)
Shri Dharmendra Bhandari	Independent Director	Independent Director
Shri V. K. Kukreja	Independent Director	Independent Director

Name of the Related Party	Nature of Relationship	
	For year ended 31st March, 2024	For year ended 31st March, 2023
Shri Ameet Patel	Independent Director	Independent Director
Shri P Koteswara Rao	Non-Independent Director	Non-Independent Director
Shri Kashi Prasad Khandelwal	Independent Director	Independent Director
Shri Sanjay Kumar Khemani	Independent Director	Independent Director (Designation change w.e.f. 6th February, 2023)
Shri Akshay Rout	Non-Independent Director	Non-Independent Director
Smt. Jagennath Jayanthi	Independent Director	Independent Director
Shri Ramesh Adige	Independent Director (From 1st September, 2023)	-

e) Details of Material transactions with Related Party:

(₹ In crore)

Related Party	Nature of transaction	For year ended 31st March, 2024	For year ended 31st March, 2023	Basis Of Transaction
Life Insurance Corporation of India	Repayment of Non- Convertible Debentures	2000.00	1500.00	As per coupon of the instrument as on the date of the contract which was as per then prevailing market rate.
	Interest expenses on Secured and Unsecured loans/Debt Securities	871.70	1046.28	
	Dividend Payment	211.52	211.52	Dividend paid based on the percentage of holding and the Dividend rate approved by the Shareholders
	Rent Rates and Taxes	12.86	10.10	
	Payment of Electricity Expenses	0.46	0.78	
	Payment for Staff training, Conference, etc.	0.06	0.06	
	Reimbursement of Gratuity, Mediclaim, GSLI and Pension Fund for staff posted from LIC	1.74	1.84	
	Contribution to LIC of India, P & GS, for Gratuity premium for employees, renewal of group insurance.	22.95	9.05	
	Rewriting Fees Income	-	47.69	Change in ROI of LIC staff loan from 8.75% to 6.75%
	Balance as at year-end towards Non-Convertible Debentures (Credit)	9550.00	11,550.00	-
	Balance as at year-end towards Interest Accrued on Non-Convertible Debentures (Credit)	304.05	243.03	-
	Balance as at year end-Others (Credit)	-	1.81	-

ANNEXURE 4
TO THE BOARD'S REPORT

ANNUAL CSR REPORT 2023-24

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on the CSR Policy of the Company:

The Company's primary objective is to foster self-reliant communities by implementing a range of social initiatives focused on Education, Skill Training, Sustainable Livelihood Enhancement, Health Care, Environmental Sustainability, and Rural Development. These initiatives are in accordance with the Company's approved CSR Policy, overseen by the Board of Directors, and aligned with the provisions of Section 135 of the Companies Act, 2013. The progress and impact of these CSR projects/ programs are closely monitored by a dedicated Board-level committee.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Akshay Kumar Rout	Non-Independent Director	15	15
2	Smt. J. Jayanthi	Independent Director	15	14
3	Shri Ashwani Ghai*	Whole Time Director (Nominee Director)	15	3
4	Shri Y. Viswanatha Gowd**	MD & CEO (Nominee Director)	15	4
5	Shri Ramesh Lakshman Adige***	Independent Director	15	10
6	Shri Tribhuwan Adhikari****	MD & CEO (Nominee Director)	15	11

The Corporate Social Responsibility Committee was reconstituted on 3rd August, 2023 wherein Shri Tribhuwan Adhikari was inducted in place of Shri Y Viswanatha Gowd and further reconstituted on 2nd September, 2023 wherein Shri Ramesh Adige was inducted.

* Shri Ashwani Ghai, COO completed his term on 13th June, 2023

** Shri Y. Viswanatha Gowd, MD & CEO superannuated from LIC HFL on 31st July, 2023

**** Shri Tribhuwan Adhikari has taken charge of MD & CEO, LIC HFL on 3rd August, 2023

*** Shri Ramesh Lakshman Adige has taken charge of Independent Director, LIC HFL on 1st September, 2023

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy, and CSR projects approved by the Board are disclosed on the website of the Company:

- CSR Committee – https://www.lichousing.com/static-assets/pdf/Committees_Membership_Updated_SEPTEMBER_2023.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
- CSR Policy – https://www.lichousing.com/static-assets/pdf/Corporate_Social_Responsibility_Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
- CSR Approved Projects – https://www.lichousing.com/static-assets/pdf/CSR_Projects_approved_FY_23_24.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

4. Provide the executive summary along with web-link(s) of the Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Kindly refer Annexure 4A for the executive summary of Impact Assessments undertaken during the year and embedded weblink for the same: https://www.lichousing.com/static-assets/pdf/csr_Assessment_Report.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

a) Average net profit of the Company as per sub-section (5) of section 135. : ₹ 3239 crore

b) Two percent of average net profit of the Company as per sub-section (5) of section 135. : ₹ 64.79 crore

c)	**Surplus arising out of the CSR projects or programs or activities of the previous financial years.**	: NIL
d)	**Amount required to be set off for the financial year, if any**	: Not Applicable
e)	**Total CSR obligation for the financial year [(b)+(c) -(d)]**	: ₹ 64.79 crore

5.

a)	**Amount spent on CSR Projects (both Ongoing Project and Other than Ongoing Project)**	: ₹ 12.37 crore
b)	**Amount spent in Administrative Overheads**	: ₹ 1.19 crore
c)	**Amount spent on Impact Assessment, if applicable**	: ₹ 0.12 crore
d)	**Total amount spent for the Financial Year [(a)+(b) +(c)]**	: ₹ 13.68 crore

e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹ crore)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 13.68 crore	₹ 51.17 crore	29th April, 2023	NA	NIL	NA

f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹ crore)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹ 64.79 crore
(ii)	Total amount spent for the Financial Year	₹ 13.68 crore
(iii)	Excess amount spent for the Financial Year [(ii)-(I)]	Not Applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

6. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹ crore)	Balance amount in Unspent CSR account under sub-section (6) of section 135 (in ₹ crore)	Amount spent in the Financial Year (in ₹ crore)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹ crore)	Deficiency, if any
					Amount (in ₹ crore)	Date of Transfer		
1	FY 2020-21	₹ 47.02 crore	₹ 15.35 crore	₹ 15.33 crore	₹ 8.80 crore	28th September, 2021	₹ 00.00 crore	₹ 0.02 crore
2	FY 2021-22	₹ 45.72 crore	₹ 11.40 crore	₹ 07.22 crore	₹ 2.30 crore	26th July, 2022	₹ 04.18 crore	Nil
3	FY 2022-23	₹ 53.28 crore	₹ 53.28 crore	₹ 41.74 crore	₹ 0.00 crore	NA	₹ 11.54 crore	Nil

7. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

✓ Yes   O No

If yes, enter the number of Capital assets created/acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	Short Particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
1	Sanitation Complex for women - 4 RO water dispenser in Schools - 1 Sanitation Complex for girls at School -1 Smart Class for School -2 solar streetlights -24 Marketing and Value addition infrastructure for vegetables, chilly and minor millets -1	NA	1st April, 2023 to 31st March, 2024	₹ 0.34	CSR00000610	Various beneficiaries (individuals, and community)	Thiruchili Block, Virudhunagar District, tamilnadu
2	Digital Classroom - 3 Solar streetlight Installed -36 Mini dall Processing unit -1 Chilli pounding machine - 2	NA	1st July, 2023 to 31st March, 2024	₹ 0.26	CSR00000259	Various beneficiaries (individuals, and community)	Raichur District, Karnataka
3	210 nutrition gardens, 70 Goat rearing units, 35 Backyard poultry units, 1 Jaggery Processing unit, 1 Wheat flour processing unit, 10 Model farms, 70 solar streetlights, Infrastructure development in 7 schools	142001	1st April, 2023 to 31st March, 2024	₹ 0.53	CSR00000332	Various Beneficiaries (individuals and community)	Moga district, Punjab
4	Sanitation Unit – 01 Vermicompost Unit – 21 Biogas Plant -18 Solar Jal Minar – 02 Mustard Oil Chakki – 03 Mini Solar Light- 70	325202	15th September, 2023	₹ 0.25	CSR00000044	Beneficiaries (SHG, Individual & VDC)	Block - Antah, Baran, Rajasthan
5	20 Kit for CRPs, 40 Improved breed induction units, 30 Bamboo farmers enterprises, 16 vermi compost units, 800 demonstration plots of improved pulses, 400 demonstration plots of vegetables, 300 demo plots on black gram/wheat/gram seed production, pulses unit set and electricity	284404	1st August, 2023 to 31st March, 2024	₹ 0.38	CSR00000074	Various Beneficiaries (individuals and community)	Lalitpur district, Uttar Pradesh
6	1 Laptop, 1 Printer, Swacchta Mitra Application	734011	1st October, 2023 to 30th September, 2024	₹ 0.03	CSR00004091	BITAN	38/8, R.N. Tagore Road, Nabapally, Thakurpukur, Kolkata-700063, West Bengal
7	1 School Bus 3 Solar Power backup	501509	1st October, 2023 to 31st March, 2024	₹ 0.39	CSR00057372	ST.GREGORIOS BALAGRAM	ST.GREGORIOS BALAGRAM Yacharam P.O. R.R. District, Telangana, INDIA PIN - 501 509
8	21 Seater School Bus	422403	31st December, 2023	₹ 0.17	CSR00005050	Anusuyatmaja Matimand Nivasi Vidyalaya	Awalkhed Road, Igatpuri, Nashik Dist, near Vipasana International Centre, 422403

(1)	(2)	(3)	(4)	(5)	(6)		
Sl. No.	**Short Particulars of the property or asset(s) [including complete address and location of the property]**	**Pin code of the property or asset(s)**	**Date of creation**	**Amount of CSR amount spent**	**Details of entity/authority/beneficiary of the registered owner**		
					CSR Registration Number, if applicable	**Name**	**Registered Address**
9	40 Solar Power backup at PHCs and Subcentres	NA	1st October, 2023 to 31st March, 2024	₹ 1.15	CSR00002487	Various beneficiaries (Primary Health Centres and Sub Centres)	Assam, Meghalaya, Nagaland and Mizoram
10	200 farmers supported with vegetable seeds, 25 vermi compost units, 40 farmers supported with Machan Kheti, 50 poultry units	272208	1st January, 2024 to 31st March, 2024	₹ 0.11	CSR00001677	Various Beneficiaries (individuals and community)	Siddharthnagar district, Uttar Pradesh
11	VDC Box- 08, Wall Writing- 20, Sanitation kit- 08,	816109	1st October, 2024 to 31st December, 2024	₹ 0.02	CSR00008272	Various Beneficiaries (individuals and community)	Rajmahal block of Sahebganj District of Jharkhand
12	Library setup in 10 School	470880	15th March, 2024	₹ 0.02	CSR00000826	Various Beneficiaries (individuals and community)	Schools in Tendukheda, Damoh, M.P.

8. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:

The Company is dedicated to supporting meaningful projects and collaborates exclusively with reputable implementation agencies that have a proven track record. CSR initiatives are implemented through a systematic disbursement process that involves monitoring and verification of the efficient utilisation of funds by the implementation partners. As a result of this tranche-based disbursement system, only part payments have been released to the implementation partners, and the remaining funds are scheduled to be released in accordance with the approved work plan. This approach ensures that the CSR projects sanctioned by LIC HFL CSR are effectively executed, contributing to the sustainable development of communities, and aligning with the organisation's core values. During the financial year 2023-24, the Company made diligent efforts to evaluate and process the received contribution requests. We remain committed to maximising the utilisation of our CSR funds.

Sd/-
[Managing Director & Chief Executive Officer]

Sd/-
[Chairman of CSR Committee]

Sd/-
[Person specified under clause (d) of sub-section (1) of section 380]
(Wherever applicable)

ANNEXURE 4a TO THE BOARD'S REPORT

EXECUTIVE SUMMARY OF CSR IMPACT ASSESSMENT REPORT

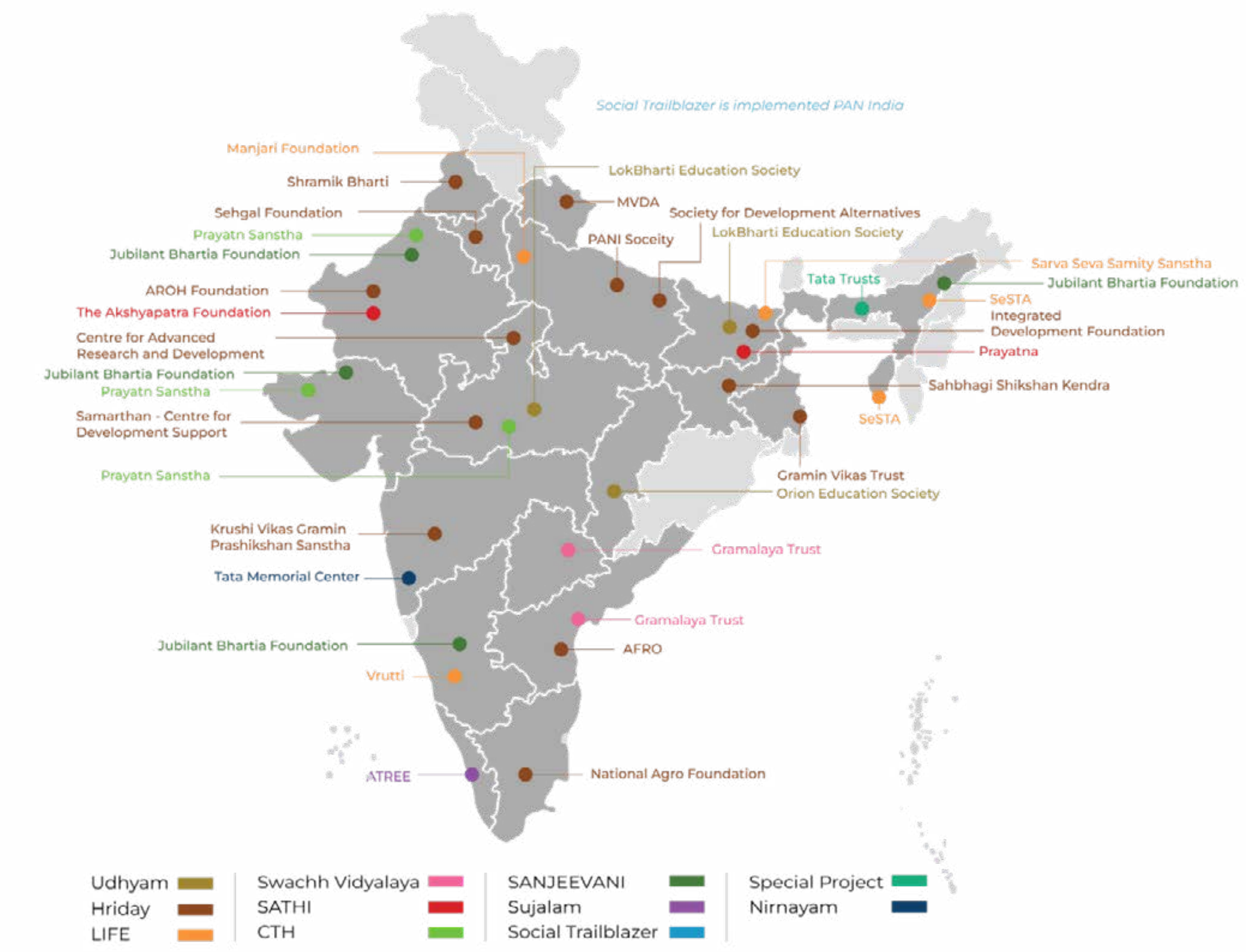
ABOUT LIC HOUSING FINANCE LIMITED (LICHFL)

Incorporated in 1989, LIC Housing Finance Ltd (LICHFL) is one of the largest housing finance companies in India, with the key objective of providing long-term finance to individuals for the purchase or construction of houses/flats for residential purposes.

LICHFL also provides finance on existing property for business/ personal needs and also gives loans to professionals for the purchase/ construction of clinics, nursing homes, diagnostic centres, office spaces, and equipment. The Company also provides finance to builders and developers engaged in the business of construction of houses or flats for residential purposes and to be sold by them.

The Company went public in 1994, and since then, its stocks have been listed and actively traded on the National Stock Exchange (NSE) and Bombay Stock Exchange Limited (BSE). LICHFL is among the pioneers in India, ensuring access to housing finance for home ownership. With a strong business foundation, an extensive distribution network and proven industry expertise, LICHFL is a respected and trusted financial services company. LICHFL takes pride in having served over 25 lakh prudent homeowners.

PROJECT COVERAGE



RESEARCH METHODOLOGY

LICHFL commissioned SoulAce to conduct an impact assessment study to evaluate the immediate and enduring impacts of their CSR program. The impact assessment study was conducted in the fiscal year FY 2024-25.

OBJECTIVES OF THE STUDY

To evaluate the immediate and enduring impacts of the CSR program implemented by LICHFL.

To assess the effectiveness of the program in achieving its intended goals and objectives.

To capture the short and long-term direct, indirect, and unintended impacts.

To identify strengths and areas for improvement in the program implementation process.

To provide recommendations for enhancing the program's impact and sustainability in the future.

USE OF MIXED METHODOLOGY FOR MAXIMUM INSIGHTS

The research problem pertained to assessing the impact of this initiative on local communities. The project's success lies in understanding how this initiative has positively influenced the lives of individuals within the local communities, including their economic well-being, social integration, and overall quality of life. It aims to measure the tangible and intangible benefits brought about by the initiative and evaluate its effectiveness in addressing the needs and challenges of the target population.

ENSURING TRIANGULATION

Triangulation was needed to increase the credibility and validity of the research findings. It was also a measure taken to ensure the trustworthiness of the research process. The findings of the quantitative research have been verified with the insights from qualitative research, and the report has also been structured to reflect this point.

PROJECT EVALUATION FRAMEWORK

After the collection of relevant information and perceptions through interviews, the OECD framework would be followed/ applied. It has six evaluation criteria - relevance, coherence, efficiency, effectiveness, impact, and sustainability for each of the indicators.

SAMPLING FRAMEWORK

Project Name	NCO Nam*	Project Code	State	Distrkt	Sample Stet
HRIDAY	PANI Society	PC.20.2104	Uttar Pradesh	Lucknow	251
	AFPRO	PC20.2105	Andhra Pradesh	Vizianagaram	240
	Shramik Bharti	PC.25.2159	Punjab	Moga	251
	Mount Valley Development Association (MVDA)	PC 252158	Uttarakhand	Tehri	257
	Crarnin Vikas Trust (CVT)	PC.25.2164	West Bengal	Malda	248
	ARON Foundation	PC21.2112	Rajasthan	Baran	255
	SAMARTHAN -Centre for Development Support	PC 222126	Chhattisgarh	Durg	254
	Integrated Development Foundation 110F)	PC .212113	Bihar	Gaya	263
	Society for Development Alternatives	PC2S2163	Uttar Pradesh	Sonbhadra	251
	Centre for Advanced Research and Development (CARD)	PC25,2157	Madhya Pradesh	Cuna	256
	Sehgal Foundation	PC21.2111	Haryana	Nuh	257
	National Agro Foundation	PC.25.2156	Tamil Nadu	Virudhunagar	248
	Krushl %Alois Cramin Prashlkshan Sanstha (KVGPS)	PC212118	Maharashtra	Palghar	258
	Sahbhagl Shikshan Kendra (55K)	PC192008	3harkhand	Palamu	234
LIFE	Vrutti	PC.202103	Karnataka	Raichur	226
	Manjari Foundation	PC.25,2152	Uttar Pradesh	Lalitpur	236
	SeSTA	PC.20.2102	Assam	3orhat	236
	Sawa Sava Sarni ty Sanstha 145)	PC.252153	Bihar	Muzaffarpur	236
Swach Vidhyalaya	Cramalaya Trust	PC242134	Andhra Pradesh	Kadapa	265
	Cramalaya Trust	PC.16.1916	Andhra Pradesh	Kamool	265
SATHI	Prayatna	PC242130	Bihar	Muzaffarpur	264
Udhyam	Orion Educational Society	PC.25,2147	Chhattisgarh	Raipur	130
	Lok Bharti Education Society - Bihar	PC21.2115	Bihar	Gaya	236
	Lok Bharti Education Society-MP	PC.25.2146	Madhya Pradesh	Cuna	236
CTH	Prayatn Sanstha	PC252160	Rajasthan	Jaipur	180
SAN3EEVANI	Jubilant Bharlla Foundation	PC.2S2143	Uttarakhand	Haridwar	267
Green Tomorrow	Ashoka Trust For Research In Ecology And The Environment (ATREE)	PC.252144	Kerala	ALappuzha	248
Social Trailblazer	Institute of Rural Management Anand (IRMA)	PC25.2148	PAN India	Pan India	20
Special Project 1	Tata Trusts	PC.25.2165	Assam	Dibrugarh	254
Special Project 2	The Akshyapatra Foundation	PC.16.1918	Rajasthan	Bikaner	266
Nirnayam	Tata Memorial Center	PC.21.2117	Maharashtra	Raigad	264

3 PROJECT SUMMARY

3.1 HRIDAY

IMPLEMENTING AGENCIES:

PANI Society, AFPRO, Shramik Bharti, Mount Valley Development Association (MVDA), Gramin Vikas Trust (GVT), AROH Foundation, SAMARTHAN – Centre for Development Support, Integrated Development Foundation (IDF), Society for Development Alternatives, Centre for Advanced Research and Development (CARD), Sehgal Foundation, National Agro Foundation, Krushi Vikas Gramin Prashikshan Sanstha, Sahbhagi Shikshan Kendra (SSK).

PROJECT BACKGROUND PROJECT

The HRIDAY project, supported by LIC Housing Finance Limited (LICHFL), is implemented across diverse regions. It focuses on holistic rural development through initiatives such as sustainable agriculture, livelihood diversification, community empowerment, and infrastructure improvements like solar streetlights and educational enhancements. HRIDAY aims to uplift socio-economic conditions, enhance employment opportunities, and improve the overall quality of life in rural communities across India.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2020-21 FY 2021-22	77,579 individuals	77,579 individuals	Uttar Pradesh, Andhra Pradesh, Punjab, Uttarakhand, West Bengal, Rajasthan, Chhattisgarh, Bihar, Uttar Pradesh, Madhya Pradesh, Haryana, Tamil Nadu, Maharashtra, Jharkhand

PROJECT ACTIVITIES

The core activities under the project interventions include Agricultural Support through the distribution of quality seeds, provision of modern farming tools, farmers' training on sustainable agriculture, training on soil testing, vermicomposting, and modern pest management, as well as support for poultry and goat farming, veterinary assistance, and financial assistance. Community Development efforts encompass the installation of drinking water stations, solar street lighting, sanitation awareness campaigns, waste management, mobile clinics, and linking to available government facilities. Educational support is provided by introducing smart classes and libraries, teacher training, and the provision of sanitation facilities. Women's Empowerment is promoted through skill development and enterprise initiatives such as tailoring and beautician training, along with the strengthening of Self-Help Groups (SHGs).

KEY FINDINGS

69.2%

of the respondents witnessed a 20%increase in income due to the trellis method.

96.9%

of the beneficiaries took cattle to Animal Health camps conducted by the project intervention.

91.9%

of the respondents reported a significant improvement in health due to clean water.

100.0%

of the beneficiaries reported increased water availability for irrigation and wells for Nala deepening work.

85.1%
of the respondents observed enhanced moisture retention in the soil.

91.2%
of the women beneficiaries were empowered through training classes.

91.9%
of the respondents experienced improved agricultural practices after farm training programs.

100.0%
of the respondents have rainwater harvesting structures installed for recharging wells in their community.

70.2%
of the vermicompost users experienced more than a 40%increase in crop yield.

85.0%
of the respondents gained hands-on learning experience in farm management practices and enhanced agricultural knowledge and skills.

100.0%
of the beneficiaries of solar lights felt that they enabled the movement of children and women at night without fear.

50.4%
of the respondents started vegetable cultivation after Project Intervention.

83.1%
of the beneficiaries participated in animal health camps, leading to better cattle health and increased milk yields.

80.0%
of the beneficiaries reported a significant reduction in drudgery in obtaining drinking water.

KEY IMPACTS

The "HRIDAY" project has had a multifaceted impact, significantly contributing to socio-economic development and environmental sustainability across various project locations. Agricultural interventions have improved crop yields and promoted sustainable practices. Livestock interventions have enhanced animal health and increased milk production. Skill Development and Micro-enterprises have stabilised incomes, thereby improving socio-economic status. School libraries have fostered a reading culture, leading to better educational outcomes. Improved access to essential services such as water, healthcare, and educational facilities has enhanced living conditions through better infrastructure and resources, creating opportunities for economic growth and employment. The project's outcomes are measurable and visible, resulting in positive changes in health outcomes, educational attainment, economic stability, and environmental stewardship. These impacts are crucial in fostering resilience and prosperity within rural communities.

OECD-DAC RATING

Relevance	●●●●◐	**Effectiveness**	●●●●○	**Impact**	●●●●◐
Coherence	●●●●○	**Efficiency**	●●●●○	**Sustainability**	●●●●○

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

3.2 LIFE

IMPLEMENTING AGENCIES:

Vrutti, Manjari Foundation, SeSTA, Sarva Seva Samity Sanstha (4S)

PROJECT BACKGROUND

The LIFE project, supported by LIC Housing Finance Limited (LICHFL), spans various regions of India, emphasising sustainable agriculture, community empowerment, and livelihood enhancement. Activities include vermicomposting, goat rearing, micro-enterprises, and vocational training, targeting rural areas to improve farming techniques, diversify income sources, empower women through SHGs, and enhance economic stability and quality of life in communities.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2020-21 FY 2021-22	₹3.5 crore	557 Individuals	Karnataka, Uttar Pradesh, Assam, Tripura, Bihar

PROJECT ACTIVITIES

The core activities under the project interventions include seed distribution, workshops on crop rotation and intercropping, demonstrations on SRI cultivation, support for backyard poultry, pig, and goat rearing, machinery and training support for women, guidance on water conservation, irrigation, and pest management, market access, mulching, and organic pesticide application.

KEY FINDINGS

96.6%

of respondents saw increased vegetable yields with System of Crop Intensification (SCI), and 52.9% of pig- rearing beneficiaries earned ₹ 5,001 to ₹ 7,500 monthly, indicating significant income growth.

Each beneficiary received 2 goats promoting sustainable livelihoods.

94.9%

of the respondents benefitted from vermicomposting unit installation, reporting improved crop quality by 46.0%

All cattle owners received medicine and vaccination support, resulting in 98.3% reporting improved livestock health. Additionally, 77.5% saw a 20% increase in annual income.

KEY IMPACTS

The "LIFE" project has profoundly impacted the lives of beneficiaries through different interventions across various project locations. The adoption of new agricultural techniques and technologies has significantly increased crop yields and improved the quality of produce, resulting in higher incomes for farmers. The introduction of backyard poultry and vermicomposting units has diversified income sources, enhancing financial stability and food security for families. Additionally, the project has empowered women by providing them with new skills and economic opportunities, contributing to greater gender equality and social inclusion.

OECD-DAC RATING

Relevance	●●●●○	**Effectiveness**	●●●●○	**Impact**	●●●●◐
Coherence	●●●●○	**Efficiency**	●●●●○	**Sustainability**	●●●●○

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

3.3 Swach Vidhyalaya

IMPLEMENTING AGENCIES:

Gramalaya Trust

PROJECT BACKGROUND

Led by Gramalaya and supported by LIC Housing Finance Limited (LICHFL), the Swach Vidyalaya project has transformed school sanitation. Through renovation and construction of toilets equipped with essential amenities, including menstrual hygiene facilities, and running water, the project has eradicated open defecation and improved cleanliness. Educational programs focusing on hygiene and behaviour change have successfully ingrained proper sanitation practices among students. Ongoing efforts aim to sustain these improvements and extend similar initiatives to more schools, fostering better health outcomes and school attendance rates.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2020-21 FY 2021-22	₹ 6.3 crore	22,659 Individuals	Andhra Pradesh, Telangana

PROJECT ACTIVITIES

The core activities under the project interventions include the construction of sanitation facilities, provision of drinking water, promotion of hygiene practices among students, promotion of menstrual hygiene practices, and capacity building for parents, teachers, and local stakeholders.

KEY FINDINGS

100.0%
of the respondents found newly constructed toilets clean and usable and participated in special events promoting hygiene and sanitation awareness.

100.0%
attendance among girl students during menstruation is reported post-intervention.

Respondents were satisfied with the overall hygiene and sanitation facilities in their schools.

KEY IMPACTS

The impact of the Swachh Vidyalaya project extends beyond physical infrastructure improvements. It encompasses broader benefits such as improved health outcomes, enhanced school attendance, and better academic performance. Ultimately, by creating safe and hygienic learning environments, the project contributes significantly to the holistic development and well-being of students, aligning with global goals for quality education and sustainable development.

OECD-DAC RATING

Relevance	**Effectiveness**	**Impact**
Coherence	**Efficiency**	**Sustainability**

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

3.4 SATHI

IMPLEMENTING AGENCIES:

Prayatna

PROJECT BACKGROUND

SATHI- Digitalisation of Government School project, implemented by Prayatna in collaboration with CSR partner LICHFL, aims to digitalise government schools in Muzaffarpur, Bhagalpur, Darbhanga, and Samastipur. This initiative focuses on integrating smart classroom technology to enhance the quality of education, improve student engagement, and foster digital literacy among students and teachers. Through the provision of smart TVs, e-content, and training programs, the project seeks to create a more interactive and effective learning environment, ultimately aiming to uplift the educational standards and overall academic performance in the region.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2021-22	₹ 1,40,16,452/-	69,919 Individuals	Bihar

PROJECT ACTIVITIES

The core activities under the project interventions include the integration of smart classroom technology in Muzaffarpur, Bihar

KEY FINDINGS

93.2%

of students experienced significant improvement in overall academic performance, while 91.3%demonstrated improved digital literacy through smart classroom tools.

95.8%

agreed or strongly agreed that they retained information better than in traditional classrooms.

KEY IMPACTS

The integration of smart classes has led to a noticeable improvement in student engagement, academic performance, and interest in learning. Teachers have also benefited from enhanced teaching methods and the ability to deliver more dynamic and interactive lessons. The use of smart classroom technology has not only transformed the educational experience but also equipped students with vital skills for the future.

OECD-DAC RATING

Relevance	●●●●◐	**Effectiveness**	●●●●◐	**Impact**	●●●●○
Coherence	●●●●●	**Efficiency**	●●●●○	**Sustainability**	●●●●◐

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

3.5 UDHYAM

IMPLEMENTING AGENCIES:

Orion Educational Society
Lok Bharti Education Society

PROJECT BACKGROUND

The UDHYAM project, supported by LIC Housing Finance Limited (LICHFL), aims to enhance employment opportunities for the underprivileged through specialised skill development training. The study conducted during the fiscal year 2024-25 comprehensively assesses the project's impact on community development aspects such as employment rates, income levels, and overall quality of life.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2020-21 FY 2021-22	₹ 3.40 crore	1,650 Individuals	Chhattisgarh, Bihar, Madhya Pradesh

PROJECT ACTIVITIES

The core activities under the project interventions include industry-specific skill training, relevant hands-on training, Soft-skill development, Placement Assistance, Counselling, and Post-placement support.

KEY FINDINGS

All of the respondents (100%) could relate the lessons to actual practical work in their workplace, while 92.4%were highly satisfied with the teaching process.

The majority of them (96.2%) were able to secure a job through support.

All of the respondents (100%) received soft skills training, with 65.7% finding it beneficial to a larger extent.

KEY IMPACTS

The UDHYAM project has significantly impacted the lives of beneficiaries and communities across various project locations. By enhancing employability, fostering economic growth, and contributing to social development, it has ultimately improved the quality of life for its beneficiaries. All beneficiaries now earn between ₹ 10,000 and ₹ 20,000, contributing to their families as well. Through skilling and providing employment opportunities to marginalised youth and vulnerable sections of society, the project has not only improved individual livelihoods but also contributed to broader socio-economic development.

OECD-DAC RATING

Relevance	●●●●○	**Effectiveness**	●●●●○	**Impact**	●●●●○
Coherence	●●●●○	**Efficiency**	●●●●○	**Sustainability**	●●●●○

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

3.6 CTH

IMPLEMENTING AGENCIES:

Prayatn Sanstha

4 QUALITY EDUCATION

PROJECT BACKGROUND

In collaboration with LIC Housing Finance Ltd Foundation, Prayatn Sanstha implemented the 'Remedial Education Support to Migrant Children' project to address educational setbacks faced by migrant workers' children during the pandemic and help reintegrate them into formal schooling. The project focused on remedial education and community engagement, rebuilding academic competencies and ensuring enrollment in age-appropriate classes without stigma. Activities included identifying migrant settlements, conducting baseline analyses, training and deploying Shiksha Mitras, establishing remedial education centers, regular assessments, and providing learning materials.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2021-22	₹ 0.85 crore	300 migrant children	Rajasthan, Madhya Pradesh, Gujarat

PROJECT ACTIVITIES

The core activities of the project intervention include Remedial Education Support to Migrant Children through selected Shiksha Mitras, providing teaching materials, formation of Bal Manch and Adult Groups and awareness generation through Theatre-in-Education workshops, and organise IEC activities.

KEY FINDINGS

72.2%

of the beneficiaries participate in Bal Manch meetings every week, which highlights their strong participation.

46.7%

of the beneficiaries enjoyed creative activities and games, and 43.3% found learning about their rights enjoyable.

70.6%

of the beneficiaries reported enhanced confidence as the benefit of being part of the program.

72.5%

of the parents and 27.5 % of parents, respectively, believed their children's academic performance increased significantly and somewhat.

KEY IMPACTS

The project has had a significant impact on migrant children who are not only experiencing learning loss but also other socio-economic vulnerabilities. The program ensured continuity of education for migrant children who face interruptions due to temporary migration for parental work. This has led to building a safety net for these vulnerable children and a bridge to catching up with school education. The program has also been able to promote safe childhood by addressing reducing child labour, child marriage, and abuse and enhancing child rights.

OECD-DAC RATING

Relevance	●●●●◐	**Effectiveness**	●●●●◐	**Impact**	●●●●●
Coherence	●●●●●	**Efficiency**	●●●●◐	**Sustainability**	●●●●◐

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

3.7 Sanjeevani

IMPLEMENTING AGENCIES:

Jubilant Bhartia Foundation

PROJECT BACKGROUND

In collaboration with LIC Housing Finance Ltd Foundation, Jubilant Bhartia Foundation executed the 'Health Aarogya Project (SANJEEVANI)' to provide quality healthcare to 75 rural villages in Uttarakhand, Rajasthan, Assam, Karnataka, and Gujarat. The project offered a Static Health Clinic or a Mobile Medicare Unit to ensure accessible healthcare. It aimed to provide immediate support, integrate patients into existing systems, use technology for inclusive delivery, raise health awareness, and ensure safety for patients and health workers. The project served 94,496 patients through general and specialised camps, delivering crucial healthcare services to underserved communities.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2021-22	₹ 2.67 crore	21,000 Individuals	Uttarakhand, Gujarat, Assam, Rajasthan, Karnataka

PROJECT ACTIVITIES

The core activities of the project intervention include conducting regular visits to villages, providing medical consultations, and dispensing medicines. Organise weekly health camps, offering free health check-ups and consultations, awareness about preventive healthcare, family planning, and communicable diseases, including digitisation, patient registration and health records for efficient management and tracking.

KEY FINDINGS

83.5%

of beneficiaries received treatment for colds and fever and 65.2% for skin problems, suggesting the demand for the services.

88.8%

of beneficiaries find the drugs provided very effective for faster recovery.

89.5%

of beneficiaries prefer to receive treatment for chronic conditions and lifestyle diseases from the intervention.

99.3%

of beneficiaries attended health awareness sessions conducted by the intervention, suggesting its high engagement.

KEY IMPACTS

The program's impact can be highlighted in its approach to providing healthcare services directly to vulnerable and underserved populations, either through static health clinics, mobile units, or awareness camps, which address the critical need for accessible and affordable healthcare in rural areas. This proactive approach not only improves health outcomes but also reduces the financial burden on individuals and families, as evidenced by the significant reduction in healthcare expenditures post-intervention.

OECD-DAC RATING

Relevance	●●●●●	**Effectiveness**	●●●●◐	**Impact**	●●●●●
Coherence	●●●●●	**Efficiency**	●●●●○	**Sustainability**	●●●●○

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

3.8 Sujalam

IMPLEMENTING AGENCIES:

Ashoka Trust For Research in Ecology and The Environment (ATREE)

PROJECT BACKGROUND

In collaboration with LIC Housing Finance Ltd Foundation, the Ashoka Trust for Research in Ecology and the Environment implemented the 'Rainwater Harvesting for Improving Water Security in the Kuttanad Region' of Kerala. The project aimed to address fresh drinking water challenges in Kuttanad, known for its inadequate and poor-quality water supply. Covering 10 panchayats and benefiting 3,360 individuals and 840 households, the project began by identifying the problem and forming Rainwater Harvesting Self-Help Groups (RWH SHGs). These groups were trained by experts and constructed up to 20 rainwater harvesting tanks. The project also included behavior change training, and awareness sessions with IEC materials, and involved local government bodies and community participation. This comprehensive approach aimed to promote sustainable water management and improve water security in Kuttanad.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2021-22	₹ 2.02 crore	3,360 Individuals	Kerala

KEY FINDINGS

82.3%

of the beneficiaries used Common community taps/hand pumps connected to RWH structures as their primary source of drinking water after the intervention.

100.0%

of the participation in the activities of Consultation meetings for the construction of RWH structures, Awareness programs on safe drinking water practices.

The percentage of respondents who rated the water quality as very good increased from 0.0% to 58.1%, showing improved water quality.

PROJECT ACTIVITIES

The core activities of the project intervention include the installation of RWH structures across selected Panchayats, training of user groups and capacity building of the communities for ownership of the structures, and monitoring of water quality.

KEY IMPACTS

The project has profoundly impacted the lives of rural communities in Kuttanad, who were grappling with a severe deprivation of safe and clean drinking water sources. By directly tackling this critical concern, the initiative has alleviated the immense burden these environmentally vulnerable families bear.

OECD-DAC RATING

Relevance	●●●●●	**Effectiveness**	●●●●◐	**Impact**	●●●●●
Coherence	●●●●●	**Efficiency**	●●●●○	**Sustainability**	●●●●○

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

3.9 Social Trailblazer

IMPLEMENTING AGENCIES:

Institute of Rural Management Anand (IRMA)

PROJECT BACKGROUND

The LICHFL – IRMA Social Trailblazer Program, implemented by the Institute of Rural Management Anand, is a year-long initiative to boost social innovation in India, focusing on livelihood and liveability. It aims to empower social entrepreneurs and enterprises with capital assistance, mentorship, and ecosystem support to tackle developmental challenges aligned with the Sustainable Development Goals. The program facilitates problem mapping, stakeholder mapping, and the development of scalable solutions, aiming to create future leaders in social entrepreneurship. Core activities include training sessions, boot camps, and pitch events to incubate and accelerate these enterprises toward their transformational goals.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2021-22	₹ 2.00 crore	19 Start-ups	PAN India

KEY FINDINGS

Successfully onboarded 19 targeted start-ups, with an adjustment to fund 11 start-ups instead of the planned 10.

Provided equity funding to 8 start-ups and grants to 3 start-ups.

Achieved broad geographical coverage across India with start-ups operating in diverse regions, enhancing the program's reach and impact.

30% of the total start-ups are led by women co-founders, supporting gender diversity and leadership in the social enterprise sector.

Start-ups under the program have attracted attention from various government departments and private investors, opening avenues for future collaborations and funding.

PROJECT ACTIVITIES

The core activities of the project intervention include financial assistance and mentorship to selected Incubators for their entrepreneurship and start-ups.

KEY IMPACTS

The impact of the program is profound, affecting various levels, from individual to national. Start-ups have not only experienced growth but have also contributed to job creation, innovation, and community development. The program's emphasis on sustainability and social impact ensures that the benefits are widespread and long-lasting, enhancing social structures and economic conditions within communities across India.

OECD-DAC RATING

Relevance	●●●●●	**Effectiveness**	●●●●◐	**Impact**	●●●●●
Coherence	●●●●●	**Efficiency**	●●●●◐	**Sustainability**	●●●●◐

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

3.10 Special Project 1

IMPLEMENTING AGENCIES:

Tata Trusts

PROJECT BACKGROUND

In collaboration with LIC Housing Finance Ltd Foundation, Tata Education Development Trust successfully executed the 'Transforming cancer care in Dibrugarh' to meet the accessible cancer diagnostics needs of families in Dibrugarh, Assam. Assam, particularly, reports a significant number of cancer cases each year, placing immense strain on patients and their families. Currently, access to cancer care is predominantly limited to centrally located apex hospitals, resulting in logistical challenges such as high out-of-pocket costs and extended travel distances for patients from remote areas like Upper Assam. By setting up PET-CT scans in Dibrugarh Cancer Care Centre, Assam, as a pivotal location, this initiative has been able to mitigate these challenges. It has enhanced early detection, diagnosis, and treatment capabilities, thereby improved patient outcomes, and reduced the burden on healthcare facilities. The project successfully served 857 patients by installing and operationalising a state-of-the-art PET-CT scan. This initiative provided access to high-quality diagnostic services for numerous individuals in Dibrugarh Cancer Care Centre, Assam.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2021-22	₹ 4.95 crore	857 Individuals	Assam

KEY FINDINGS

Successfully installed and operationalised advanced PET-CT scan equipment at the Dibrugarh Cancer Centre.

Improved accuracy of cancer diagnosis by identifying primary cancer sites and metastases more precisely.

Enabled clinicians to tailor treatment plans more effectively based on accurate staging and response monitoring.

PROJECT ACTIVITIES

The core activities of the project intervention include procurement and installation of Emission Tomography - Computed Tomography (PET-CT) equipment and training for healthcare professionals for effective utilisation.

KEY IMPACTS

The program has been impactful by addressing a critical gap in local cancer care services. The installation of the PET-CT has reduced the need for exhausting and costly travel by providing timely and precise diagnostics locally. Previously, the concentration of advanced diagnostic services in limited urban centres led to long waiting periods for patients. The availability of the PET-CT scan at Dibrugarh Cancer Care Centre has alleviated this issue by distributing the diagnostic load more evenly across the region.

OECD-DAC RATING

Relevance	●●●●●	**Effectiveness**	●●●●○	**Impact**	●●●●●
Coherence	●●●●●	**Efficiency**	●●●●○	**Sustainability**	●●●●◐

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

3.11 Special Project 2

IMPLEMENTING AGENCIES:

The Akshaya Patra Foundation

2 ZERO HUNGER | 3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 17 PARTNERSHIPS FOR THE GOALS

PROJECT BACKGROUND

In collaboration with LIC Housing Finance Limited (LICHFL), the Akshaya Patra Foundation operated a successful Mid-Day Meal program in Lucknow and beyond. This initiative provided nutritious meals to underprivileged children, enhancing their health, behaviour, and academic performance. Advanced kitchen facilities ensured food quality, safety, and cost-efficiency, supported by a green fleet for timely meal delivery. Meanwhile, a program implemented by Prayatna, aimed to digitise government schools in using smart classroom technology to improve education quality and digital literacy.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2022-24	₹ 4.9 crore	75,000 Individuals	Rajasthan, Gujarat, Uttar Pradesh, Daman & Diu and Silvassa

PROJECT ACTIVITIES

The core activities under the project interventions include the provision of Mid-day meals through centralised kitchens equipped with advanced technologies like mechanised steam-heated utensils in government schools across Bikaner, Lucknow, Silvassa, and Surat.

KEY FINDINGS

Reduced malnutrition and related health issues were achieved through balanced meals provided under the mid-day meal program.

Improved school attendance and concentration, leading to better academic performance have also been reported.

KEY IMPACTS

The Mid-day Meal Program has had a definite positive impact on students' nutritional intake, leading to improved attendance, active class participation, and better academic outcomes. Cultural sensitivity ensures that meals are well-received, contributing to overall student well-being.

OECD-DAC RATING

Relevance	5	Effectiveness	4.5	Impact	5
Coherence	5	Efficiency	4.5	Sustainability	3

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

3.12 Nirnayam

IMPLEMENTING AGENCIES:

Tata Memorial Center

PROJECT BACKGROUND

The LICHFL Nirnayam Project, implemented by Tata Memorial Centre's Advanced Centre for Treatment, Research and Education in Cancer (ACTREC) in Kharghar, Navi Mumbai, addresses the rising demand for specialised cancer treatment in India. The project focuses on equipping the Operation Theatre (OT), Intensive Care Unit (ICU), Post-operative Recovery, and Central Sterilisation Supply Department (CSSD) with advanced medical equipment. This initiative aims to enhance patient care, improve treatment efficiency, and increase the hospital's capacity to treat cancer patients from across India and neighbouring countries, aligning with Sustainable Development Goals (SDGs) to promote evidence-based oncology services, education in cancer care, and innovative cancer research.

PROJECT DETAILS

Year of Implementation	Project Budget	Total Beneficiaries	Project Location
FY 2020-21	₹ 5.80 crore	20,000 Individuals	Maharashtra

PROJECT ACTIVITIES

The core activities of the project intervention include the procurement and installation of 183 pieces of advanced medical equipment in OT and ICU.

KEY FINDINGS

Procurement and installation of advanced technology equipment in OT and ICU.

Training programs are conducted for staff by equipment vendors and trained doctors.

Increased capacity for patient treatment from 5,600 to 40,000 admissions annually.

Enhanced diagnostic and treatment capabilities with advanced equipment, including GI endoscopy and laparoscopy stacks, multipara monitors, and infusion pumps

Increased patient handling efficiency by 80% with user-friendly equipment.

KEY IMPACTS

The project has had a significant impact on cancer care at ACTREC Tata Memorial Centre. It has enhanced diagnostic and treatment capabilities, improved patient outcomes, and increased the hospital's capacity to handle more patients. The qualitative impact is evident from case studies and testimonials, demonstrating improved efficiency in surgeries, better patient monitoring, and overall enhanced quality of care.

OECD-DAC RATING

Relevance	●●●●●	**Effectiveness**	●●●●◐	**Impact**	●●●●●
Coherence	●●●●●	**Efficiency**	●●●●◐	**Sustainability**	●●●●◐

Index : 5 Points - Very High ; 4 Points - High ; 3 Points - Moderate ; 2 Points - Low ; 1 Point - Very Low

ANNEXURE 5
TO THE BOARD'S REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[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 of,
LIC Housing Finance Limited
Bombay Life Building, 2nd Floor,
45/47, Veer Nariman Road,
Mumbai- 400 001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LIC HOUSING FINANCE LIMITED having CIN: - L65922MH1989PLC052257** (hereinafter called the **'the Company'**) for the financial year ended on **31st March, 2024** (the "Audit Period").

We have conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts/ statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

(i) Our verification of the Company's books, papers, minutes books, forms and returns filed, records provided through virtual data room /physically and other records maintained by the Company;

(ii) Compliance certificates confirming compliance with corporate laws applicable to the Company given by the Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by the Company's Audit Committee / Board of Directors; and

(iii) Representations made, documents produced and information provided by the Company, its officers, agents and authorised representatives during our conduct of Secretarial Audit

We hereby report that, in our opinion, during the Audit Period covering the financial year ended on 31st March, 2024, the Company has:

(i) Complied with the statutory provisions listed hereunder; and

(ii) Board processes and compliance mechanisms are in place to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure-A.

1. COMPLIANCE WITH SPECIFIC STATUTORY PROVISIONS

We further report that:

1.1 We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company during the year in terms of the applicable provisions / clauses 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) The National Housing Bank Act, 1987 and the Guidelines and Circulars issued thereunder from time to time.

(v) The Housing Finance Companies (NHB) Directions, 2010 as amended from time to time.

(vi) Housing Finance Company Issuance of Non-Convertible Debentures on Private Placements (NHB) Directions, 2014.

(vii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

(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, 2015;

(c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;

(d) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible securities) Regulations, 2021 as amended from time to time.

(g) Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008

(h) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time.

*The Company has also maintained a Structured Digital Database ("SDD") pursuant to the requirement of regulation 3 (5) and 3 (6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

(viii) Secretarial Standards relating to Board Meetings and General Meetings issued by The Institute of Company Secretaries of India (Secretarial Standards) and notified by the Central Government under Section 118 (10) of the Act which have mandatory application.

1.2 During the period under review:

(i) The Company has complied with all the applicable provisions of all the aforesaid Acts, Rules, Regulations, Guidelines and Secretarial Standards as mentioned above.

(ii) Generally Complied with the applicable provisions / clauses of:

(a) The Secretarial Standards on meetings of Board of Directors (SS-1) and on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above, which are applicable to the meetings of the Board, Committees constituted by the Board held during the year, the 34th Annual General Meeting ("AGM") held on Monday, 28th August, 2023 and the postal ballots conducted by the Company dated 28th April, 2023, 30th June, 2023 and 29th October, 2023.

(b) The compliance with the provisions of the Rules made under the Act with regard to participation of Directors through video conference for the Board/Committee meeting(s) held during the year, were verified based on the minutes of the meetings provided by the Company.

1.3 During the audit period under review, provisions of the following Acts /Regulations were not applicable to the Company: -

(i) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

(iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

(iv) Foreign Exchange Management Act (FEMA), 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investments and External Commercial Borrowings to the extend applicable.

1.4 We have also examined, on test-check basis, the relevant documents and records maintained by the Company and provided to us with respect to the following Statutes which is applicable to the Company: -

a) Tax Laws;

b) Information Technology Act, 2002;

c) The Prevention of Money Laundering Act, 2002;

d) Compliance with Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI);

e) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

2. BOARD PROCESSES OF THE COMPANY:

We further report that:

2.1 The Board of Directors of the Company as on 31st March, 2024 comprised of:

(i) One Managing Director – Mr. Tribhuwan Adhikari (DIN: 10229197);

(ii) Two Non-Executive Nominee Directors – Mr. Siddhartha Mohanty (DIN: 08058830), Mr. Mukkavilli Jagannath (DIN: 10090437);

(iii) Two Non-Executive Non-Independent Directors – Mr. Koteswara Rao Pottimutyala (DIN: 06389741), Mr. Akshay Kumar Rout (DIN: 08858134);

(iv) Eight Non-Executive Independent Directors, including one Woman Independent Director -

Mr. Dharmendra Bhandari (DIN: 00041829),
Mr. Vipan Kumar Kukreja (DIN:01185834),
Mr. Ameet N. Patel (DIN:00726197),
Mr. Kashi Prasad Khandelwal (DIN:00748523),
Mr. Sanjay Kumar Khemani (DIN:00072812),
Ms. Jagennath Jayanthi (DIN:09053493),
Mr. Ravi Krishan Takkar (DIN:07734571),
Mr. Ramesh Lakshman Adige (DIN:00101276);

2.2 The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during the year were carried out in compliance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015:

1. Appointment of Mr. Siddhartha Mohanty (DIN: 08058830) as Additional Director, Non-Executive on the Board of the Company as Nominee of LIC of India, in accordance with Articles of Association of

the Company who has been appointed as Chairman of the Company in accordance with Article 176 of the Articles of Association of the Company with effect from 5th April, 2023 till the period as decided by LIC of India from time to time, not liable to retire by rotation through postal ballot passed on 28th June, 2023.

2. Appointment of Mr. Jagannath Mukkavilli (DIN: 10090437) as Additional Director, Non-Executive on the Board of the Company as Nominee of LIC of India, in accordance with Articles of Association of the Company with effect from 5th April, 2023 be and is hereby appointed as Director (Non-Executive) of the Company for the period as may be decided by LIC of India and Board of the Company, liable to retire by rotation through postal ballot passed on 28th June, 2023.

3. Change in the designation of Mr. Shri Sanjay Kumar Khemani (DIN:00072812) from Non-Executive Director to Independent Director not liable to retire by rotation until 30th June, 2024 with effect from 6th February, 2023.

4. Cessation of directorship of Mr. Ashwani Ghai (DIN:09733798) as the Whole Time Director & Chief Operating Officer of the Company with effect from 13th June, 2023.

5. Appointment of Mr. Tribhuwan Adhikari (DIN: 10229197) was appointed as Additional Director in the capacity of Managing Director & CEO by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee who was regularised at the AGM as the Managing Director & CEO of the Company for such period until which he remains deputed in the Company as a nominee director of LIC of India, subject to a maximum period upto 5 years, from the date of his appointment i.e. 3rd August, 2023.

6. Reappointment of Shri Akshay Kumar Rout (DIN: 08858134) as a Director, liable to retire by rotation, was approved by the Members of the Company at their AGM pursuant to Section 152 of the Companies Act, 2013.

7. Appointment of Shri Ramesh Lakshman Adige (DIN: 00101276) as an Independent Director of the Company until 31st August, 2028 appointed as an Independent Director of the company not liable to retire by rotation for a period of 5 years until 31st August, 2028 with effect from 1st September, 2023.

8. Cessation of directorship of Viswanatha Gowd Yerur (DIN: 09048488) as Managing Director and Chief Executive Officer of the Company with effect from 31st July, 2023.

9. Cessation of directorship of Mr. Mangalam Ramasubramanian Kumar as Nominee Director of the Company with effect from 13th March, 2023.

2.3 Adequate notice(s) with Agenda and the detailed notes to Agenda of at least seven days was given to all the Directors to enable them to plan their schedule for the meetings of the Board and the Committees constituted by the Board, and where the meetings were held at shorter notice, due compliance was ensured, as required under the Act and the Secretarial Standard on meetings of the Board of Directors.

2.4 A system exists for Directors to seek and obtain further information and clarifications on the agenda items before the meetings and to ensure their meaningful participation at the meetings.

2.5 We note from the minutes examined that, at the Board meetings held during the year:

(i) Decisions were taken through the majority of the Board; and

(ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, which were required to be recorded as part of the minutes.

3. COMPLIANCE MECHANISM

There are reasonably adequate systems and processes prevalent in the Company, which are commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

4. SPECIFIC EVENTS / ACTIONS

4.1 During the year under review, the following specific events/ actions, having a major bearing on the Company's affairs took place: -

1. The members of the Company at Postal ballot dated 28th June, 2023 approved the following by way of a Special Resolution:

   a. Amendment in clause 143 (a) of the Articles of Association of the Company.

   b. Issuance of Redeemable Non-convertible debentures/ or any other instruments, which can be classified as being Tier II capital under the provisions of the Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, Housing Finance Companies (NHB) Directions, 2010 and the guidelines on private placement of Non-Convertible Debentures (NCDs), for cash either at par, premium or discount (only in case of re-issuance) to the face value, up to an aggregate amount not exceeding ₹ 53,000/- crore (Rupees Fifty Three Thousand Crore only) under one or more shelf disclosure document (including any shelf disclosure document as may have already been approved and issued by the Company) and / or under one or more letters of offer as may be issued by the Company, and in one or more series / tranches, during the period commencing from the date of this approval to the date of the 35th Annual General Meeting for FY 2024-25 or the date of exhaustion of the above mentioned limit, whichever is earlier, on a private placement basis and on such terms and conditions as the Board/ or its Committee, may deem fit and appropriate for each series / tranche, as the case may be subject to condition that the total outstanding Non-Convertible Debentures (NCDs) along with other borrowings limits, does not exceed the existing borrowing powers of the Board under Section 180(1)(c) of the Act, i.e., ₹ 4,00,000/- crore (Rupees Four Lakh Crore only), accorded in the 30th Annual General Meeting held on 28th August, 2019.

2. The members of the Company at the 34th AGM have approved the material related party transaction limits with Life Insurance Corporation of India (LIC of India) for an aggregate value not exceeding ₹ 3,850 crore (Rupees Three Thousand Eight Hundred and fifty crore only) during the period FY 2023-24 by way of renewals of extension or modifications of earlier arrangement / transactions.

3. During the period under review, the Company had received an intimation from the Luxembourg Stock Exchange (LuxSE) on 29th November, 2023 regarding the 'The Bank of New York Mellon SA/NV, Luxembourg Branch which has publicly announced its decision to cease to act as listing agent for securities listed on LuxSE. Thereafter, The Bank of New York Mellon, as depositary terminated the Deposit Agreement, dated 7th September, 2004, between the Company and the Depositary as a result, the existing GDR facility was terminated effective at 5:00 PM (Eastern Time) on 25th March, 2024.

4. The Board of Directors at its meeting held on 2nd February, 2024 approved the proposal for infusing ₹ 20 crore in LICHFL Care Homes Limited in form of Inter - Corporate Deposit at rate of interest of 9.5% p.a. for a tenure of 3 years.

5. The Company was in receipt of show cause notice from Reserve Bank of India vide show cause notice no: CO.ENFD.DENBFC.No.S585/02-14-261/2023-24 dated 5th December, 2023, was issued to the company by the Reserve Bank (RBI), calling upon to show cause in writing, as to why the maximum penalty stipulated under section 52A of the National Housing Bank Act, 1987 (NHB Act) should not be imposed on the company for non-compliance with the aforementioned direction issued by RBI, as stated therein. The company submitted its reply to the SCN vide letter dated 22nd December, 2023, additional submissions were made vide letters dated 13th and 18th March, 2024 and proceedings of the personal hearing was conducted on 13th March, 2024. Thereafter the Company was in receipt of letter from Reserve Bank of India (Regulator) vide letter Ref: CO. ENFD.DENBFC.No.S15/02-14-261/2024-25 dated 5th April, 2024, wherein a penalty of ₹ 49,70,000/- (Rupees Forty-Nine Lakh Seventy Thousand only) was levied on LIC Housing Finance Limited, Mumbai (the company) for non-compliance with Parra 80.1 (part) and 85.6 of the RBI Master Directions, which was deposited with the RBI on 19th April, 2024.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
[PR No.: 637/2019]

Avinash Bagul
Partner
FCS No.: F5578
COP No.: 19862
UDIN: F005578F000373583

Place: Mumbai
Date: 15th May, 2024

Annexure A to the Secretarial Audit Report for the financial year ended 31st March, 2024

To,
The Members of,
LIC Housing Finance Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We have considered compliance related actions taken by the company based on independent legal /professional opinion obtained as being in compliance with law.
4. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We have also examined the compliance procedures followed by the Company. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
7. Our 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.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
[PR No.: 637/2019]

Avinash Bagul
FCS No.: F5578
COP No.: 19862
UDIN: F005578F000373583

Place: Mumbai
Date: 15th May, 2024

ANNEXURE 6
TO THE BOARD'S REPORT

FORM AOC-1

Pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiaries / associate companies.

Part 'A' Subsidiaries

Amt in ₹

Sl. No.	Name of the Subsidiary Company	Reporting period	Reporting currency	Issued, subscribed and paid up Capital	Reserves & surplus	Total assets	Liabilities (excluding share capital & reserves)	Investments	Turnover	Profit/ (Loss) before taxation	Tax Expenses / (Credit)	Profit /(Loss) after taxation	Proposed dividend	% of shareholding
1	LICHFL Care Homes Limited	April 2023 - March 2024	INR	50,00,00,000	(41,27,16,000)	93,20,31,000	84,47,46,000	NIL	47,73,039	-10,66,94,000	75812000	(18,25,06,000)	Nil	100
2	LICHFL Financial Services Limited	April 2023 - March 2024	INR	9,50,00,000	99,18,99,000	1,20,97,53,000	12,28,54,000	NIL	66,83,42,000	23,16,59,000	5,99,31,000	17,17,28,000	30%	100
3	LICHFL Asset Management Company Limited	April 2023 - March 2024	INR	9,19,44,000	54,10,32,000	69,84,34,000	6,54,58,000	8,04,70,000	15,82,76,000	9,18,54,000	2,60,72,000	6,57,82,000	30%	94.62
4	LICHFL Trustee Company Private Limited	April 2023 - March 2024	INR	9,00,000	94,25,080	1,04,44,120	1,19,040	1,02,68,750	21,61,870	19,58,160	4,95,160	14,63,000	Nil	100
Part 'B' Associate														
1	LIC Mutual Fund Asset Management Company Limited	April 2023 - March 2024	INR	15,39,00,000	2,30,61,08,160	2,69,53,11,330	23,53,03,170	1,32,14,90,080	93,66,53,680	10,97,56,130	-	10,97,56,130	10%	33.52
2	LIC Mutual Fund Trustee Private Limited	April 2023 - March 2024	INR	1,00,000	63,31,410	67,63,490	3,32,080	Nil	50,00,000	32,50,950	8,26,750	24,24,200	Nil	35.30

REPORT ON CORPORATE GOVERNANCE

The Company adheres to the highest level of governance, with compliance as its highest priority on an ongoing basis in order to meet the expectations of all of its stakeholders, with highest sustainability growth. The Board of the Company acts as a trustee, safeguards the Shareholder capital, maintains transparency and high level of integrity and builds simple and transparent processes driven by the business needs of all stakeholders.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Corporate Governance is a large spectrum of systems and practices that ensures commitment to values - fairness, transparency, responsibility and ethical behaviour in doing business. The Company transforms these core values into business policies and practices them with the aim of ensuring sustainable growth for all stakeholders.

The Company endeavours to achieve operational excellence and customer delight in every sphere of business operation through constant awareness about its responsibility in relation to stakeholders, customers, government, employees and society at large. Being a responsible organisation, your Company honestly and effectively discharges its obligations to government and strives to empower the employees.

Your Company has a strong legacy of transparency and ethical governance practices. The Company has adopted the Code of Conduct for its Directors and employees which is hosted on its website. The Company complies with all requirements stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, "SEBI Listing Regulations, 2015" and Uniform Listing Agreement entered into with the Stock Exchanges. The Company also complies with the applicable provisions of the Master Direction-Non -Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 and RBI's Framework for Scale Based Regulation for Non-Banking Financial Companies.

BOARD OF DIRECTORS

Composition

It is our belief that the Board of Directors of the Company needs to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain its independence and clearly carve out functions of governance and management. The SEBI Listing Regulations, 2015 mandate that for a company with a regular non-executive chairman, who is related to a promoter, at least half of the Board should comprise of independent directors. As on 31st March, 2024, the Board of the Company comprised of thirteen members consisting of two Non-Executive Nominee Directors, two Non-Executive Non-Independent Directors and Eight Independent Directors including one woman Independent Director, one Executive-Director are thereby fulfilling the requirement of the Companies Act, 2013 and the SEBI Listing Regulations, 2015.

The Executive and Non-Executive Directors are competent and eminent personalities in their respective fields. None of the Directors on the Board hold directorship in more than 7 equity listed entities or 10 public companies and none of them is a member of more than 10 committees or chairperson of more than 5 committees across all listed entities in which they are Directors, determined in the manner provided in SEBI Listing Regulations, 2015. Necessary disclosures in this regard as on 31st March, 2024 have been made by the Directors. The Directors are not related to each other in any manner.

The average tenure of the members on our Board is 4.05 years* as of 31st March, 2024. The average tenure of an Executive Director is 0.66 years, Independent Directors is 4.84 years and that of the Non-Executive Non-Independent Directors, including Chairman, is 2.41 years.

The average tenure of the members on the Board in years as on 31st March, 2024 is as follows:

Tenure on Board

Name of the Director	Original date of appointment	Tenure (in years) as on 31st March, 2024	Earlier of retirement date / term ending date	Average tenure (in years)
Non-Executive Non independent Directors including Chairman				
Shri Siddhartha Mohanty[1]	5th April, 2023	0.11	NA	2.41
Shri Jagannath Mukkavilli[1]	5th April, 2023	0.11	NA	
Shri P Koteswara Rao	11th June, 2018	5.8	NA	
Shri Akshay Kumar Rout	28th September, 2020	3.6	NA	
Executive – Managing Director and Chief Executive Officer				
Shri Tribhuwan Adhikari	3rd August, 2023	0.66		0.66

Name of the Director	Original date of appointment	Tenure (in years) as on 31st March, 2024	Earlier of retirement date / term ending date	Average tenure (in years)
Independent Directors				
Dr. Dharmendra Bhandari[2]	19th August, 2014	9.7	18th August, 2024	4.84
Shri Ameet N Patel[3]	19th August, 2015	8.7	18th August, 2025	
Shri V. K. Kukreja[4]	30th June, 2015	8.8	30th June, 2025	
Ms. Jagennath Jayanthi	5th February, 2021	3.2	4th February, 2026	
Shri Kashi Prasad Khandelwal	1st July, 2019	4.8	30th June, 2024	
Shri Ravi Krishan Takkar	25th July, 2022	1.7	24th July, 2027	
Shri Sanjay Kumar Khemani	6th February, 2023	1.1*	30th June, 2024	
Shri Ramesh Lakshman Adige	1st September, 2023	0.7	31th August, 2028	

[1] Nominee of LIC of India.

[2] Reappointed for a second term w.e.f 19th August, 2019.

[3] Reappointed for a second term w.e.f 30th June, 2020.

[4] Reappointed for a second term w.e.f 19th August, 2020.

* Shri Sanjay Kumar Khemani was appointed on the Board with effect from 1st July, 2019 as Non-Executive Non-Independent Director and was redesignated as Independent Director on 6th February, 2023. Hence his total tenure in the Board is counted as 4.8 for the purpose of calculating the average tenure of the members on the Board.

The Independent Directors actively take part in the proceedings of the Board and Committee meetings which enables qualitative decision-making. They are entitled for sitting fees for attending the Board and Committee meetings, and are reimbursed expenses incurred, if any, for attending meetings. They do not have any other material or pecuniary relationship or transactions with the Company, its Promoters, its Directors, management, subsidiaries or associates. In FY 2023-24, the composition of the Board was in conformity with SEBI Listing Regulations, 2015. Details of Board Meetings and the last Annual General Meeting attended by Directors, number of other Directorships / Committee memberships and chairmanship (viz.) Audit Committee and Stakeholders Relationship Committee as per SEBI Listing Regulations, 2015, held by them as on 31st March, 2024 are tabulated below:

Sr. No.	Directors	Category of Directorship	Attendance at 34th Annual General Meeting	Attendance at the Board meetings (No. of meetings held – 7)	No. of Directorships of other Companies (other than LIC Housing Finance Ltd.)	No. of Committees Membership / Chairmanship (other than LIC Housing Finance Ltd.) (Refer Notes below)		Directorships in other Listed entities and category
						Member	Chairman	
1.	Shri Siddhartha Mohanty (DIN: 08058830)[5]	Non-Executive Nominee Director Chairman	Present	7	3	0	0	LIC of India
2.	Shri Jagannath Mukkavilli (DIN: 10090437)[6]	Non-Executive Nominee Director	Present	7	2	3	1	i. LIC of India ii. BSE Limited
3.	Dr. Dharmendra Bhandari (DIN: 00041829)	Independent and Non-Executive	Present	7	5	1	0	-
4.	Shri V. K. Kukreja (DIN: 01185834)	Independent and Non-Executive	Present	7	1	0	0	-
5.	Shri Ameet N. Patel (DIN: 00726197)	Independent and Non-Executive	Present	7	2	0	0	-
6	Shri P Koteswara Rao (DIN: 06389741)	Non-Executive Non Independent	Present	7	0	0	0	-

Sr. No.	Directors	Category of Directorship	Attendance at 34th Annual General Meeting	Attendance at the Board meetings (No. of meetings held – 7)	No. of Directorships of other Companies (other than LIC Housing Finance Ltd.)	No. of Committees Membership / Chairmanship (other than LIC Housing Finance Ltd.) (Refer Notes below)		Directorships in other Listed entities and category
						Member	Chairman	
7.	Shri Kashi Prasad Khandelwal (DIN: 00748523)	Independent and Non-Executive	Present	7	4	1	3	i. Kesoram Industries Ltd-Independent Director. ii. GPT Infra projects Limited-Independent Director iii. GPT Healthcare Limited – Independent Director
8.	Shri Sanjay Kumar Khemani[7] (DIN: 00072812)	Non- Executive Independent	Present	6	2	1	1	Yes Bank Limited-Independent Director
9.	Shri Akshay Kumar Rout (DIN: 08858134)	Non-Executive Non Independent	Present	7	0	0	0	-
10.	Shri Y Viswanatha Gowd[8] (DIN: 09048488)	Executive	Present	3	4	1	0	-
11	Shri Ashwani Ghai[9] (DIN: 09733798)	Whole Time Director and COO till 13th June, 2023	Not Applicable	2	1	1	0	MAHINDRA AND MAHINDRA FINANCIAL SERVICES LIMITED
12	Ms. Jagennath Jayanthi (DIN: 09053493)	Non-Executive Non Independent	Present	7	1	1	1	-
13	Shri Ravi Krishan Takkar (DIN: 07734571)	Non-Executive Non Independent	Present	7	2	0	0	-
14	Shri Ramesh Lakshman Adige (DIN: 00101276)[10]	Director	Not Applicable	3	2	0	0	i. Premier Limited ii. Fortis Malar Hospitals Limited (Date of Cessation: 5th May, 2024)
15	Shri Tribhuwan Adhikari[11] (DIN: 10229197)	Managing Director and Chief Executive Officer	Present	4	5	1	0	-

[5] Shri Siddhartha Mohanty was appointed on 5th April, 2023 and hence, he was eligible to attend total 7 Board Meetings.

[6] Shri Jagannath Mukkavilli was appointed on 5th April, 2023 and hence, he was eligible to attend total 7 Board Meetings.

[7] Designation of Shri Sanjay Kumar Khemani changed from Non-Executive Director to Independent Director w.e.f. 6th February, 2023.

[8] Shri Y Viswanatha Gowd ceased to be Managing Director & CEO w.e.f. 31st July, 2023 on account of his superannuation from LIC of India.

[9] Shri. Ashwani Ghai, ceased to be Whole Time Director and COO of the Company w.e.f 13th June, 2023 on account of his transfer to LIC of India.

[10] Shri Ramesh Lakshman Adige was appointed as Additional Director w.e.f. from 1st September, 2023 and his appointment was regularised with approval of shareholders w.e.f. 27th October, 2023.

[11] Shri Tribhuwan Adhikari was appointed as Manging director and Chief Executive Officer w.e.f. from 3rd August, 2023.

Notes:

1) Excludes Foreign Companies, Private Limited Companies, High Value Debt Listed Entities and Companies under Section 8 of Companies Act, 2013, Trusts and Alternate Directorships as per Regulation 26 of the SEBI Listing Regulations, 2015.
2) Includes only chairmanship / membership of Audit Committee and Stakeholders' Relationship Committee in public companies.
3) None of the Directors are related inter-se.

Role of the Board of Directors

The primary role of the Board is that of trusteeship, to protect and enhance shareholders' value through provision of strategic direction to the Company. The Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth. The Board carries out its duties with care, skill and diligence and exercises independent judgement. It sets strategic goals and seeks accountability from the management and employees.

Responsibilities of the Board

Board Appointments / Membership Criteria

The Company inducts eminent personalities from diverse fields as Directors on its Board. The Nomination and Remuneration Committee (NRC) works with the entire Board to determine the appropriate characteristics, skills, expertise and experience required for the Board as a whole and for individual members. Board members are expected to possess required qualifications, integrity, expertise and experience for the position and relevant to the Company and also ability to contribute to its growth.

Based on the disclosures received from all the Independent Directors and based on due assessment of the veracity of the same undertaken by the Board, the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and SEBI Listing Regulations, 2015 and are independent of the management, in the opinion of the Board,.

The table below summarises the key qualifications, skills and attributes which are taken into consideration while nominating individuals as Board members:

Nature of skill, expertise and competence required by the members of the Board	
Corporate Governance	Need to have the knowledge to steer the organisation towards achieving its objectives while operating effectively, responsibly, legally and sustainably, adopt best practices in corporate governance, including relevant governance codes, practices, roles, duties, responsibilities and accountability of individual directors and of the Board as a whole.
Leadership and Stakeholder Relations	Need to understand how to deliver effective leadership, build good stakeholder relations and develop a strategically aligned and value based organisational performance.
Strategy	Demonstrate an understanding of market demands including retail customer needs as well as the importance of customer centric service, good commercial judgement, understanding of the relationship between risk and reward, Company's relative position and challenges and understanding of alternative / disruptive business models.
Finance / Technical	Need to understand how to assess the organisation's financial position and steer its financial performance in order to stay solvent and develop sustainable plans, demonstrate an understanding of how to interpret financial statements and accounts in order to assess the financial health of an organisation, understanding of finance in all its facets including housing finance, knowledge of relevant products / schemes, housing, banking, funding through debt and equity, capital markets, regulatory framework and knowledge of relevant legislative issues.
Strategic thinking	Ability to identify opportunities and threats to the organisation, taking account of the internal and external business environment, propose alternative options, present creative and innovative solutions. Identify the potential impact of decisions and offer contingency plans and risk mitigation.
Analysis and use of information	Ability to actively seek reliable, sufficiently detailed and timely information from wide range of sources, assimilate and synthesise financial, technical and qualitative information, simplify complex information.
Decision making	Ability to evaluate proposals using a range of criteria, SOP, existing schemes, etc., identify their advantages and disadvantages, take decisions even in the face of uncertainty, take calculated risks in the context of the organisation's strategy and protecting its commercial interests.
Communication	Ability to communicate effectively, listen dispassionately, carefully, and attentively. Communicate articulately, clearly and concisely.
Leadership	Strong leadership skills enable Directors to solve problems, cope with crisis and change and inspire others to follow them in pursuit of the values and goals of the organisation, display confidence, self-assurance and conviction. Inspire, support and motivate others.
Influencing	Ability to build good network and relationships within and beyond the organisation, persuade and influence others including those of equal, greater or subordinate status and power. Identify the needs, interests and influence of internal and external stakeholders and build appropriate and effective relationships as well as demonstrate shrewdness and political astuteness.

Nature of skill, expertise and competence required by the members of the Board	
Ethical	Demonstrate behaviour which conforms to high standards of public conduct, place interest of the organisation above self in all business matters, identify and disclose conflicts of interest relating to self and others when these become apparent.
Professional	Need to have professional attitude and outlook towards their role, maintain high standards of skill, care and diligence in professional activities, take responsibility for one's performance and behaviour and that of the organisation, act as an advocate for the organisation, both internally and externally.
Performance Oriented	Focus on the goals of the organisation and the priorities agreed by the Board, identify and take opportunities to enhance the organisation's business advantage, set challenging but achievable goals and standards of performance for themselves and others. Encourage a culture of learning in the organisation.
Independent	Should be willing to disagree and take an independent stance in the face of dissenting views and to potential detriment, encourage rigorous discussion and diverse views, adopt an inquisitive approach and actively question assumptions and test propositions. Willing to challenge the status quo and historical ways of doing things.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted.

Name of Director	Area of expertise													
	Corporate Governance	Leadership and stakeholder relations	Strategy	Finance / Technical	Strategic thinking	Analysis and use of information	Decision making	Communication	Leadership	Influencing	Ethical	Professional	Performance oriented	Independent
Shri Siddhartha Mohanty, Chairman	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Shri Jagannath Mukkavilli, Non-Executive Director	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Dr. Dharmendra Bhandari	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Shri Ameet N Patel	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Shri V. K Kukreja	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Shri P Koteswara Rao	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Shri Kashi Prasad Khandelwal	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Shri Sanjay Kumar Khemani	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Shri Akshay Kumar Rout	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Ms. J. Jayanthi	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Shri Ravi Krishan Takkar	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Shri Ramesh Lakshman Adige	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Shri Tribhuwan Adhikari	√	√	√	√	√	√	√	√	√	√	√	√	√	√

EVENTS AFTER BALANCE SHEET DATE

Appointment of Shri Anil Kaul (DIN 00644761), as an Additional Independent Director

As per the recommendation of the Nomination & Remuneration Committee, which has after having undertaken the process of due diligence, and after considering the candidature, has found it suitable and eligible based on evaluation, qualification, expertise, track record, integrity and 'fit and proper' criteria, the Board has approved the appointment of Shri Anil Kaul (DIN 00644761), as an Additional Independent Director for a period of five consecutive years, not liable to retire by rotation with effect from 15th May, 2024. The resolution approving his appointment as Independent Director effective from 15th May, 2024 and up to 14th May, 2029 was passed by the shareholders on 12th July, 2024 through Postal Ballot.

Re-appointment of Shri Kashi Prasad Khandelwal (DIN-00748523) as an Independent Director

Shri Kashi Prasad Khandelwal is an Independent Director on the Board of LIC Housing Finance Limited. He joined the Board of the Company on 1st July, 2019 as an Additional Director and the appointment as an Independent Director was approved by the members in the Thirtieth Annual General Meeting of the Company held on 28th August, 2019 for a term of five years from 1st July, 2019 up to 30th June, 2024. Shri Kashi Prasad Khandelwal is due for retirement from his term as Independent Director on 30th June, 2024. Shri Kashi Prasad Khandelwal being eligible for reappointment for second term of five consecutive years, the Board has considered the reappointment of Shri Kashi Prasad Khandelwal as an Independent Director with effect from 1st July, 2024 for second term of five consecutive years up to 30th June, 2029 subject to the approval of the members in the ensuing Annual General Meeting.

Re-appointment of Shri Sanjay Kumar Khemani (DIN-00072812) as an Independent Director

Shri Sanjay Kumar Khemani is an Independent Director on the Board of LIC Housing Finance Limited. He joined the Board of the Company on 1st July, 2019 as an Additional Director and the appointment as a Non-Independent Non-Executive Director was approved by the members in the Thirtieth Annual General Meeting of the Company held on 28th August, 2019. Further the members approved the change in the designation of Shri Sanjay Kumar Khemani from Non-Independent Non-Executive Director to an Independent Director whose term was made effective from 1st July, 2019 and up to 30th June, 2024 through Postal Ballot on 26th April, 2023. Shri Sanjay Kumar Khemani is due for retirement from his term as Independent Director on 30th June, 2024. Shri Sanjay Kumar Khemani being eligible for reappointment for second term of five consecutive years, the Board has considered the reappointment of Shri Sanjay Kumar Khemani as an Independent Director with effect from 1st July, 2024 for second term of five consecutive years up to 30th June, 2029 subject to the approval of the members in the ensuing Annual General Meeting.

BOARD MEETINGS

The Meetings of the Board of Directors are scheduled in advance. The Company Secretary prepares the agenda for the meetings in consultation with the Managing Director & CEO. The detailed agenda and other relevant notes are circulated to the Directors well in advance. The Directors can suggest additional items for deliberation. Members of the Senior Management team are invited in the Meetings to provide additional information and clarification, if required.

During FY 2023-24, Seven (7)Board Meetings were held, as listed below:

Sr. No.	Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
1	16th May, 2023	13	13
2	7th June, 2023	13	13
3	24th July, 2023	12	12
4	3rd August, 2023	11	11
5	1st November, 2023	13	13
6	2nd February, 2024	13	13
7	7th March, 2024	13	12

Directorship Term:

The Board constantly evaluates the contribution of members and as and when reappointments are made, the same are updated on the Company's website. As per the Companies Act, 2013, the office of not less than two-third of the non-independent directors shall be liable to determination by retirement of directors by rotation and one-third of them should mandatorily retire by rotation every year. Executive Directors are appointed by the shareholders for a maximum term of five years or up to the term of superannuation whichever is earlier. All Independent Directors are required to hold the office for five (5) consecutive years on the Board of the Company and are eligible for reappointment, subject to the provisions of law.

Shri Koteswara Rao Pottimutyala (DIN- 06389741) who has been longest in office would be retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Succession Planning

The NRC works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and the Senior Management. The Company strives to maintain an appropriate balance of skills, expertise and experience on the Board with an endeavour to introduce new perspectives and strategies while maintaining experience, continuity and growth.

By integrating workforce planning with strategic business planning, the Company puts the necessary financial and human resources in place so that its objectives can be met.

Our Board includes fourteen (14) directors with broad and diverse skills and viewpoints to aid the Company in advancing its strategy. In addition, promoting senior management within the organisation fuels the ambitions of the talent force to earn future leadership roles.

As part of succession planning and in order to ensure stability and effective implementation of long term business strategies and for smooth transition at MD & CEO level, the Board has considered and approved that senior official from LIC of India may be deputed to the Company, at least 4 to 6 months in advance before the retirement / elevation / transfer of MD & CEO, as the COO, who would subsequently take over as MD & CEO on retirement / elevation / transfer of the existing MD & CEO with a view to ensuring stability and effective implementation of long term business strategies.

In terms of Article 138(b) of the Articles of Association of Company, LIC of India is entitled to nominate upto one third of the total number of directors on the Board of the Company. LIC of India had posted Shri Siddhartha Mohanty as Nominee Director, Chairman of the Company with effect from 5th April, 2023 and Shri Jagannath Mukkavilli as Nominee Director with effect from 5th April, 2023. The appointment was approved by the Members through Postal Ballot.

NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY DIRECTORS

Except Dr. Dharmendra Bhandari, who holds 500 Equity Shares, none of the Directors of the Company are holding any Equity Shares of the Company. The Company has not issued any convertible instruments till date.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

During the year under review, the Company had provided suitable training to Independent Directors, familiarising them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates and business model of the Company. The details of such familiarisation programme are disclosed on the Company's website

https://www.lichousing.com/static-assets/pdf/FAMILIARISATION_PROGRAMME_FOR_INDEPENDENT_DIRECTORS.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

SITTING FEES

Sitting fees is paid to the Directors (other than Shri Siddhartha Mohanty, Chairman, Shri Tribhuwan Adhikari, Managing Director & Chief Executive Officer and Shri Jagannath Mukkavilli, Director), for every Board and Committee meeting; attended by them. Remuneration is paid to Shri Tribhuwan Adhikari, as applicable to an officer in the cadre of Executive Director of LIC of India and Productivity Linked Incentive as recommended by the NRC and approved by the Board.

BOARD COMMITTEES

The Board has constituted various Committees to facilitate a more focused attention on important issues. The Committees deliberate and decide on the issues falling within their terms of reference and make recommendations to the Board wherever necessary.

AUDIT COMMITTEE

The Committee comprises of three Independent Directors with expertise in finance, accounts, and treasury. **During the year, Thirteen (13) Audit Committee Meetings were held.** The composition of Audit Committee, the dates on which the Audit Committee meetings were held and the attendance of the members thereof are as under:

Composition:

Shri Kashi Prasad Khandelwal	Chairman	Non-Executive - Independent Director
Shri V. K. Kukreja	Member	Non-Executive - Independent Director
Smt Jagennath Jayanthi	Member	Non-Executive - Independent Director

Dates of Audit Committee Meetings & Attendance of Members

Sr no.	Dates on which Audit Committee meetings were held	Shri Kashi Prasad Khandelwal	Shri Sanjay Kumar Khemani[12]	Smt. Jagennath Jayanthi	V. K. Kukreja[13]
1	2nd April, 2023	Attended	Attended	Attended	Not Applicable
2	10th May, 2023	Attended	Attended	Attended	Not Applicable
3	15th May, 2023	Attended	Attended	Attended	Not Applicable
4	16th May, 2023	Attended	Attended	Attended	Not Applicable
5	2nd August, 2023	Attended	Attended	Attended	Not Applicable
6	3rd August, 2023	Attended	Attended	Attended	Not Applicable
7	18th August, 2023	Attended	Attended	Attended	Not Applicable
8	31st October, 2023	Attended	Not Applicable	Attended	Attended
9	1st November, 2023	Attended	Not Applicable	Attended	Attended
10	29th December, 2023	Attended	Not Applicable	Attended	Attended
11	1st February, 2024	Attended	Not Applicable	Attended	Attended
12	2nd February, 2024	Attended	Not Applicable	Attended	Attended
13	6th March, 2024	Attended	Not Applicable	Attended	Attended

[12] Shri Sanjay Kumar Khemani was Member of the Committee till 2nd September, 2023.

[13] The Audit Committee was reconstituted on 2nd September, 2023 wherein Shri V. K. Kukreja was inducted in place of Shri Sanjay Kumar Khemani.

Ms Varsha Hardasani, Company Secretary and Compliance Officer acts as Secretary to the Committee.

The Audit Committee possesses adequate powers and its terms of reference enable it to play an effective role as mentioned in "SEBI Listing Regulations, 2015".

Role and Powers of Audit Committee

The terms of reference of the Audit Committee comprise:

Role:

i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, adequate and credible;

ii. Recommendation for appointment, remuneration, and terms of appointment of Auditors of the Company;

iii. Approval of payment to Statutory Auditors for any other services rendered by them;

iv. Reviewing, with the management, the annual financial statements and Auditor's 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 Companies Act, 2013;

   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 judgement 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. Modified opinion(s) in the draft Audit Report.

v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

vi. 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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency on utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

vii. Reviewing and monitoring the Auditor's independence and performance and effectiveness of audit process;

viii. Approval or any subsequent modification of transactions of the Company with related parties;

ix. Scrutiny of inter-corporate loans and investments;

x. Valuations of undertakings or assets of the Company wherever it is necessary;

xi. Evaluation of Internal Financial Controls and Risk Management Systems;

xii. Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the Internal Control Systems;

xiii. 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;

xiv. Discussion with the Internal Auditors of any significant findings and follow up thereon;

xv. 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;

xvi. 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;

xvii. To look 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;

xviii. To review the functioning of the whistle blower mechanism;

xix. Approval of appointment of CFO (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;

xx. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

xxi. Reviewing the utilisation of loans and or advances from/ investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.

xxii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

Powers:

i. To investigate any activity within its terms of reference.

ii. To seek information from any employee.

iii. To obtain external legal or other professional advice.

iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee mandatorily reviews the following:

1. Management discussion and analysis of financial condition and results of operations;

2. Management letters / letters of internal control weakness issued by the Statutory Auditors;

3. Internal audit reports relating to internal control weakness;

4. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit committee.

5. Statement of deviations:

   a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable.

   b) Annual Statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice.

Meetings are scheduled well in advance. The Audit Committee considers and recommends quarterly and yearly financial results for approval by the Board. The Joint Statutory Auditors and Internal Auditor of the Corporate Office are invited to attend the meeting. The head of the Internal Audit function attends the Audit Committee meetings. The Committee also invites other Heads of the Departments (HODs) to be present at the meetings as may be necessary.

EXECUTIVE COMMITTEE

The Committee comprises of three Independent Directors, one Non-Independent Non-Executive Director and the Managing Director & CEO. The Executive Committee meets as and when required for considering and approving loan proposals / offers within the power delegated to it. **During the year, Twenty-two (22) Executive Committee Meetings were held.** The composition of the Executive Committee, the dates on which the Executive Committee meetings were held and the attendance of the members thereof are as under:

Composition of the Executive Committee

Shri Ameet N. Patel	Chairman	Non-Executive - Independent Director
Shri P. Koteswara Rao	Member	Non- Executive Non-Independent Director
Shri Ravi Krishan Takkar	Member	Non- Executive Independent Director
Dr. Dharmendra Bhandari[13]	Member	Non- Executive Independent Director
Shri Tribhuwan Adhikari[14]	Member	Managing Director & CEO

Dates of Executive Committee Meetings & Attendance of Members

Sr. no.	Dates on which Executive Committee meetings were held	Shri Ameet Patel (Chairman)	Shri P Koteswara Rao	Shri Ravi Krishan Takkar	Dr. Dharmendra Bhandari[14]	Shri. Ashwani Ghai[15]	Shri Y Viswanatha Gowd[16]	Shri Tribhuwan Adhikari[17]
1	20th April, 2023	Attended	Attended	Attended	Not Applicable	Attended	Attended	Not Applicable
2	4th May, 2023	Attended	Attended	Attended	Not Applicable	Attended	Attended	Not Applicable
3	6th June, 2023	Attended	Attended	Attended	Not Applicable	Attended	Attended	Not Applicable
4	20th June, 2023	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended	Not Applicable
5	26th June, 2023	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended	Attended*
6	5th July, 2023	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended	Attended*
7	24th July, 2023	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended	Attended*
8	8th August, 2023	Attended	Attended	Attended	Not Applicable	Not Applicable	Not Applicable	Attended
9	31st August, 2023	Attended	Attended	Attended	Not Applicable	Not Applicable	Not Applicable	Attended
10	8th September, 2023	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended
11	25th September, 2023	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended
12	25th October, 2023	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended
13	2nd November, 2023	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended
14	4th December, 2023	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended
15	21st December, 2023	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended
16	28th December, 2023	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended
17	11th January, 2024	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended
18	23rd January, 2024	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended
19	16th February, 2024	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended
20	01st March, 2024	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended

Sr. no.	Dates on which Executive Committee meetings were held	Shri Ameet Patel (Chairman)	Shri P Koteswara Rao	Shri Ravi Krishan Takkar	Dr. Dharmendra Bhandari[14]	Shri. Ashwani Ghai[15]	Shri Y Viswanatha Gowd[16]	Shri Tribhuwan Adhikari[17]
21	14th March, 2024	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended
22	27th March, 2024	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended

[14] Dr. Dharmendra Bhandari was inducted in the Committee on 2nd September, 2023

[15] Shri Ashwani Ghai ceased to be the Whole Time Director and COO of the Company w.e.f 13th June, 2023 on account of his transfer to LIC of India.

[16] Shri Y Viswanatha Gowd ceased to be the Managing Director and CEO of the Company w.e.f. 31st July, 2023 on account of superannuation from LIC of India.

*Shri Tribhuwan Adhikari attended meeting in the capacity of Chief Operating Officer.

[17] The Executive Committee was reconstituted on 3rd August, 2023 wherein Shri Tribhuwan Adhikari was inducted in place of Shri Y Viswanatha Gowd.

The Executive Committee formed by the Board has been empowered with the following:

1) To frame the norms, policies, guidelines, conditions, parameters for all housing loan schemes including Project Finance schemes.

2) To relax / waive / alter the norms/ guidelines/ conditions of the housing loan schemes including Project Finance schemes on case to case basis.

3) To sanction loans to Builders and Developers under Project Loans beyond the limits delegated to GM's Committee as per Financial Power Standing Order, 1990 (as amended from time to time) on recommendation of the HODs Committee as constituted by the Managing Director & CEO from time to time.

4) To sanction loans under Rental Securitisation of the loan amount more than the amount delegated to General Managers' Committee as per FPSO.

5) To sanction loans under Individual loan schemes beyond the loan amount delegated to General Managers' Committee as per FPSO.

6) To approve any new loan scheme that the Company may launch.

7) To revise the interest rate in the existing schemes & new schemes of Individual/ Project loans/ Apna Hospital / Unsold Inventory.

8) To modify/ restructure existing and new schemes for Individual / Project loans.

9) To revise terms and conditions of the existing & new Individual/ Project loans.

10) To take over the portfolio of the Housing Loans, subject to the limits as specified by the Board from time to time.

11) To waive Interest, Additional Interest, and other charges beyond the limits delegated to Managing Director & CEO in respect of the One Time Settlement under FPSO.

12) To waive principal amount irrespective of the waiver amount involved in respect of One Time Settlement beyond the limits delegated to Managing Director & CEO under FPSO.

13) To approve the Reserve price under SARFAESI Act, 2002 beyond the limits delegated to Managing Director & CEO under FPSO.

14) To approve LICHFL- PLR and to review & revise the same from time to time.

15) To approve the purchase / construction of the property for office building / staff quarters beyond the limits delegated to Managing Director & CEO, generally on such terms and conditions as it may think fit and in any such purchase or other acquisition to accept such title, as it may believe or may advise to be reasonably satisfactory.

16) To borrow money for the purpose of the business of the Company subject to the limit specified by the Board from time to time.

17) To approve the payment to arrangers for fund mobilisation.

18) To approve the payment of processing or any other fees payable to Banks/FIs.

19) To approve the availing of re-finance from National Housing Bank.

20) To delegate to Managing Director & CEO any or all of the powers listed above for a specific period.

21) To approve / ratify relaxation/ waiver/ refund of processing fees, administrative fee, prepayment charges in respect of project finance (including at the time of revalidation).

22) To approve / ratify restructuring / re-scheduling of project loan.

23) To approve revision of rate of interest in respect of project loans on case to case basis.

24) To approve/ ratify issue of NOC, release of charge in respect of project loan.

25) To approve the cases under consortium/ Joint financing.

26) To approve takeover of existing project loan/ term loan of other institution/s.

27) To approve loan against unsold inventory.

28) To approve loan against Apna Hospital Scheme.

29) To modify existing schemes.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee (SRC) looks into issues related to Shareholders, like transfer / transmission of shares, issue of duplicate share certificate/s, non-receipt of dividend, annual report and other related matters. The Committee also advises to improve investor services and to provide prompt and sufficient information. **During the year, One (1) SRC Committee Meeting was held**.

Composition of the SRC is as follows

Smt. Jagennath Jayanthi	Chairman	Non- Executive Independent Director
Dr Dharmendra Bhandari	Member	Non- Executive Independent Director
Shri Kashi Prasad Khandelwal	Member	Non- Executive Independent Director
Shri Tribhuwan Adhikari	Member	Managing Director & CEO

Date of Stakeholder Relationship Committee Meeting & Attendance of Members

Sr. No.	Dates on which Stakeholder Relationship Committee meeting were held	Smt. Jagennath Jayanthi	Dr. Dharmendra Bhandari	Shri Kashi Prasad Khandelwal	Shri Tribhuwan Adhikari
1.	29th December, 2023	Attended	Attended	Attended	Attended

The Roles and Responsibilities of SRC include the following:

i. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.

ii. Review of measures taken for effective exercise of voting rights by the shareholders

iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent

iv. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / Annual Reports / statutory notices by the shareholders of the Company.

The Chairman of the SRC was present at the 34th AGM to answer shareholder queries.

The Board has delegated power to issue duplicate share certificate/s to the Committee of Directors to expedite the process of issuing duplicate share certificate/s from time to time to the shareholders in case original share certificate(s) is/are lost, upon receipt of necessary documents required for the purpose.

DETAILS OF SHAREHOLDERS' COMPLAINTS

Particulars	No. of Complaints
Number of Complaints at the beginning of the Year	0
Number of complaints / requests in respect of non-receipt of Annual Report, Address change, change in ECS details, non-receipt of Duplicate Share Certificate/s, Revalidation of Dividend Warrant etc. received during the year	12
Number of complaints / requests in respect of non-receipt of Annual Report, Address change, change in ECS details, non-receipt of Duplicate Share Certificate/s, Revalidation of Dividend Warrant etc. resolved during the year	12
Number of Complaints at the end of the Year	**0**

Request pertaining to Dematerialisation and Transfer of Shares

Nature of request	Requests received	No. of Shares involved
Dematerialisation process	403	292705
Dematerialisation Rejected	239	128700
Name change/ Transmission/ Name deletion/ Transposition Process	56	29500
Name change/ Transmission/ Name deletion/ Transposition Reject	67	36000

The requests for Dematerialisation and Transfers were promptly attended and there were no requests pending for approval as on 31st March, 2024.

COMPLIANCE OFFICER

As per the requirements of the RBI/2022-23/24 Ref.No.DoS.CO.PPG./SEC.01/11.01.005/2022-23 dated 11th April, 2022 the Company appointed Shri D R Muralidharan as the Chief Compliance Officer of the Company.

Ms. Varsha Hardasani acts as the Company Secretary & Compliance Officer of the Company.

OTHER COMMITTEES

DEBENTURE ALLOTMENT COMMITTEE

The Debenture Allotment Committee is empowered to raise funds by allotting Non-Convertible Debentures (NCDs), to the successful applicants from time to time in different tranches. All tranches are listed on National Stock Exchange (NSE) in wholesale debt segment. **During the year, Eighteen (18) Debenture Allotment Committee meetings were held**.

Composition of the Debenture Allotment Committee is as follows

Shri Tribhuwan Adhikari	Member	Managing Director & CEO
Dr. Dharmendra Bhandari	Alternate Member	Non- Executive Independent Director
Shri P. Koteswara Rao	Alternate Member	Non- Executive Non-Independent Director

Dates of Debenture Allotment Committee Meetings & Attendance of Members

Sr. No.	Dates on which Debenture Allotment Committee Meetings were held	Shri Y Viswanatha Gowd[19]	Shri Tribhuwan Adhikari[18]	Dr. Dharmendra Bhandari (Alternate Member)	Shri P. Koteswara Rao (AlternateMember)	Shri Ashwani Ghai[20]
1.	24th April, 2023	Not Attended	Not Applicable	Not Attended	Attended	Attended
2.	28th April, 2023	Attended	Not Applicable	Not Attended	Attended	Attended
3.	9th May, 2023	Attended	Not Applicable	Attended	Attended	Attended
4.	16th May, 2023	Attended	Not Applicable	Attended	Attended	Attended
5.	6th June, 2023	Attended	Not Applicable	Attended	Attended	Attended
6.	26th July, 2023	Not Attended	Not Applicable	Attended	Attended	Not Applicable
7.	28th August, 2023	Not Applicable	Attended	Attended	Attended	Not Applicable
8.	8th September, 2023	Not Applicable	Attended	Attended	Attended	Not Applicable
9.	31st January, 2024	Not Applicable	Attended	Attended	Attended	Not Applicable
10.	6th February, 2024	Not Applicable	Not Attended	Attended	Attended	Not Applicable
11.	9th February, 2024	Not Applicable	Attended	Attended	Attended	Not Applicable
12.	21st February, 2024	Not Applicable	Attended	Attended	Attended	Not Applicable
13.	26th February, 2024	Not Applicable	Attended	Attended	Attended	Not Applicable
14.	1st March, 2024	Not Applicable	Attended	Attended	Attended	Not Applicable
15.	11th March, 2024	Not Applicable	Not Attended	Attended	Attended	Not Applicable
16.	15th March, 2024	Not Applicable	Attended	Attended	Attended	Not Applicable
17.	22nd March, 2024	Not Applicable	Attended	Attended	Attended	Not Applicable
18.	28th March, 2024	Not Applicable	Attended	Attended	Attended	Not Applicable

[18] The Debenture Allotment Committee was reconstituted on 3rd August, 2023 wherein Shri Tribhuwan Adhikari was inducted in place of Y Viswanatha Gowd.

[19] Shri Y Viswanatha Gowd ceased to be the Managing Director and CEO of the Company w.e.f. 31st July, 2023 on account of his superannuation from LIC of India.

[20] Shri Ashwani Ghai ceased to be the Whole Time Director and COO of the Company w.e.f 13th June, 2023 on account of his transfer to LIC of India.

NOMINATION & REMUNERATION COMMITTEE (NRC)

NRC comprises of four Non-Executive Directors and the Chairman of the Committee is an Independent Director as per the SEBI Listing Regulations, 2015. During the year, **Eight (8) NRC meetings were held**.

Composition of the NRC is as follows

Shri Ravi Krishan Takkar	Chairman	Non- Executive Independent Director
Shri Ameet N Patel	Member	Non- Executive Independent Director
Shri Akshay Kumar Rout	Member	Non- Executive Non-Independent Director
Smt. Jagennath Jayanthi	Member	Non- Executive Independent Director

Dates of NRC Meetings and Attendance of Members

Sr. No.	Dates on which Nomination & Remuneration Committee meetings were held	Shri Ravi Krishan Takkar	Shri Ameet N Patel	Shri Akshay Kumar Rout	Smt. Jagennath Jayanthi
1	13th May, 2023	Attended	Attended	Attended	Attended
2	16th May, 2023	Attended	Attended	Attended	Attended
3	9th June, 2023	Attended	Attended	Attended	Attended
4	1st August, 2023	Attended	Attended	Attended	Attended
5	31st August, 2023	Attended	Attended	Attended	Attended
6	30th October, 2023	Attended	Attended	Attended	Attended
7	29th January, 2024	Attended	Attended	Attended	Attended
8	4th March, 2024	Attended	Attended	Attended	Attended

The terms of reference of the NRC are as follows:

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors, a policy relating to, the remuneration of the Directors, Key Managerial Personnel and Other Employees;

(2) For every appointment of an Independent Director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

(3) formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

(4) devising a policy on diversity of Board of Directors;

(5) identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.

(6) whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

(7) recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

INVESTMENT COMMITTEE

The Investment Committee has been formed for consideration of proposals for strategic investment in the equity capital as well as investment in subsidiary as well as associate companies and to recommend the same to the Board for approval.

During the year, Two (2) Investment Committee meetings were held

Composition of the Investment Committee is as follows

Dr. Dharmendra Bhandari	Chairman	Non- Executive Independent Director
Shri V K Kukreja	Member	Non- Executive Independent Director
Shri P Koteswara Rao	Member	Non –Executive Non-Independent Director
Shri. Sanjay Kumar Khemani	Member	Non- Executive Independent Director

Dates of Investment Committee Meetings and Attendance of Members

Sr. No.	Dates on which Investment Committee Meetings were held	Dr Dharmendra Bhandari	Shri V K Kukreja	Shri P Koteswara Rao	Shri Sanjay Kumar Khemani
1	23rd October, 2023	Attended	Attended	Attended	Attended
2	30th January, 2024	Attended	Attended	Not Attended	Attended

CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

During the financial year ended 31st March, 2024, the Directors except nominee directors, namely, Shri Siddhartha Mohanty and Shri Jagannath Mukkavilli, were paid sitting fees as follows:

- ₹ 50,000/- for attending every Board meeting,
- ₹ 35,000/- for attending every Executive Committee Meeting and Audit Committee Meeting, Debenture Allotment Committee,
- ₹ 25,000/- for attending every Corporate Social Responsibility Committee Meeting/ Risk Management Committee / Nomination & Remuneration Committee / Stakeholder Relationship Committee / Investment Committee Meetings / Independent Directors' Meeting.

The details of sitting fees paid to the Directors during the period from 01st April, 2023 to 31st March, 2024 is as follows:

Names of Non-Executive Directors	Sitting fees (In ₹)
Dr. Dharmendra Bhandari	13,05,000.00
Shri V. K. Kukreja	7,60,000.00
Shri Ameet N. Patel	15,70,000.00
Shri P Koteswara Rao	15,95,000.00
Shri Kashi Prasad Khandelwal	9,30,000.00
Shri Sanjay Kumar Khemani	7,70,000.00
Shri Akshay Kumar Rout	11,00,000.00
Smt. Jagennath Jayanthi	14,05,000.00
Shri Ravi Krishan Takkar	15,45,000.00
Shri Ramesh Adige[21]	5,00,000.00

[21] Shri Ramesh Lakshman Adige was appointed as Director with effect from 01st September, 2023

Remuneration to Non-Executive Directors

The Non-Executive Directors would be paid such amount of Sitting Fees as decided from time to time for every Board and Committee Meeting, they attend. Apart from Sitting Fees no other Remuneration / Commission would be payable to them.

In future if Company decides to pay any Remuneration / Commission to Non-Executive Independent Directors, then the same will be in compliance with Regulation 17(6) of the SEBI Listing Regulations, 2015 as amended from time to time.

The Non-Executive Directors of the Company do not have any pecuniary relationships or transactions with the Company or its directors, senior management, subsidiary or associate companies, other than in the normal course of business.

Remuneration to Non-Executive Nominee Directors

The Non-Executive Nominee Directors are not paid any Sitting Fees for any Board and Committee Meetings they attend. The Non-Executive Nominee Directors are not paid any salary and / or other benefits by the Company.

Remuneration to Executive Nominee Director

The Executive Nominee Director who is designated as Managing Director & CEO is paid remuneration as applicable to an Officer in the cadre of Zonal Manager (Selection Scale) of LIC of India. This apart, the Executive Nominee Director is entitled for PLI as per criteria recommended by the Nomination and Remuneration Committee of the Board and approved by Board.

As and when there is any revision in the pay scales of the Executive Nominee Director as per the charter decided by the LIC of India, the same is made applicable to the Executive Nominee Director at par with those of the officials in the similar cadre. Further, tenure and terms and conditions of appointment of Executive Nominee Director are as decided by LIC of India from time to time and as approved by the Board of Directors, in consultation with the Nomination and Remuneration Committee of the Company.

However, the remuneration payable to Executive Nominee Director at any point of time shall be within the limits specified as per Regulation 17(6) of the SEBI Listing Regulations, 2015 as also under the Companies Act, 2013 as amended from time to time.

Particulars	Shri Y. Viswanatha Gowd April 2023 to July 2023[22] Amount In ₹	Shri Tribhuwan Adhikari August 2023 to March 2024[22] Amount In ₹	Shri Ashwani Ghai April 2023 to May 2023 Amount In ₹
Gross Salary, Sodexo and medical lumpsum	45,86,770/ -	26,29,236/-	7,37,511/-
Contribution to pension and gratuity funds	1,69,376/-	2,87,260/-	
Perquisites in cash or in kind	31,200/-	8,17,181.77/-	19,54,970/-
Total	**47,87,346/-**	**37,33,677.77/-**	**26,92,481/-**

[22] It may be mentioned here that Performance Linked Incentive (PLI) for FY 2022-23 was paid during the FY 2023-24 and calculated as per the performance criteria (like growth in portfolio, recovery ratio, NPA ratio and Profit After Tax) as approved by the Board.

The evaluation criteria for performance evaluation of Independent Directors as well as Remuneration Policy laid down by the NRC are appended to this Annual Report.

Remuneration to Key Managerial Personnel (other than MD & CEO) and Other Employees

In the present set up of the Company, Key Managerial Personnel, other than Managing Director & CEO, are Company Secretary and Chief Financial Officer (CFO). Remuneration payable to Company Secretary, Chief Financial Officer (CFO) and other employees is as decided by the Board of Directors as per Service Terms, Conduct Rules 1990 as amended from time to time.

Except Managing Director & CEO who is a Whole Time Executive Director, none of the Directors of the Company are paid any other remuneration or any elements of remuneration package under major groups, such as salary, benefits, bonuses, stock options, pension, and performance linked incentive etc.

MEETING OF INDEPENDENT DIRECTORS

Separate Meeting of the Independent Directors of the Company was held on 7th March, 2024 in which, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole. The Independent Directors reviewed the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties

ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE

To improve the effectiveness of the Board and its committees, as well as that of each individual Director, and as per regulatory requirements a formal and rigorous Board evaluation and review is undertaken on an annual basis.

The performance of the Board was evaluated after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, process of disclosures and communication, access to timely, accurate and relevant information etc.

The Committee evaluated its own performance after seeking inputs from the Committee Members on the basis of criteria such as the Composition of Committee, effectiveness of Committee Meetings, functioning, etc.

The Board and the NRC reviewed the performance of the Individual Directors on the basis of the criteria such as contribution of the individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in Meetings, presenting views convincingly, being resolute in holding views etc. In addition, the performance of the Chairman was also evaluated on the key aspects of his role.

The performance of the Independent Directors was evaluated by circulation of the questionnaire, wherein the Non-Independent Directors assigned their comments on various attributes such as skill, expertise and experience of the Independent Directors. In this manner the performance of the entire Board was evaluated during FY 2023-24.

The Board acknowledges the commitment of the Independent Directors towards ensuring to protect the interests of the Company as a whole along with its stakeholders. They bring to the Company a wide range of experience, knowledge and judgment as they draw on their varied proficiencies. The Independent Directors bring in their external perspectives and past experiences by providing valuable insights and strategic views which are unbiased and objective for the development of the Company. They are committed and have allocated sufficient time to perform their duties effectively.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee monitors implementation of the CSR Policy and apprises the Board accordingly. The CSR Budget of the Company for the FY 2023-24 was ₹ 64.78 crore out of which the Company spent ₹ 13.68 crore and a provision of ₹ 51.17 crore has been made for CSR proposals sanctioned by the Company during FY 2023-24. The projects financed through the CSR obligation of the Company encompass various sectors viz. integrated rural development, livelihood development, women empowerment, health care, education, community development, solid waste management and environmental initiatives.

Composition of the CSR Committee is as follows

Shri Akshay Kumar Rout	Chairman	Non –Executive Non-Independent Director
Smt. J. Jayanthi	Member	Non –Executive Independent Director
Shri Tribhuwan Adhikari	Member	Managing Director & CEO
Shri Ramesh Adige	Member	Non –Executive Independent Director

Dates of CSR Committee Meetings & Attendance of Members

Sr. No.	Dates on which CSR Committee Meetings were held	Shri Akshay Kumar Rout	Smt. J. Jayanthi	Shri Ramesh Adige	Shri Y Viswanatha Gowd[23]	Shri Tribhuwan Adhikari[24]	Shri Ashwani Ghai[25]
1	22nd May, 2023	Attended	Attended	Not Applicable	Attended	Not Applicable	Attended
2	23rd May, 2023	Attended	Attended	Not Applicable	Attended	Not Applicable	Attended
3	24th May, 2023	Attended	Not Attended	Not Applicable	Attended	Not Applicable	Attended
4	18th July, 2023	Attended	Attended	Not Applicable	Attended	Not Applicable*	Not Applicable
5	29th August, 2024	Attended	Attended	Not Applicable	Not Applicable	Attended	Not Applicable
6	4th October, 2023	Attended	Attended	Attended	Not Applicable	Attended	Not Applicable
7	8th November, 2023	Attended	Attended	Attended	Not Applicable	Attended	Not Applicable
8	9th November, 2023	Attended	Attended	Attended	Not Applicable	Attended	Not Applicable
9	10th November, 2023	Attended	Attended	Attended	Not Applicable	Attended	Not Applicable
10	1st December, 2023	Attended	Attended	Attended	Not Applicable	Attended	Not Applicable
11	12th January, 2024	Attended	Attended	Attended	Not Applicable	Attended	Not Applicable
12	18th January, 2024	Attended	Attended	Attended	Not Applicable	Not Attended	Not Applicable
13	15th February, 2024	Attended	Attended	Attended	Not Applicable	Attended	Not Applicable
14	5th March, 2024	Attended	Attended	Attended	Not Applicable	Attended	Not Applicable
15	22nd March, 2024	Attended	Attended	Attended	Not Applicable	Attended	Not Applicable

The Corporate Social Responsibility Committee was reconstituted on 3rd August, 2023 wherein Shri Tribhuwan Adhikari was inducted in place of Shri Y Viswanatha Gowd and further reconstituted on 2nd September, 2023 wherein Shri Ramesh Adige was inducted.

[23] Shri Y Viswanatha Gowd ceased to be Managing Director & CEO from the Board of the Company w.e.f. 31st July, 2023 on account of his superannuation from LIC of India.

[24] Shri Tribhuwan Adhikari was appointed w.e.f 3rd August, 2023

[25] Shri Ashwani Ghai ceased to be the Whole Time Director & COO of the Company with effect from 13th June, 2023 on account of his transfer to LIC of India.

*Shri Tribhuwan Adhikari was attending meeting in the capacity of Chief Operating Officer

RISK MANAGEMENT COMMITTEE

The Company has a Risk Management Committee (RMC) to identify the risks impacting the business of the Company and to take appropriate measures to quantify and mitigate the same.

The terms of reference of RMC shall comprise of:

a) To formulate a detailed risk management policy which shall include

   (i) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   (ii) Measures for risk mitigation including systems and processes for internal control of identified risks.

(iii) Business continuity plan.

b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company

c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems

d) To periodically review of Risk Management Policy, at such durations as specified under the SEBI regulations.

e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken

f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee

g) To review and monitor types of risks the Company is exposed to.

Composition of the RMC is as follows

Shri Ravi Krishan Takkar	Chairman	Non-Executive - Independent Director
Shri V. K. Kukreja	Member	Non-Executive - Independent Director
Shri Ameet N. Patel	Member	Non-Executive - Independent Director
Shri Tribhuwan Adhikari	Member	Managing Director & CEO
Shri Ramesh Adige	Member	Non-Executive - Independent Director

Dates of RMC Meetings and Attendance of Members

Sr no.	Dates on which Risk Management Committee Meetings were held	Shri Ravi Krishan Takkar	Shri V K Kukreja	Shri Ameet Patel	Shri Tribhuwan Adhikari[26]	Shri Ramesh Adige	Shri Ashwani Ghai[27]	Shri Y Viswanatha Gowd[28]
1	4th May, 2023	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended	Attended
2	1st August, 2023	Attended	Attended	Attended	Attended*	Not Applicable	Not Applicable	Not Applicable
3	23rd October, 2023	Attended	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable
4	29th January, 2023	Attended	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable
5	4th March, 2024	Attended	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable

[26] Shri Tribhuwan Adhikari was appointed w.e.f 3rd August, 2023 in the place of Shri Y Viswanatha Gowd who was superannuated on 31st July, 2023.

[27] Shri Ashwani Ghai ceased to be the Whole Time Director & COO of the Company with effect from 13th June, 2023 on account of his transfer to LIC of India.

[28] Shri Y Viswanatha Gowd ceased to be Managing Director & CEO from the Board of the Company w.e.f. 31st July, 2023 on account of his superannuation from LIC of India.

* Shri Tribhuwan Adhikari was attending the meeting in the capacity of Chief Operating Officer

IT STRATEGY COMMITTEE

As per NHB/ND/DRS/Policy Circular No. 90/2017-18 dated 15th June, 2018, all Housing Finance Companies are mandated to form IT Strategy Committee (ITSC). In consideration of the same the Board constituted the IT Strategy Committee and prescribed its roles and responsibilities as follows:-

(a) Formulating policies pertaining to IT strategies, cyber securities including Cyber Crisis Management Plan (CCMP), and other interrelated matters to IT governance.

(b) Providing inputs to Board and senior management for implementation.

(c) Review of Policies, strategies, cyber security arrangements, etc., and amendment thereto, as and when required.

(d) Ascertaining that the management has implemented processes and practices to ensure that the deliverables as per the Policies framed are achieved.

(e) Reviewing periodically on the value added to the business, by the IT strategies implemented.

(f) Ensuring that IT investments represent a balance of risk and benefits and conduct cost-benefit analysis by evaluating that the budgets are acceptable.

(g) Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.

(h) Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls.

(i) Carrying out any other function as may be required by other applicable laws and amendments thereto.

Composition of the IT Strategy Committee is as follows

Shri Ameet Patel	Chairman	Non –Executive Independent Director
Shri Sanjay Kumar Khemani	Member	Non –Executive Independent Director
Shri Akshay Kumar Rout	Member	Non –Executive Non-Independent Director
Shri Tribhuwan Adhikari	Member	Managing Director & CEO
Ms Angel Johnson	Chief Information Officer	Senior Management Personnel
Shri Hitesh Talreja	Chief Technology Officer	Senior Management Personnel

Dates of IT Strategy Committee Meetings and Attendance of Directors

Sr. no.	Dates on which IT Strategy Committee meetings were held	Shri Ameet Patel	Shri Sanjay Kumar Khemani	Shri Akshay Kumar Rout	Shri Tribhuwan Adhikari[29]	Shri Ashwani Ghai[30]	Shri Y Viswanatha Gowd[31]	Smt Angel Johnson	Shri Hitesh Talreja
1	16th May, 2023	Attended	Attended	Attended	Not Applicable	Attended	Attended	Attended	Attended
2	28th August, 2023	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended	Attended
3	31st January, 2024	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended	Attended
4	5th March, 2024	Attended	Attended	Attended	Attended	Not Applicable	Not Applicable	Attended	Attended

[29] Shri Tribhuwan Adhikari was appointed w.e.f 3rd August, 2023 in the place of Shri Y Viswanatha Gowd who superannuated on 31st July, 2023.

[30] Shri Ashwani Ghai ceased to be the Whole Time Director & COO of the Company with effect from 13th June, 2023 on account of his transfer to LIC of India.

[31] Shri Y Viswanatha Gowd ceased to be Managing Director & CEO from the Board of the Company w.e.f. 31st July, 2023 on account of his superannuation from LIC of India.

SENIOR MANAGEMENT PERSONNEL ('SMP')

As on the date of this Report, the particulars of SMP are as follows

Sr. No.	Name of the Officials	Designation
1	Dr. S C Sahoo	General Manager (Recovery)
2	Mr. K P Ramakrishna*	General Manager (OS, Estate and Audit)
4	Mr. Debakanta Padhi*	General Manager (HR, Staff Discipline and Legal)
5	Mr. Gourab Chand*	General Manager (Marketing- Retail)
3	Mr. Sanjay Dayal*	General Manager (Credit Appraisal, Credit Management, CRM and Document Management)
6	Mr. Sudipto Sil	Chief Financial Officer
8	Mr. Sankar Parida*	General Manager (IT)
7	Mr. H J Panchariya	General Manager (Accounts)
9	Mr. N Mahesh	Joint General Manager (CART, PR & Publicity, New Initiatives and HR)
10	Ms. Jayshri Waman Wartak	Joint General Manager (Audit)
11	Mr. A Gopakumar	Joint General Manager (Accounts)
12	Mr. J Sangameswar	Chief Risk Officer
13	Mr. Hitesh B Talreja	Deputy General Manager (IT)
14	Mr. Vikas Awasthi	Deputy General Manager (Marketing)
15	Mr. R Murali#	Chief Compliance Officer
16	Mr. Roby Joseph Valolickel	Deputy General Manager (Taxation)
17	Ms. Varsha Hardasani	Company Secretary & Compliance Officer
18	Mr. Ramakrishna G A*	Regional Manager, Central (Bhopal)
19	Mr. Akshaya Kumar Sahoo*	Regional Manager, East Central (Patna)
20	Mr. Satyendr Mohan Naithani*	Regional Manager, Eastern
21	Mr. Alok Matiman	Regional Manager, North Central (Lucknow)
22	Mr. V R Shukla	Regional Manager, Northern
23	Mr. Siba Prasad Patnaik	Regional Manager, South Central (Bangalore)
24	Mr. Tapan Kumar Pattanaik*	Regional Manager, South Eastern (Hyderabad)
25	Mr. P V Saseendran	Regional Manager, Southern
26	Ms. Rashmi Singh	Regional Manager, Western

*Appointed in the board Meeting dated 15th May, 2024

The board of directors had appointed Mr. R Murali as Chief Compliance Officer with effect from 1st July, 2024 on account of retirement of Dr Muralidharan on 30th June, 2024 based on recommendations of NRC .

During the reporting period the below personnel who were excluded from the list of Senior Management Personnel due to transfer / repatriation

Sr. No.	Name of the Official	Designation
1	Mr. T Mathews	General Manager
2	Mr. A K Verma	General Manager
4	Mr. K K Ghoshal	General Manager
5	Mr. P P Kelkar	General Manager
3	Ms. Meenakshi Kumar	General Manager
6	Ms. Angel Johnson	General Manager
8	Mr. Shubhasish Dasgupta	Regional Manager
7	Mr. Ramesh Chandra Khora	Regional Manager
9	Mr. Suparno Chakrabarti	Regional Manager
10	Mr. Jaya Prakash Babu D	Regional Manager

SUBSIDIARY COMPANIES

The Company has four subsidiaries, namely LICHFL Care Homes Limited, LICHFL Financial Services Limited, LICHFL Asset Management Company Limited and LICHFL Trustee Company Private Limited.

The Company does not have any 'unlisted material Indian subsidiary'. During the year, the Audit Committee reviewed the financial statements of all the unlisted subsidiary companies and in particular the investments made by them.

The minutes of the Board meetings of Subsidiary companies were placed before Audit Committee and the Board. The management of the unlisted subsidiaries also informed the Board of the Company, about significant transactions entered into by these subsidiaries.

GENERAL BODY MEETINGS

Annual General Meeting (AGM)

The details of the location and time of the last three Annual General Meetings are given below:

Year	Location	Date	Time
2020-21	In compliance with the applicable provisions of the Companies Act, 2013 read with MCA general circular no. 14/2020, dated 8th April, 2020, MCA general circular no. 17/2020, dated 13th April, 2020 and MCA general circular no. 20/2020 dated 5th may, 2020, 22/2020 dated 15th June, 2020, 33/2020 dated 28th September, 2020 and 39/ 2020 dated 31st December, 2020 and circular no. 10/2021 dated 23rd June, 2021 issued by the Ministry of Corporate Affairs (referred to as the "MCA circulars") and SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May, 2020 and SEBI circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021.	27th September, 2021	3:00 P.M.
2021-22	In compliance with the applicable provisions of the Companies Act, 2013 read with MCA general circular no. 14/2020, dated 8th April, 2020, MCA general circular no. 17/2020, dated 13th April, 2020 and MCA general circular no. 20/2020 dated 5th may, 2020, 22/2020 dated 15th June, 2020, 33/2020 dated 28th September, 2020 and 39/ 2020 dated 31st December, 2020 and circular no. 10/2021 dated 23rd June, 2021 issued by the Ministry of Corporate Affairs (referred to as the "MCA circulars") and SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May, 2020 and SEBI circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021.	29th September, 2022	3:30 P.M.
2022-23	Through Video Conference ('VC') /other audio visual means ('OAVM') in compliance with the applicable provisions of the Companies Act, 2013 read with the MCA General Circular Nos. 02/2022 dated 5th May, 2022, 14/2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020, followed by General Circular Nos. 20/2020 dated 5th May, 2020, No.02/2021 dated 13th January, 2021, No. 19/2021 dated 8th December, 2021, No. 21/2021 dated 14th December, 2021 and No. 10/2022 dated 28th December, 2022	28th August, 2023	3:30 P.M.

Special Resolutions passed at the previous three Annual General Meetings

2021: **(i)** Approval for Issuance of Redeemable Non-Convertible Debentures and / or other Hybrid Instruments on a Private Placement Basis.

(ii) Approval for substituting the Clause 11 (A) (III) Of the Articles of Association (AOA) the Company pertaining to 'Further Issue of Capital.

(iii) Approval for alteration in Clause III (Objects) of the Memorandum of Association and adoption of new set of Memorandum of Association of the Company.

2022: **(i)** Approval for appointment of Mr. Ravi Krishan Takkar as an Independent Director of the Company.

(ii) Approval for Issuance of Redeemable Non-Convertible Debentures and / or other Hybrid Instruments on a Private Placement Basis.

(iii) Approval to amend material related party transaction limits with Life Insurance Corporation of India (LIC).

2023: No Special Resolutions were passed in the AGM.

Details of Postal Ballot(s) conducted by the Company

During the year 2023-24, the Company conducted three Postal Ballots –

First Postal Ballot dated 2nd March, 2023 (passed on 26th April, 2023)

1) Approval for the change in the designation of Director, Shri Sanjay Kumar Khemani, (DIN 00072812) from Non-Executive Director to Independent Director.

The Company had regular Non - Executive Chairperson who is related to Promoter, therefore at least half of the Board of Directors shall consist of Independent Directors. As on 6th February, 2023, the Company had Thirteen (13) directors, of which six (6) were Independent Directors, Five (4) are Non-Executive Directors (including two of them who are Nominee Directors from LICI) and One (1) are Executive Directors who also were Nominees of LICI. Therefore, in order to have a Board composition which is in compliance with the above-mentioned provisions of Regulation 17 (1) (b) of the SEBI (LODR), 2015, the Company was required to have Seven (7) Independent Directors instead of Six (6). Further, as a Non-Executive Director (not being a Nominee Director) Shri Sanjay Kumar Khemani was satisfying the criteria of independence.

Resolution No.	Particulars	% of votes polled on outstanding shares	% of votes in favour on votes polled	% of votes against on votes polled
01	1) Approval for the change in the designation of Director, Shri Sanjay Kumar Khemani, (DIN 00072812) from Non-Executive Director to Independent Director	78.334	82.162	17.838

Second Postal Ballot dated 16th May, 2023 (passed on 28th June, 2023)

1) Approval and confirmation of the Appointment of Shri Siddhartha Mohanty by the Shareholders

As per the clause 176 (b) of the Articles of Association of the Company, the Chairman of the Company shall be the person nominated by LICI (The Promoter of the Company) and approved by the Board. After the superannuation of the erstwhile Chairman Shri M.R. Kumar, the LICI nominated Shri Siddhartha Mohanty in his place and the Board vide resolution passed on 5th April, 2023 inducted Shri Mohanty into the Board of the Company as the Non-Executive Director who will also act as Chairman subject to the approval from the Shareholders as required vide Regulation 17 (1A) of the SEBI (LODR), 2015.

Shri P. S. Gupchup (ACS 4631; CP 9900) was appointed as the Scrutiniser for conducting the postal ballot through the e-voting process in a fair and transparent manner.

The resolution passed by way of postal ballot along with the voting pattern in respect of the Ordinary Resolution passed is as mentioned below:

Details of voting pattern of the Ordinary Resolutions passed:

Resolution No.	Particulars	% of votes polled on outstanding shares	% of votes in favour on votes polled	% of votes against on votes polled
01	Approval and confirmation of the Appointment of Shri Siddhartha Mohanty by the Shareholders	78.167	85.397	14.603

2) **Approval and confirmation of the Appointment of Shri Jagannath Mukkavilli by the Shareholders**

In terms of articles 138 (b) and 143 of the Articles of Association of the Company, so long as LICI (The Promoter of the Company) holds at least 33% of the issued equity share capital of the Company it shall be entitled to appoint/nominate to the Board one third of the total number of Directors. After the superannuation of the erstwhile nominee Director Shri Raj Kumar, the LICI nominated Shri Jagannath Mukkavilli, in his place and the Board vide resolution passed on 5th April, 2023 inducted Shri Jagannath into the Board of the Company, as the Non-Executive Chairman subject to the approval from the Shareholders as required vide Regulation 17 (1A) of the SEBI (LODR), 2015. Hereunder are the various details to enable the members cast their vote on this resolution.

Shri P. S. Gupchup (ACS 4631; CP 9900) was appointed as the Scrutiniser for conducting the postal ballot through the e-voting process in a fair and transparent manner.

The resolution passed by way of postal ballot along with the voting pattern in respect of the Ordinary Resolution passed is as mentioned below:

Resolution No.	Particulars	% of votes polled on outstanding shares	% of votes in favour on votes polled	% of votes against on votes polled
02	Approval and confirmation of the Appointment of Shri Jagannath Mukkavilli by the Shareholders	78.167	94.934	5.066

3) **Amendment in clause 143 (a) of the Articles of association**

The Securities and Exchange Board of India ("SEBI") has amended Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("SEBI ILNCS") by way of its amendment notification dt: 3rd February, 2023 mandated issuers to ensure that debenture trust deed as well as Articles of Association (in case of issuers who are companies) contains a provision, mandating the issuer to appoint the Nominee Director at the earliest and not later than one month from the date of receipt of nomination from the debenture trustee(s). As per the SEBI (Debenture Trustee) Regulations, 1993 ("Debenture Trustee Regulations"), it is the duty of every debenture trustee to appoint a nominee director on the board of directors of an Issuer in case of (i) 2 (two) consecutive defaults in payment of interest, (ii) default in security creation for the debentures, or (iii) default in redemption of debentures. The NCS Amendment Regulations now require that all debenture trust deeds must contain a provision mandating the Issuer to appoint the person nominated by the debenture trustee to be the nominee director of the Issuer (in line with the Debenture Trustee Regulations) at the earliest and no later than 1 (one) month from the date of receipt of nomination from the debenture trustee. Further, Issuers whose debt securities are already listed as on 2nd February, 2023, are required to amend their existing debenture trust deeds on or before 30th September, 2023, to incorporate the above-mentioned requirements with respect to nominee directors.

Shri P. S. Gupchup (ACS 4631; CP 9900) was appointed as the Scrutiniser for conducting the postal ballot through the e-voting process in a fair and transparent manner.

The resolution passed by way of postal ballot along with the voting pattern in respect of the Special Resolution passed is as mentioned below:

Resolution No.	Particulars	% of votes polled on outstanding shares	% of votes in favour on votes polled	% of votes against on votes polled
03	Amendment in clause 143 (a) of the Articles of association	78.167	99.998	0.002

4) **Authorising the Board for Issuance of redeemable Non-convertible debentures/ or any other instruments on a private placement basis to the tune of ₹ 53,000 crore.**

In terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make a private placement of its securities including NCDs under the Companies Act, 2013 only after the prior approval of its shareholders by way of a special resolution. The Companies (Prospectus and Allotment of Securities) Rules, 2014, further provides that the said special resolution must be passed in respect of all offers / invitations for subscribing the NCDs to be issued during a year and such a special resolution is required to be passed every year. The NCDs proposed to be issued by the Company for cash may be either at par or premium or at a discount to face value depending upon the prevailing market conditions at the time of issues. Accordingly, the approval of the Members is being sought by way of special resolution as set out at Item No.4 of this Notice, authorising the Board to issue NCDs and / or any other instruments which can be classified as being Tier II capital under the provisions of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, upto an aggregate amount not exceeding ₹ 53,000/- crore (Rupees Fifty Three Thousand Crore only) on a private placement basis during a period commencing from the date of this approval by the shareholders to the date of the 35th Annual General Meeting for FY 2024-25 or the date of exhaustion of the above mentioned limit, whichever is earlier. Further existing borrowing powers of the Board under Section 180(1)(c) of the Act, out of the approval accorded by the Board and Shareholders of the Company for ₹ 4,00,000/- crore (Rupees Four Lakh Crore only) in the 30th Annual General Meeting held on is still subsisting approximately to the tune of ₹ 1,55,000 crore.

Shri P. S. Gupchup (ACS 4631; CP 9900) was appointed as the Scrutiniser for conducting the postal ballot through the e-voting process in a fair and transparent manner.

The resolution passed by way of postal ballot along with the voting pattern in respect of the Special Resolution passed is as mentioned below:

Resolution No.	Particulars	% of votes polled on outstanding shares	% of votes in favour on votes polled	% of votes against on votes polled
04	Authorising the Board for Issuance of redeemable Non-convertible debentures/ or any other instruments on a private placement basis to the tune of ₹ 53,000 crore.	78.167	99.309	0.691

Third Postal Ballot dated 1st September, 2023 (passed on 27th October, 2023)

1) **Appointment of Shri Ramesh Lakshman Adige (DIN 00101276) as an Independent Director of the Company**

Pursuant to Section 161 of the Companies Act, 2013 (hereinafter "The Act"), the Board through Circular Resolution appointed Shri Ramesh Lakshman Adige (DIN: 00101276) as an Additional Director in the capacity of Independent Director of the Company based on the recommendation of the Nomination and Remuneration Committee after assessing that the candidate satisfied the "fit and proper criteria" based on the extant circulars issued by the Reserve Bank of India for a term of five (5) years with effect from 1st September, 2023 to 31st August, 2028, subject to the approval of the Shareholders through Special Resolution.

Shri P. S. Gupchup (ACS 4631; CP 9900) was appointed as the Scrutiniser for conducting the postal ballot through the e-voting process in a fair and transparent manner.

The resolution passed by way of postal ballot along with the voting pattern in respect of the Ordinary Resolution passed is as mentioned below:

Details of voting pattern of the Special Resolution passed:

Resolution No.	Particulars	% of votes polled on outstanding shares	% of votes in favour on votes polled	% of votes against on votes polled
01	Appointment of Shri Ramesh Lakshman Adige (DIN 00101276) as an Independent Director of the Company	78.833	99.999	0.001

UNCLAIMED DIVIDENDS AND TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Section 124 of Companies Act 2013, the Company has transferred the unclaimed final dividend for the financial year 2015-16 on due date to the IEPF. The Company has uploaded the details of unclaimed dividends lying with the Company as on 28th August, 2023 (date of last Annual General Meeting) on the website of the Company i.e., www.lichousing.com and also on the website of the Ministry of Corporate Affairs. After completion of seven years, no claims shall lie against the said fund or against the Company for the amount of Dividend so transferred, nor shall any payment be made in respect of such claims under Companies Act, 2013. The Companies Act, 2013 provides for claiming such dividends from the Central Government.

Year	Dividend per share in ₹	Date of Declaration[32]	Due date of transfer to IEPF[33]	Amount outstanding as on 31st March, 2024 (₹)
2016 – 17	6.20	18th August, 2017	27th September, 2024	1,43,30,470/-
2017 – 18	6.80	20th August, 2018	27th September, 2025	1,15,97,084/-
2018 – 19	7.60	28th August, 2019	4th October, 2026	1,07,03,794/-
2019 – 20	8.00	28th September, 2020	4th November, 2027	1,19,34,107/-
2020 – 21	8.50	27th September, 2021	3rd November, 2028	1,06,96,172.50/-
2021 - 22	8.50	29th September, 2022	5th November, 2029	96,69,933.50/-
2022 - 23	8.50	28th August, 2023	4th October, 2030	8,67,63,24.50/-

[32] Date of declaration is date of AGM

[33] Due date is calculated 30 days from AGM plus 7 days and 7 years.

DISCLOSURES

None of the transactions with any of the related parties were in conflict with the interests of the Company.

The details of all transactions with Related Parties, in the manner required, were tabled before the Audit Committee as per the SEBI Listing Regulations, 2015, on quarterly basis during Financial Year 2023-24. The policy on dealing with Related Party transactions and procedures is disclosed on the Company's website (https://www.lichousing.com/consolidated-related) and Related Party Transactions are appended to the Directors' Report.

The Company and its subsidiaries have not given any loans or advances in the nature of loans to the firms/ companies in which directors of the Company are interested.

The Company has laid down the procedures to inform Board Members about the risk assessment and minimisation procedures and the Board reviews the Risk Management report on quarterly basis.

The Company has a Code of Conduct for prevention of insider trading known as "LICHFL Code of Conduct for Prevention of Insider Trading" in the shares and securities of the Company by its Directors and designated persons.

Consequent to the amendments to the SEBI (Prohibition of Insider Trading) Regulations, 2015 as well as issuance of certain clarifications by SEBI on Prohibition of Insider Trading, the Company's "LICHFL Code of Conduct for Prevention of Insider Trading" was revised during the year. It is applicable to designated persons, their immediate relatives and other connected persons. These identified persons are prohibited from trading in the securities of the Company during the restricted trading periods notified by the Company, from time to time and whilst in possession of any unpublished price sensitive information relating to the Company.

The Company has a Code of Conduct for its Directors and the Senior Management. The Code includes the duties of Independent Directors as laid down in the Companies Act, 2013.

The above Code is hosted on the Company's website –

https://www.lichousing.com/static-assets/pdf/Code%20of%20Conduct%20for%20Board%20Members%20and%20Senior%20management.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

and has been circulated to all the members of the Board and Senior management and the compliance of the same has been affirmed by them. A declaration confirmed by Managing Director and CEO is given below

Compliance with Code of Conduct for the Financial Year 2023-24

I confirm that for the year under review, Directors and senior management have affirmed their adherence to the provisions of the Code of Conduct.

For LIC Housing Finance Limited

Tribhuwan Adhikari
Managing Director & CEO

Mumbai, 31st March, 2024

Pursuant to the requirements of the SEBI(Prohibition of Insider Trading) Regulations, 2015 the Company is also maintaining a structured Digital Database (SDD).

The Company has a whistle blower policy – a Vigil Mechanism for employees to report to the management any concerns about unethical behaviour, actual or suspected fraud or violation of the rules and regulations. The Board confirms that no personnel were denied access to the Audit Committee.

The Company does not have an Employee Stock Option Scheme.

In the preparation of financial statements, no treatment materially different from that prescribed in the applicable Accounting Standards as amended from time to time, in respect of these financial statements has been followed.

Directors confirm that the Company has adequate resources to continue its business and, therefore, the financial statements are prepared on a going concern basis.

The Company has formulated policy for determining 'Material' Subsidiaries. The same has been hosted on the website of the Company namely https://www.lichousing.com/static-assets/pdf/Policy_for_Determining_material_Subsidiaries.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true. However, none of the Company's subsidiaries' income or net worth (i.e. paid up capital and free reserves) exceeds 10% of the consolidated income or net worth of the Company and its subsidiaries in the FY 2023-24.

The Company has also adopted Policy on archiving of information content, hosted on website (https://www.lichousing.com/static-assets/pdf/POLICY%20ON%20ARCHIVING%20OF%20

INFORMATION%20OR%20CONTENT%20HOSTED%20ON%20WEBSITE%202021.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true) and Policy for Preservation of Documents (https://www.lichousing.com/static-assets/pdf/Policy-on-Preservation-of-Documents-1.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true).

Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

a. **Number of complaints filed during the year: 1**

b. **Number of complaints disposed of during the financial year: 1**

c. **Number of complaints pending as on end of the financial year: Nil**

POLICY ON FIT AND PROPER CRITERIA FOR THE DIRECTORS

The Company has formulated and adopted a Policy on Fit and Proper Criteria for the Directors, in accordance with NHB CG Directions pursuant to Master Directions – Non - Banking Financial Company (Reserve Bank) Directions, 2021 which inter-alia, lay down the fit and proper criteria of the Directors at the time for their appointment/reappointment and on a continuing basis.

Payment to Statutory Auditors

As required under Regulation 34 of SEBI Listing Regulations, 2015, the details of fees paid to the Statutory Auditor and all entities in the network firm / network entity of which the Statutory Auditor is a part is presented below:

Particulars	For the year ended 31st March, 2024 Amount (₹ in crore)	For the year ended 31st March, 2023 Amount (₹ In crore)
As auditor	0.50	0.50
Tax Audit	0.12	0.11
For Quarterly Limited Reviews	0.26	0.22
In any other manner (Certification work)	0.07	0.21
Reimbursement of Expenses to Auditors	0.06	0.05
Total	**1.01**	**1.09**

*Including ineligible GST

The present Joint Statutory Auditors namely SGCO & Co. LLP, Chartered Accountants [Firm Registration No. 112081W / W100184] and Khandelwal Jain & Co., Chartered Accountant (FRN 105049W) were appointed in the 33rd Annual General Meeting held on 29th September, 2022.

Total fees for all services paid by the Subsidiary Company and Associate Company on a consolidated basis, to the Statutory Auditors, is given below:

Sr. No.	Name Of Subsidiary and Associate Company	Total fees paid (₹ In lakh)
	Subsidiary	
1	LICHFL Care Homes Limited	1.93
2	LICHFL Financial Services Limited	1.90
3	LICHFL Asset Management Company Limited	6.6
4	LICHFL Trustee Company Private Limited	0.45
	Associates	
1	LIC Mutual Fund Asset Management Company Limited	9.5#
2	LIC Mutual Fund Trustee Private Limited	1.15#

V. C. Shah & Co., Chartered Accountant (FRN 108918W) are the Statutory Auditors of this Associate Company.

INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

The Company has formulated and adopted the Internal Guidelines on Corporate Governance in accordance with Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016 which lay down the Corporate Governance practices of the Company and the same is available on the website of the Company at the URL:

https://www.lichousing.com/downloads/Governance%20Guidelines.pdf

CEO / CFO CERTIFICATION

As required by SEBI Listing Regulations, 2015, the Managing Director & CEO / CFO certificate is appended in the Annual Report.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

As required by SEBI Listing Regulations, 2015, Certificate from a Partner of **M/s. BNP & Associates, Practicing Company Secretaries, Mumbai (Firm Regn. No. P2014MH037400, FCS 5578 and Certificate of Practice No.:19862)**, on compliance of the conditions of Corporate Governance is appended in the Annual Report.

MANDATORY / NON-MANDATORY REQUIREMENTS

During Financial Year 2023-24, the Company has duly complied with all mandatory requirements of SEBI Listing Regulations, 2015. The Company is in compliance with all the non – mandatory requirements listed in SEBI Listing Regulations, 2015 except that half-yearly financial results including summary of significant events are presently not being sent to the shareholders. However, the quarterly, half-yearly as well as the annual results are published in the newspapers.

FINANCIAL CALENDAR FOR 2024-25 (PROVISIONAL)

a.	Unaudited Financial Result for the first quarter ending 30th June, 2024	In the month of August, 2024
b.	Unaudited Financial Result for the second quarter ending 30th September, 2024	In the month of October, 2024
c.	Unaudited Financial Result for the third quarter ending 31st December, 2024	In the month of February, 2025
d.	Audited Financial Result for the fourth quarter & year ending 31st March, 2025	In the month of May, 2025
e.	Annual General Meeting for the year ending March, 2025	In the month of September, 2025

MEANS OF COMMUNICATION

Timely disclosure of relevant and reliable information on financial performance is at the core of good governance.

The channels of communication include informative Annual Report containing Directors' Report, Report on Corporate Governance, Management's Discussion and Analysis Report and the Audited Financial Statements (Standalone & Consolidated).

The Company also communicates with the shareholders through its website, www.lichousing.com. The quarterly and annual financial results as well as shareholding pattern and Memorandum and Articles of Association of the Company, Code of Conduct for Board of Directors and Senior Management and Code of Conduct for Insider Trading are hosted on the Company's website for information of its shareholders.

Quarterly / Annual Financial Results: The quarterly unaudited financial results and audited yearly financial results of the Company are announced within stipulated period. The audited/ unaudited financial results were published in vernacular language newspaper and leading English newspapers namely Business Standard - English (all editions), Business Line (all editions), The Free Press Journal (all editions), Navshakti (all editions) and Business Standard-Hindi (all editions).

The audited financial statements viz., Balance Sheet, Profit and Loss Account, Cash-Flow Statement including schedules and notes thereon, press releases and presentations made to analysts were hosted on the Company's website.

NEAPS (NSE Electronic Application Processing System) and BSE Corporate Compliance & Listing Centre: NSE and BSE have developed web-based applications for corporates. Periodical compliances like financial results, shareholding pattern, corporate governance reports, etc. are filed electronically on NEAPS and BSE Listing Centre.

Press Release, Presentations etc.: The Company organises Investors' Meet on a quarterly basis, to communicate with institutional investors, analysts, etc. Official news/press releases and presentations, transcripts of the ConCalls made to investors/ analysts are hosted on the Company's website from time to time and also informed to Stock Exchanges. The Stock Exchanges are also informed in advance about the schedule of such investor meets.

Website: The Company's website (www.lichousing.com) contains a dedicated section 'INVESTORS' which contains all the updated and relevant information for various stakeholders.

Annual Report: Annual Report containing inter-alia Standalone Audited Financial Statements, Audited Consolidated Financial Statements, Auditors' Report, Directors' Report, Management Discussion and Analysis, Corporate Governance Report, Business Responsibility Report is circulated to the members who are entitled. The same is also uploaded on the website of the Company which can be accessed at the following link- https://www.lichousing.com/annual-report

SCORES (SEBI Complaints Redressal System): SEBI processes investors' complaints in a centralised web-based complaints redressal system i.e. SCORES. Through this system, a shareholder can lodge complaint(s) relating to his grievance. The RTA under intimation to the Company uploads the action taken on the complaint which can be viewed by shareholder. The Company and shareholder can seek clarifications online through SEBI.

Letters to Investors: Regular reminders are being sent to the Shareholders for claiming unpaid/ unclaimed dividend/ shares every year.

Green Initiative: Sending important communication to shareholders through email - In terms of the Green initiative launched by the Ministry of Corporate Affairs, to allow service of documents to the members through electronic mode. The Company from the last few years has been sending various communications/ documents like Annual Report, Notice of AGM, NACH intimation etc. through e-mail to those shareholders who have registered their email id with the DP/ RTA.

In compliance of MCA/SEBI Circulars, Annual Report has been sent through email to those eligible shareholders whose email ID has registered and Physical Copy has been sent to those shareholder who has requested. Efforts have also been made to update / validate the registered email-IDs of shareholders, through CDSL and NSDL, prior to sending emails to eligible shareholders.

To comply with the newly enacted provisions of the Income Tax Act, 1961 and to give fair chance to all eligible shareholders with respect to exemption from deduction of TDS on dividend, communication was sent to shareholders giving them an opportunity to submit necessary documents (Form 15 G, Form 15 H, Form 10 F, declaration-NRI, FPI, FII).

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report is annexed with the Directors' Report.

GENERAL SHAREHOLDER INFORMATION

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65922MH1989PLC052257.

(a) Annual General Meeting

Date and time: 30th August, 2024 (Friday) at 3:30 P.M.

Venue: "Through Video Conference (VC)/ Other Audio Visual Means (OAVM)".

(b) Financial year: The financial year of the Company starts on April 1 and ends on 31st March of next year.

(c) Book closure: From, 24th August, 2024 to, 29th August, 2024 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend, if approved by the Members.

(d) Dividend payment date: Within 30 days from the date of approval of Members.

Pursuant to the changes introduced by the Finance Act, 2020, with effect from 1st April, 2020, the Company would be required to deduct tax at the prescribed rates on the dividend paid to its Shareholders. The TDS rate would vary depending on the residential status of the Shareholders and the documents submitted by them and accepted by the Company.

(e) The shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

(f) Stock Exchanges:

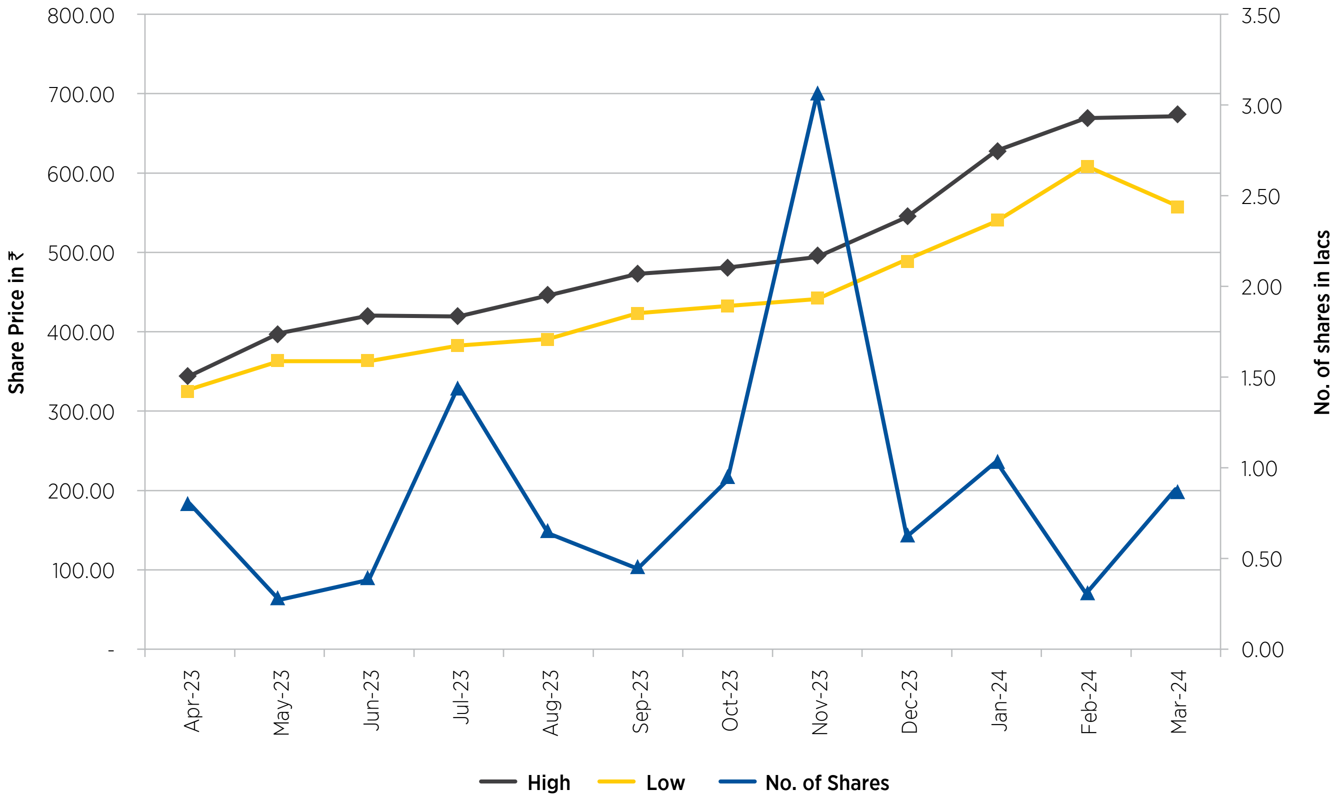
Name of Stock Exchanges	Address	Stock Code
Bombay Stock Exchange Ltd.	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. Tel. Nos.: 022-22721233 / 22721234 Fax Nos.: 022-22721919 Website: www.bseindia.com	500253
National Stock Exchange of India Ltd.	Exchange Plaza, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra – East, Mumbai – 400051. Tel Nos: 022-26598100-114 Fax Nos.: 022-26598120 Website: www.nseindia.com	LICHSGFIN EQ LICHSGFIN(Debt)

(g) International Securities Identification Number (ISIN): INE115A01026

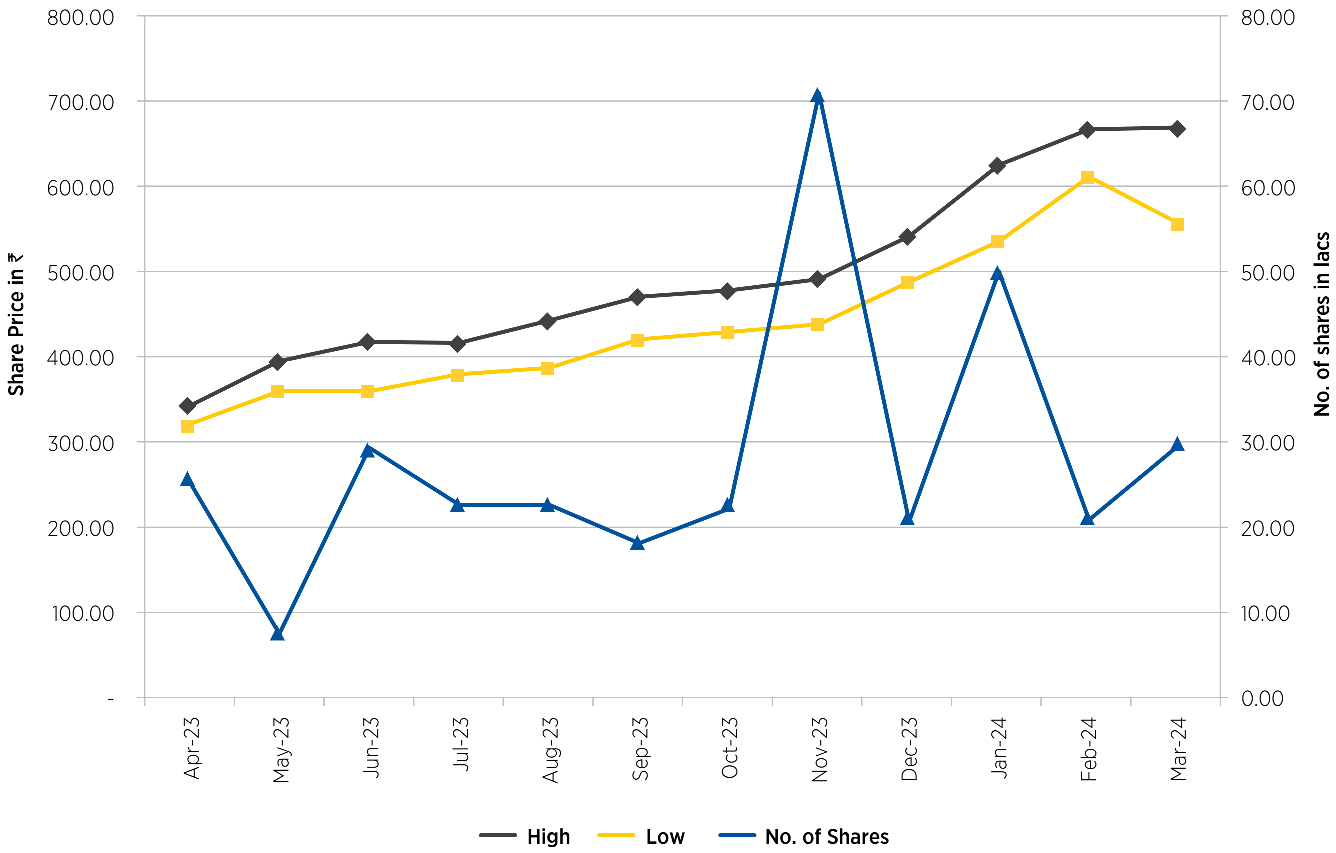
(h) Market price data: The monthly high and low stock quotations during financial year 2023-24 on BSE and NSE were:

Month	BSE			BSE Sensex		NSE		
	Company's share price (₹)		Volume of shares (Nos.)			Company's share price (₹)		Volume of shares (Nos.)
	High	Low		High	Low	High	Low	
April 2023	345.50	327.15	80214	61,749.25	59,106.44	345.50	324.15	2562027
May 2023	397.90	362.85	27041	63,036.12	61,251.70	398.00	362.75	780347
June 2023	420.20	362.65	38079	64,768.58	62,359.14	420.40	362.75	2961054
July 2023	419.00	382.60	144905	67,619.17	64,836.16	419.30	382.70	2291805
August 2023	445.60	390.70	63787	66,658.12	64,723.63	445.45	390.00	2294910
September 2023	473.00	423.15	44296	67,927.23	64,818.37	473.35	423.50	1842072
October 2023	480.80	432.35	93065	66,592.16	63,092.98	481.00	432.00	2248693
November 2023	493.90	441.05	305958	67,069.89	63,550.46	494.00	441.00	7123100
December 2023	544.30	491.00	61930	72,484.34	67,149.07	544.50	490.80	2097734
January 2024	628.10	539.10	103354	73,427.59	70,001.60	627.95	538.30	5030287
February 2024	669.40	609.15	30595	73,413.93	70,809.84	669.80	614.15	2116417
March 2024	671.75	559.60	88121	74,245.17	71,674.42	671.95	559.45	2992847

BSE


800.00
700.00
600.00
500.00
400.00
300.00
200.00
100.00
-
Share Price in ₹
3.50
3.00
2.50
2.00
1.50
1.00
0.50
0.00
No. of shares in lacs
Apr-23
May-23
Jun-23
Jul-23
Aug-23
Sep-23
Oct-23
Nov-23
Dec-23
Jan-24
Feb-24
Mar-24
High
Low
No. of Shares

NSE


800.00
700.00
600.00
500.00
400.00
300.00
200.00
100.00
-
Share Price in ₹
80.00
70.00
60.00
50.00
40.00
30.00
20.00
10.00
0.00
No. of shares in lacs
Apr-23
May-23
Jun-23
Jul-23
Aug-23
Sep-23
Oct-23
Nov-23
Dec-23
Jan-24
Feb-24
Mar-24
High
Low
No. of Shares

(i) Details of Shareholders holding more than 1% of the share capital of the Company as at 31st March, 2024 are given below:

LIC Housing Finance Limited				
List of shareholders holding 1% or more shares as on 31st March, 2024				
SRL	**FOLIONO**	**SHAREHOLDER'S NAME**	**SHARES**	**Percentage**
1	'IN30134820176093	Life Insurance Corporation Of India	248842495	45.2389
2	'IN30005410076881	Government Pension Fund Global	14431215	2.6236
3	'IN30014210645352	Bank Muscat India Fund	11496000	2.0899
4	'IN30152430012592	Kotak Emerging Equity Scheme	9768039	1.7758
5	'IN30016710127669	Mirae Asset Large & Midcap Fund	8570080	1.558
6	'IN30378610001929	SBI Small Cap Fund	7700000	1.3998
7	'IN30016710142910	HDFC Life Insurance Company Limited	7062859	1.284

Distribution of shareholding as at 31st March, 2024

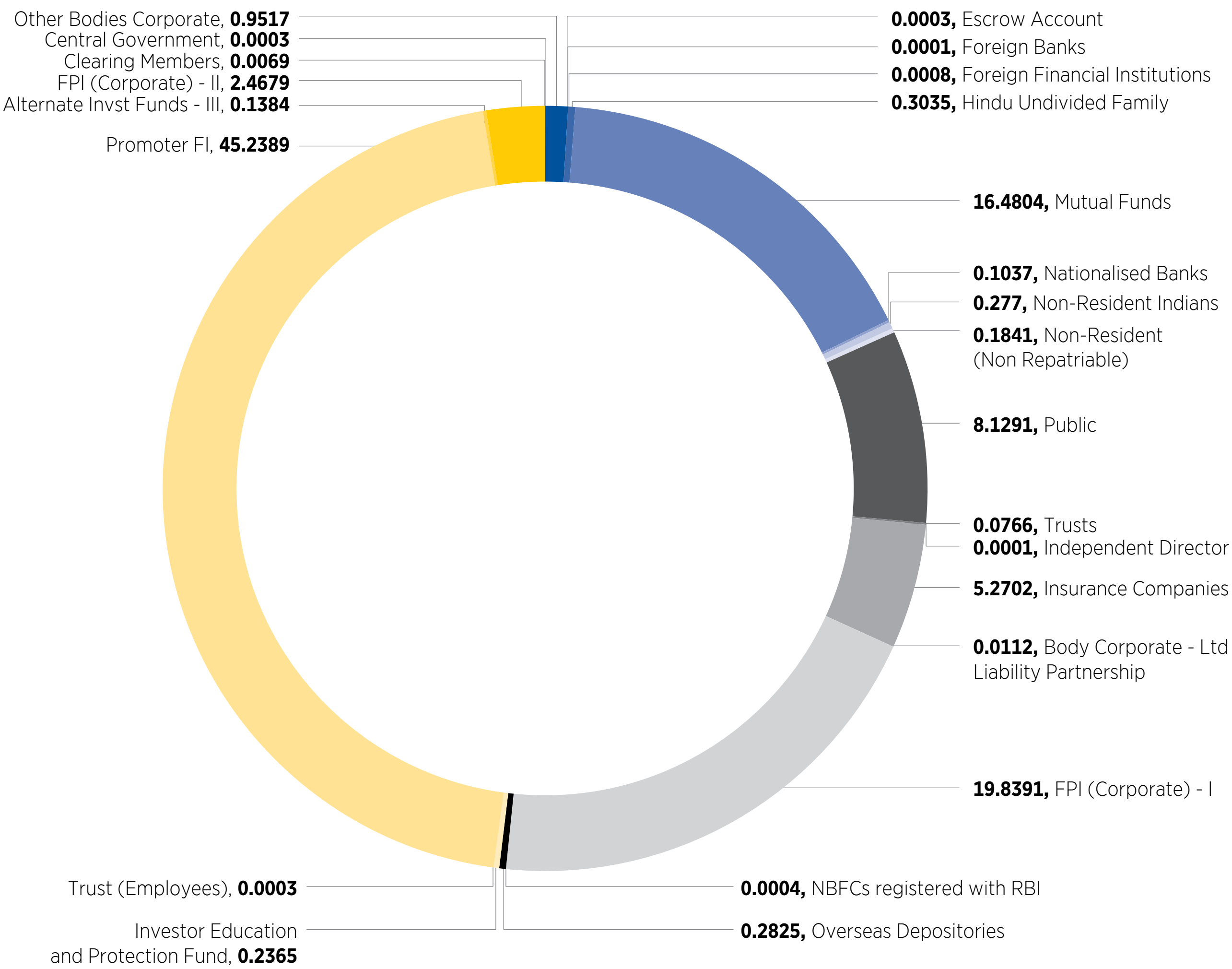
LIC Housing Finance Limited							
DISTRIBUTION OF SHAREHOLDING (RUPEES)							
SR. NO.	**SHAREHOLDING OF NOMINAL SHARES**			**SHAREHOLDER**	**PERCENTAGE OF TOTAL**	**TOTALSHARES**	**PERCENTAGE OF TOTAL.**
1	1	to	1000	290607	95.5837	46821846	4.2560
2	1001	to	2000	7393	2.4316	11560752	1.0509
3	2001	to	4000	3087	1.0153	9278542	0.8434
4	4001	to	5000	637	0.2095	3004018	0.2731
5	5001	to	10000	1102	0.3625	8243132	0.7493
6	10001	to	99999999	1208	0.3973	1021217710	92.8273
Total				**304034**	**100**	**1100126000**	**100**

Details of shareholding based on category as on 31st March, 2024

LIC Housing Finance Limited							
Details of shareholding based on category as on 31st March, 2024							
Category	**Demat_ Shares**	**Demat_ Holders**	**Physical_ Shares**	**Physical_ Holders**	**Total_ Shares**	**Total_ Value**	**Total_ Percent**
Central Government	1924	1	0	0	1924	3848	0.0003
Clearing Members	37721	18	0	0	37721	75442	0.0069
Other Bodies Corporate	5217661	973	17500	16	5235161	10470322	0.9517
Escrow Account	0	0	1500	1	1500	3000	0.0003
Foreign Banks	496	1	0	0	496	992	0.0001
Foreign Financial Institutions	0	0	4500	2	4500	9000	0.0008
Hindu Undivided Family	1666005	4103	3500	3	1669505	3339010	0.3035
Mutual Funds	90652824	115	0	0	90652824	181305648	16.4804
Nationalised Banks	570688	3	0	0	570688	1141376	0.1037
Non-Resident Indians	1523143	3582	500	1	1523643	3047286	0.277
Non-Resident (Non Repatriable)	1012846	2531	0	0	1012846	2025692	0.1841
Public	42744680	288465	1970391	3731	44715071	89430142	8.1291
Trusts	420209	30	1000	1	421209	842418	0.0766
Independent Director	500	1	0	0	500	1000	0.0001
Insurance Companies	28989268	23	0	0	28989268	57978536	5.2702
Body Corporate - Ltd Liability Partnership	61375	61	0	0	61375	122750	0.0112

LIC Housing Finance Limited							
Details of shareholding based on category as on 31st March, 2024							
Category	**Demat_ Shares**	**Demat_ Holders**	**Physical_ Shares**	**Physical_ Holders**	**Total_ Shares**	**Total_ Value**	**Total_ Percent**
FPI (Corporate) - I	109127732	333	0	0	109127732	218255464	19.8391
NBFCs registered with RBI	2001	2	0	0	2001	4002	0.0004
Overseas Depositories	1554114	1	0	0	1554114	3108228	0.2825
Investor Education And Protection Fund	1300972	1	0	0	1300972	2601944	0.2365
Trust (Employees)	1500	1	0	0	1500	3000	0.0003
Promoter FI	248842495	1	0	0	248842495	497684990	45.2389
Alternate Invst Funds - III	761060	5	0	0	761060	1522120	0.1384
FPI (Corporate) - II	13574895	28	0	0	13574895	27149790	2.4679
TOTAL:	**548064109**	**300279**	**1998891**	**3755**	**550063000**	**1100126000**	**100**

Details of Shareholding



(j) Global Depository Shares (GDS)

Global Depository Shares (GDS):

The Company has delisted its Global Depository receipts form the Luxembourg Stock Exchange with effect from 25th March, 2024.

Hence the Company has no outstanding GDR's as on the date of this Annual report.

(k) Plant location: The Company is mainly engaged in providing housing finance and as such does not have any manufacturing plant.

(l) Address for correspondence

Investors and shareholders can correspond with the Company at following address:

A) The Company Secretary

LIC Housing Finance Limited
Corporate Office,
131 Maker Tower, "F" Premises, 13th Floor,
Cuffe Parade, Mumbai - 400 005.
Phones: (91-22) 22178600 / 22178700 / 22178610.
Fax: (91-22) 22178777.
CIN: L65922MH1989PLC052257.

and / or

B) The Registrar and Transfer Agent of the Company at its following address

Link Intime India Pvt. Limited
C-101, 247 Park, L.B.S. Marg,
Vikroli (West), Mumbai - 400 083,
Phones: (91-22)49186000.

(m) Share transfer system

All the share transfers are processed by the Registrar and Transfer Agent, namely, Link Intime (India) Private Limited and approved by the Committees of the Officers of the Company constituted for this purpose. The Committee meets as and when required to approve share transfers received in physical form.

(n) Dematerialisation of shares and liquidity

The shares of the Company are compulsorily traded in dematerialised form and are available for trading under both the Depository Systems — National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2024, 5,48,064,109 equity shares i.e., 99.63 % of the Company's share capital were dematerialised.

(o) Debt Securities

The Secured Redeemable Non-Convertible Debentures and Un-secured Redeemable Non-Convertible Debentures issued by the Company are listed for trading on the Wholesale Debt Market Segment of the NSE. Further there has been no instance whereby at any time, the securities (both equity and / or debt) of the Company was suspended from trading.

Debenture Trustees

Axis Trustee Services Ltd - Axis House, 2nd Floor,
Wadia International Centre, Pandurang Budhkar Marg,
Worli, Mumbai – 400025.
Phones:022-24255215 / 24255216,
Email: debenturetrustee@axistrustee.com,
Website: www.axistrustee.com.

Vistra ITCL (India) Limited - Plot C-22,
G-Block, Bandra-Kurla Complex,
Bandra East, Mumbai – 400051.
Phones: 022-26533333 Email: info@ilfsindia.com,
Website: www.ilfsindia.com

SBICAP Trustee Company Limited - 202,
Maker Tower, 'E', Cuffe Parade, Mumbai- 4000 05
Phone:022-43026629
Email: corporate@sbicaptrustee.com

Catalyst Trusteeship Limited- Windsor,
Unit No- 901, 9th Floor, Tower B, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013
Phone 022-49220555
Website:- www.catalysttrustee.com

IDBI Trusteeship Services Limited-
Universal Insurance Building, Ground Floor,
Sir P.M. Road, Fort, Mumbai – 400001.
Phone- 022- 40807000 Website:- www.idbitrustee.com

(p) List of all credit ratings obtained by the entity along with any revisions thereto during the financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad.

CRISIL had reaffirmed its outstanding rating as 'CRISIL AAA/Stable' rating to the non-convertible debentures issue of LIC Housing Finance Limited and has also reaffirmed its 'CRISIL AAA/AAA/Stable/CRISIL A1+' ratings on other debt instruments, bank facilities, fixed deposit programme and commercial paper of the Company.

Total Bank Loan Facilities Rated	₹ 1,30,085.88 crore
Long Term Rating	CRISIL AAA/Stable (Reaffirmed)
Short Term Rating	CRISIL A1+ (Reaffirmed)
₹ 45,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Assigned)
₹ 30,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Assigned)

₹ 6,929 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 11,705 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 199 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 15,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 15,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 15,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 5,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 10,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 15,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 25,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 25,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 25,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 25,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 25,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 5,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 5,976 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 20,000 crore Non-Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
₹ 4,750 crore Tier II Bond	CRISIL AAA/Stable (Reaffirmed)
Fixed Deposits Programme	CRISIL AAA/Stable (Reaffirmed)
₹ 17,500 crore Commercial Paper	CRISIL A1+ (Reaffirmed)

CARE had reaffirmed its outstanding rating as ‘CARE AAA/Stable’ rating to the non-convertible debentures and Tier II Bond issue of LIC Housing Finance Limited.

₹ 4,00,00 crore Non-Convertible Debentures	CARE AAA / Stable (Assigned)
₹ 2,53,441 crore Non-Convertible Debentures	CARE AAA / Stable (Reaffirmed)
₹ 3,000 crore Tier II Bond	CARE AAA / Stable (Reaffirmed)

ICRA Limited had reaffirmed ICRA A1+ rating to the ₹ 17,500 crore commercial paper issue of LIC Housing Finance Limited and has reaffirmed its ICRA A1+.

(q) Listing Fees

The Company has paid listing fees to Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd., (NSE) for listing of equity shares on BSE and NSE for Financial Year 2023-24. The Company has also paid listing fees for listing of Non-Convertible Debenture on Wholesale Debt market segment on NSE for Financial Year 2023-24. In respect of GDS listed on’ Luxembourg Stock Exchange, the Company has paid the listing fees to the Luxembourg Stock Exchange.

(r) Demat Suspense Account / Unclaimed Suspense Account

There are 1500 shares lying under Suspense Escrow Demat Account.

(s) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company has foreign exchange exposure and hedging is done for a significant portion of the same. The Company is neither involved in commodity trading, nor its hedging activities.

(t) Details of non-compliance by listed entity, penalties, strictures imposed on the listed entity by Stock Exchange(S) or the Board or any statutory authority, on any matter related to capital markets, during the last three years;

During the FY 2023-24 the company had not received any penalties, strictures by Stock Exchange(S) or the Board or any statutory authority, on any matter related to capital markets.

During the FY 2022-23 The National Stock Exchange had levied fine on the Company with a cumulative amount of

₹ 8,66,120/- for the violation under Regulation - 17(1), 50(1), 52(7)/(7A), 57(1) & 60 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The amount of ₹ 2,36,000/- was waived off out of the amount mentioned above.

(u) Details of compliance with mandatory requirements

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and all the applicable clauses of Regulation 46(2) (b) to (i) of the SEBI Listing Regulations, 2015, and circulars issued thereof. All applicable Secretarial Standards on Board Meetings and General Meetings were duly complied. The Company has complied with all the requirements of the Companies Act, 2013 read with applicable Rules thereunder. Further, the Company has complied with all applicable Accounting Standards in preparation and presentation of Financial Statements.

This Corporate Governance Report of the Company for the FY 2023-24 is in compliance with the requirements of Corporate Governance under SEBI Listing Regulations, 2015.

(v) CEO/CFO Certificate

The Compliance Certificate of the MD & Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) to the Board of Directors as specified in Part B of Schedule II of the SEBI Listing Regulations, 2015 has been annexed as Annexure 1 and 2 to this Report.

(w) Certification from Company Secretary in Practice

i) **Shri Avinash Bagul (FCS: 5578 and Certificate of Practice No.: 19862), Partner of M/s. BNP & Associates, Practicing Company Secretaries, Mumbai (Firm Regn. No.: P2014MH037400) has conducted Secretarial Audit in respect of the FY 2023-24**, as per the provisions of Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as per Regulation 24A of the SEBI Listing Regulations, 2015 and the Secretarial Audit Report in Form MR-3 provided by the PCS has been submitted to stock exchanges as well as annexed to the Board's Report ; and the same would be forwarded to the Ministry of Corporate Affairs at the time of submitting this Annual Report.

ii) The Company has also obtained the **Annual Secretarial Compliance Report from Shri Avinash Bagul (FCS: 5578 and Certificate of Practice No.: 19862), Partner of M/s. BNP & Associates, Practicing Company Secretaries, Mumbai (Firm Regn. No.: P2014MH037400)** as required by SEBI as per Reg. 24A of the Listing Regulations and Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 and submitted to the stock exchange on 27th May, 2024.

iii) **Shri Avinash Bagul (FCS: 5578 and Certificate of Practice No.: 19862), Partner of M/s. BNP & Associates, Practicing Company Secretaries, Mumbai (Firm Regn. No.: P2014MH037400) has also issued a certificate as required under Regulation 34(3) and Schedule V Para C clause (10) (i) of the** SEBI Listing Regulations, 2015, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority. The said certificate of non-disqualification of directors has been annexed herewith in **Annexure-3**.

The Certificates mentioned in (i) and (ii) above has been enclosed with the Report of Directors as **Annexure-6**.

(x) Recommendations of Committee(s) of the Board of Directors

During the Financial Year 2023-24, there was no instance, where the Board has not accepted the recommendation(s) of any committee of the Board which is mandatorily required to be set up.

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of,
LIC HOUSING FINANCE LIMITED
Bombay Life Building, 2nd Floor,
45/47, Veer Nariman Road,
Mumbai - 400001.

We, BNP & Associates, Practicing Company Secretaries have examined all relevant records of **LIC Housing Finance Limited** (further known as "the Company") as provided by the Company through the physical/virtual data room for the purpose of certifying the compliance of the disclosure requirements and corporate governance norms as specified for the Listed Companies as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), **for the financial year ended 31st March 2024**. We have obtained all the information and explanations, which, to the best of our knowledge and belief, is necessary for the purpose of this certification.

We state that the completing compliance requirements of Corporate Governance is the responsibility of the management of the Company, and our examination is limited to procedures and implementation thereof as adopted by the Company for ensuring the compliance. 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 with the conditions of Corporate Governance as specified for listed company in the LODR for the above financial year.

We further state that the above certification 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 during the financial year.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No. 637/2019

Avinash Bagul
Partner
FCS No. 5578
CP No. 19862
UDIN: F005578F000777162

Place: Mumbai
Date: 19th July, 2024

ANNEXURE-1

To,
The Board of Directors,
LIC Housing Finance Limited.,
Bombay Life Building, 2nd Floor,
45/47, Veer Nariman Road,
Mumbai – 400 001.

Date: 15th May, 2024

ANNUAL CERTIFICATION

We, the undersigned Shri T. Adhikari, Managing Director & CEO and Sudipto Sil, Chief Financial Officer hereby certify that for the financial year ended 31st March, 2024, have reviewed annual accounts, financial statements and the cash flow statement and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct;

4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies, of which we are aware, in the design or operation of the internal control systems and we have taken the steps to rectify these deficiencies.

5. We further certify that:

   (a) there have been no significant changes in internal control over financial reporting during this year.

   (b) there have been no significant changes in accounting policies during this year.

   (c) there have been some instances of fraud though not significant. There was no involvement of management and there would not have been any involvement of the employees having a significant role in the Company's internal control system over the financial reporting.

Managing Director & CEO **Chief Financial Officer**

ANNEXURE-2

To,
The Board of Directors,
LIC Housing Finance Limited.,
Bombay Life Building, 2nd Floor,
45/47, Veer Nariman Road,
Mumbai – 400 001.

Date: 15th May, 2024

CERTIFICATION

We the undersigned, Shri. T Adhikari, Managing Director & CEO and Sudipto Sil, Chief Financial Officer hereby certify that for the Quarter ended 31st March, 2024 we have reviewed the financial results and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

Managing Director & CEO

Chief Financial Officer

ANNEXURE-3

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of,
LIC Housing Finance Limited
Bombay Life Building, 2nd Floor,
45/47, Veer Nariman Road,
Mumbai- 400 001

We, BNP & Associates have examined the relevant registers, records, forms, returns and disclosures received from the Directors of LIC Housing Finance Limited having CIN L65922MH1989PLC052257and having its registered office at Bombay Life Building, 2nd Floor, 45/47, Veer Nariman Road, Mumbai- 400 001 (hereinafter referred to as 'the Company'), produced before us through the virtual data room by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including verification of Directors Identification Number (DIN) status] in terms of the portal of Ministry of Corporate Affairs Government of India (MCA) www.mca.gov.in as considered necessary and pursuant to explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below, for the financial year ended on 31st March, 2024 have been debarred or disqualified from appointment or continuing as directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or by any other statutory regulatory authority.

Sr. No	DIN	Name of the Directors	Designation	Date of Appointment*
1	08058830	Shri Siddhartha Mohanty	Non-Executive- Nominee Director	5th April, 2023
2	10090437	Shri Jagannath Mukkavilli	Non-Executive- Nominee Director	5th April, 2023
3	00041829	Dr Dharmendra Bhandari	Non-Executive- Independent Director	19th August, 2014
4	01185834	Shri Vipan Kumar Kukreja	Non-Executive- Independent Director	30th June, 2015
5	00726197	Shri Ameet N. Patel	Non-Executive- Independent Director	19th August, 2015
6	06389741	Shri Koteswara Rao Pottimutyala	Non-Executive – Non- Independent Director	11th June, 2018
7	00748523	Shri Kashi Prasad Khandelwal	Non-Executive - Independent Director	1st July, 2019
8	00072812	Shri Sanjay Kumar Khemani	Non-Executive - Independent Director	1st July, 2019
9	08858134	Shri Akshay Kumar Rout	Non-Executive - Non-Independent Director	28th September, 2020
10	09053493	Smt. Jagennath Jayanthi	Non-Executive - Independent Director	5th February, 2021
11	07734571	Shri Ravi Krishan Takkar	Non-Executive - Independent Director	25th July, 2022
12	00101276	Shri Ramesh Lakshman Adige	Non-Executive - Independent Director	1st September, 2023
13	10229197	Shri Tribhuwan Adhikari	Managing Director and Chief Executive Officer	3rd August, 2023

*Date of appointment of Directors as appearing on MCA Portal.

Ensuring the eligibility of every director for appointment / continuity on the Board is the responsibility of the Management of the Company. We further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management of the Company has conducted the affairs of the Company.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No.:- 637/2019

Avinash Bagul
Partner
FCS No.: 5578
COP No.:19862
UDIN: F005578F000511215

Date: 31st May, 2024
Place: Mumbai

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity: **L65922MH1989PLC052257**
2. Name of the Listed Entity: **LIC Housing Finance Limited**
3. Year of incorporation: **1989**
4. Registered office address: **Bombay Life Building, 2nd Floor, 45/47, Veer Nariman Road, Fort, Mumbai 400001.**
5. Corporate address: **131, Maker Tower "F" Premises, 13th Floor, Cuffe Parade, Mumbai 400005**
6. E-mail: **lichousing@lichousing.com**
7. Telephone: **(+91) 22 2217 8600**
8. Website: **www.lichousing.com**
9. Financial year for which reporting is being done: **2023-24**
10. Name of the Stock Exchange(s) where shares are listed: **Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE)**
11. Paid-up Capital: **₹ 110.08 crore**
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report: **Ms. Varsha Hardasani, Company Secretary & Compliance Officer**
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together): **Disclosures made in this report are on a standalone basis and pertain only to LIC Housing Finance Limited.**
14. Name of assurance provider: **Not Applicable**
15. Type of assurance obtained: **Not Applicable**

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Financial and insurance Service (K)	Other financial activities (K8)	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
	Activities of housing finance companies. The Company's core business is financing by way of loans for the purchase or construction of residential houses, commercial real estate and certain other purposes in India. As of 31st March, 2024, in terms of the composition of loans on an Assets under Management basis is as follows: i. 85.13% were Housing loans to Individuals, ii. 9.98% were non-housing loans to Individuals, iii. 2.09% were non-housing loans to Corporates iv. 2.80% Project Finance loans	65922	100.00%

Note: https://www.mospi.gov.in/classification/national-industrial-classification/alphabetic-index-5digit

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	-	388 Offices spread across India in 27 states.	388
International	-	1 Representative Office in Dubai	1

Note: The company has a network of 388 offices including 310 Area Offices, 23 Back Offices, 44 Cluster Offices, 9 Regional Offices, 1 Corporate Office & 1 Registered Office, spread across 27 states and Union Territories in India as of 31st March, 2024

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan-India (27 States including UT)
International (No. of Countries)	1

Note:

1. The company operates across 23 states including Chhattisgarh, Haryana, Himachal Pradesh, Madhya Pradesh, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand, Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Telangana, Assam, Bihar, Jharkhand, Odisha, Sikkim, Tripura, West Bengal, and 4 union territories: Puducherry, Chandigarh, Delhi, and Jammu & Kashmir.
2. International – Dubai

b. What is the contribution of exports as a percentage of the total turnover of the entity?

As per the regulatory framework under which the Company is Covered, Export of services are not permissible. Accordingly, the contribution towards export is 'NIL'.

c. A brief on types of customers

The Company is a Housing Finance Company registered with National Housing Bank (NHB) and is engaged in financing purchase/construction of residential flats/houses to individuals and project finance to developers, Loan against Property (LAP), Lease Rental Discounting (LRD) etc. All other activities revolve around the core business of the Company. The Company offers lending and deposit services to a mix of individuals, including salaried/self-employed/professionals/SME customers, retired government employees, the large cross-section of the retail customers belongs to Tier 1/Tier 2 cities/towns.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
		EMPLOYEES				
1.	Permanent (D)	2,349	1,579	67.22	770	32.78
2.	Other than Permanent (E)	47	34	72.34	13	27.66
3.	Total employees (D + E)	2,396	1,613	67.32	783	32.68
		WORKERS				
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total workers (F + G)	-	-	-	-	-

Note: "Other than Permanent" are employees which are on probation or are management trainees, Once they complete their probation they will be identified as" Permanent employees". The company does not have any workers as defined in the guidance note issued by SEBI. All the housekeeping and security support team have been engaged through a Third Party. The amount is paid to the vendor as per the Invoice raised.

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	5	4	80%	1	20%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	5	4	80%	1	20%
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	-	-	-	-	-

Note: "Other than Permanent" are employees which are on probation or are management trainees, Once they complete their probation they will be identified as" Permanent employees". The company does not have any workers as defined in the guidance note issued by SEBI. All the housekeeping and security support team have been engaged through a Third Party. The amount is paid to the vendor as per the Invoice raised.

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	13	1	7.69%
Key Management Personnel	3	1	33.33%

Note: * The board of directors consisted of 13 members as on 31st March, 2024. This included 1 female director.

*Managing Director & Chief Executive Officer is in the Board of Directors as well as he is a KMP Accordingly he has been included in both categories.

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2023-24 (Turnover rate (%)) *			FY 2022-23 (Turnover rate (%)) *			FY 2021-22 (Turnover rate (%)) *		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5.57	3.91	5.03	4.10	3.11	3.78	4.24	3.77	4.09
Permanent Workers	-	-	-	-	-	-	-	-	-

Note:

1. Turnover percentage is calculated considering all exits (Resignation, Termination, Retirement, Early retirement, Repatriation of LIC employees back to LICHFL, end of service due to death) except transfer of LICHFL employees to its subsidiaries on deputation.
2. The company does not have any workers as defined in the guidance note issued by SEBI.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	LICHFL Care Homes Limited	Subsidiary	100.00%	No
2	LICHFL Financial Services Limited	Subsidiary	100.00%	No
3	LICHFL Asset Management Co. Limited	Subsidiary	94.62%	No
4	LICHFL Trustee Company Limited	Subsidiary	100.00%	No
5	LIC Mutual Fund Asset Management Co. Limited	Associate	35.52%.	No
6	LIC Mutual Fund Trustee Co. Limited	Associate	35.30%	No

VI. CSR (Corporate Social Responsibility) Details

24. i. Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes, CSR is applicable as per Section 135 of the Companies Act, 2013.**

ii. Turnover (in ₹): **27,234.64 crore**

iii. Net worth (in ₹): **29,226.51 crore**

iv. Total amount spent on CSR for FY 2023-24 (in ₹): **64.85 crore. ***

* ₹ 64.85 has been sanctioned for the company's CSR activities for FY 2024-25. The funds will be disbursed over the next three years based on the project progress.

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No, currently the company does not have a formal grievance redressal mechanism in place. However, we are actively working on developing a system to capture and address employee concerns in the coming year.	-	-	-	-	-	-
Investors (other than shareholders)	Yes, the Company has various mechanisms in place for addressing the concerns of the shareholders and the investors. Even the RTA as well as the Debenture trustees are extended arms of the Company who may be reached out in case of any queries. Although there are no specific policies for the grievance redressal of the investors, the Company does resolve the grievances by operation of law. Further, various informative material for the investors is available on the website of the company namely under the section 'Investors'. https://www.lichousing.com/	1	0	All complaints were Resolved in the same year.	0	0	No Complaint

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes, the Company has various mechanisms in place for addressing the concerns of the shareholders and the investors. Even the RTA as well as the Debenture trustees are extended arms of the Company who may be reached out in case of any queries. Although there are no specific policies for the grievance redressal of the investors, the Company does resolve the grievances by operation of law. Further, various informative material for the investors is available on the website of the company namely under the section 'Investors'. https://www.lichousing.com/	12	0	Resolved all 12 complaints	12	0	Two complaints carried forward from FY 2021-22 got resolved in FY 2022-23
Employees and workers	Yes, we have a grievance redressal mechanism in place, and our Whistleblower and POSH policies are in public domain. https://www.lichousing.com/static-assets/pdf/Policy_for_Implementation_of_Prevention_of_Sexual_Harassment_of_Women_at_Workplace.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true	1	0	Received 1 POSH complain it were resolved in same year	0	0	No complain received
Customers	Yes, We empower our customers to voice their concerns through various channels: Our informative customer portal offers helpful resources and allows them to write or call us directly, All inquiries are captured in our Integrated Customer Relationship Module (ICRM) for efficient follow-up, We also offer additional contact options https://www.lichousing.com/grievance-mechanism	13,486	0	All complaints were Resolved in the same year	11,046	0	All complaints are resolved

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Value Chain Partners	Yes, Value chain partner can contact our designated nodal officers to address their concerns. The company also have fair practice codes for market intermediaries and recovery agents readily available on https://www.lichousing.com/	-	-	-	-	-	-
Other (Depositors)	Yes, Depositors have two convenient ways to contact us: through our website or through the designated Service Provider for Deposits. (https://www.lichousing.com/public-deposits)	3,256	15	*3,260 Complaints were resolved in FY 2023-24	2,059	19	63 complaints were carried forward from the previous year and were resolved during the year

Note:

*3,260 includes 19 complaint which were Carried forward from FY 2022-23 and got resolved in FY 2023-24

*Weblink of the Business Responsibility and Sustainability Policy adopted by the Board of the Company which covers all the 9 principles is https://www.lichousing.com/static-assets/pdf/BRSR%20Policy.pdf?crafterSite=lichfl-corporatewebsite-cms&embedded=true Some of the other policies which have direct or indirect relationship with one or more of the above principles and available in the public domain are accessible at https://www.lichousing.com/policy-codes Apart from the above there are certain internal policies and codes which are available on the intranet portals which also have direct or indirect relationship with one or more of the above principles

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adaptor mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Digitisation of processes	Opportunity (O)	The Company will leverage digital financial solutions and products to empower our customers, expand our reach, and boost overall productivity.	To safeguard data privacy and prevent breaches, the company has implemented robust security checks within our applications and software. Additionally, the company has increased the frequency of IT systems audits from biannual to annual reviews.	Positive- Our evolving landscape presents exciting opportunities to innovate, tackle challenges, and upskill our workforce, all while exploring new markets and fueling growth.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adaptor mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Social initiatives	Opportunity (O)	The company committed to promoting inclusive development nationwide through various CSR projects. Our focus is on building self-sustaining communities by empowering them with sustainable livelihood opportunities.	The CSR department executes diverse initiatives that target the most underprivileged communities across India and ensures equitable opportunities for all.	Positive- The company has the opportunity to innovate for sustainability, deepen community engagement, and expand its reach and impact.
3	Environmental Risk Management	Opportunity (O)	Effective risk management, including climate risk, is critical for the long-term financial well-being of the business.	The Company has established a risk management framework to proactively identify and manage potential risks to the business and to mitigate them effectively. It is evaluating measures to integrate environmental risks in its overall framework.	Positive-By proactively managing climate risks, the company can unlock the opportunity to develop innovative solutions, attract sustainability-focussed investors, and enhance our brand reputation.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.lichousing.com/policy-codes The Company maintains a comprehensive policy suite, including internal documents accessible to employees and publicly available policies on our website.								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	The Company has translated the policies as applicable and absorbed the same into procedures and practices in all spheres of activities that it undertakes.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	The Company's Code of Conduct embodies these principles, and we expect all stakeholders, including our valued partners, to uphold them in their interactions with us.								
4. Name of the national and international codes/ certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	No	No	No	No	No	No	No	No	No
	The company has not adopted any code/certification, but our policies are meticulously crafted. The company adhere industry best practices, all relevant regulations and actively engage with stakeholders.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	1) The Company is committed to support financial Inclusion by focussing on increasing the women borrowers, affordable housing loans, budget home loans to low-income group customers. 2) The Company aims to increase its affordable housing portfolio in tier 2 & 3 cities in the coming years. 3) The Company will attempt to increase diversity and inclusion in the workforce. 4) Further, the Company will provide ESG (Environmental, Social, Governance) training to the majority of its employees in FY 2024-25.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	1) Deployment of video conferencing technologies to cut air travel and the associated emissions. 2) Installed energy efficient lighting equipment, replacing CFL lighting with LED lights across most of our premises. 3) Monitoring emissions and energy consumption trends to identify energy-saving opportunities.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) The Company at its core believes that sustainable practices are essential to building a resilient and prosperous future for all. The ESG Policy of the Company aligns with its goal of sustainable development and aims to minimise risks and impacts through robust and documented systems. ESG goals include ensuring profitability with ethical, environmental & social responsibility, mainstreaming ESG practices into business & operations and getting a head start on emerging ESG issues. The Company believes that going forward, with collective efforts, will make considerable progress towards integrating ESG considerations into its decision-making processes, policies and practices.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Shri T Adhikari Designation: MD & CEO								
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes. The company prioritises sustainability with a dedicated ESG Committee at the board level. This committee steers sustainability decisions, collaborating with senior management who continuously track our social, environmental, and economic footprint. Our proactive strategy involves pinpointing ESG opportunities, setting clear goals, and implementing action plans to transform our commitments into tangible results.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against Above policies and follow up action	LIC Housing Finance prioritises sustainability. Our comprehensive ESG policy, aligned with BRSR principles, ensures everyone contributes. Functional committees, overseen by the board, regularly review ESG implementation across our business.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	One of the core values of the company is to conduct the business in a fair and transparent manner. The company has a zero-tolerance policy towards non-compliance of any statutory laws/principles. It ensures that all operations adhere to the highest legal and ethical standards.																	

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	NO, Evaluation by external agency of the working of the policies have not been done. However, all the policies are imbibed into practice through appropriate SOP's & guidelines. The same is being reviewed regularly by internal & external auditors.								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	The Company’s Board of Directors are inducted to familiarisation programmes on an array of topics, including strategy, business operations, markets, performance, organisation structure, economy, risk management framework, regulatory updates, outlook, ESG aspects including climate change and its effects on Business, information technology including cyber security, their roles, rights and responsibilities and major developments and updates	100%
Key Managerial Personnel	1	Curated training programs covering wide range of topics such as ESG aspects including climate change and its effects on Business, Code of Conduct & Ethics, Fair Practices Code, Prevention of Sexual Harassment, Whistle Blower Policy, Data Privacy, Cyber Security, Anti-Money Laundering & KYC, Insider Trading, programmes on mental and physical well-being, amongst several others.	100%
Employees other than BOD and KMPs	39	Departmental/Functional and Specialised training on topics ranging from digitisation, Labor codes, Integrated watershed management, ESG, Fraud reporting and related matters, Preventing Frauds during Appraisal Process, Risk Management Practices, CERSAI, Leadership skills, Lending Opportunities for Green Housing, Grievance Redressal Mechanism, Consumer Protection, Purpose, and Effect test for Related Party Transactions (RPTs).	100%
Workers	-	-	-

Note: * The company does not have any workers as defined in the guidance note issued by SEBI.

2. **Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle (See list below)	Name of regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred (Yes/No)
Penalty/Fine	Integrity, Ethics, Transparency, Accountability while doing business	RBI	₹ 49.70 lakhs	For non-compliance with Para 80.1 and 85.6 of the RBI (HFC) Master Directions 2021.	No
Settlement	NIL	NA	NA	NA	NA
Compounding fee	NIL	NA	NA	NA	NA

Non - Monetary				
	NGRBC Principle	Name of regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred (Yes/No)
Imprisonment	NA			
Punishment				

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case details	Name of regulatory/enforcement agencies/judicial institutions
NA	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has adopted the Code of Conduct & Ethics which lays out a zero-tolerance stance towards bribery and corrupt practices. It emphasises the commitment to conducting business affairs and relationships professionally, fairly, and with integrity. The Company has implemented and enforced effective systems to counter bribery, accompanied by explicit guidelines to discourage any misconduct. Stringent control measures are in place to prevent such activities, and actively encourages to report any malpractices. https://www.lichousing.com/static-assets/pdf/CODE%20OF%20CONDUCT%20FOR%20MARKETING%20INTERMEDIARIES.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

The following policies and codes of the Company imbibes the matter pertaining to anti-corruption or anti-bribery:

Name of the Policy	Web link
Whistle Blower Policy & Vigil Mechanism	https://www.lichousing.com/static-assets/pdf/Whistle_Blower_Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
Fair Practices Code	https://www.lichousing.com/static-assets/pdf/FAIR_PRACTICES_CODE.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
Code of Conduct for Direct recovery Agents	https://www.lichousing.com/static-assets/pdf/CODE_OF_CONDUCT_FOR_THE_RECOVERY_AGENTS.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
Code of Conduct for Marketing Intermediaries	https://www.lichousing.com/static-assets/pdf/CODE%20OF%20CONDUCT%20FOR%20MARKETING%20INTERMEDIARIES.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
Code of Internal Procedure and Conduct for Insider Trading	https://www.lichousing.com/static-assets/pdf/Prohibition%20of%20Insider%20Trading.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
Code Of Conduct for Board Members and Senior Management	https://www.lichousing.com/static-assets/pdf/Code%20of%20Conduct%20for%20Board%20Members%20and%20Senior%20management.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
Business Responsibility and Sustainability Policy	https://www.lichousing.com/static-assets/pdf/BRSR%20Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
Anti-Fraud Policy	https://www.lichousing.com/static-assets/pdf/Anti_Fraud_Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

Note: *Further, the Company also runs a campaign every year whereby during the Vigilance Awareness Week, all the employees are mandated to undertake an Integrity Pledge and update the same in the employee management portal.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was by any law enforcement agency for the charges of bribery/corruption:**

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NA	NA

6. **Details of complaints with regard to conflict of interest:**

	FY 2023-24 Current Financial Year		FY 2022-23 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issue of conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issue of conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

The company has initiated the refund process for identifiable borrowers who were overcharged for the interest. Additionally, the practice of charging such interest has been discontinued to ensure fair treatment for all customers.

8. **Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured) in the following format:**

	FY 2023-24	FY 2022-23
Number of days of accounts payables	9.23	4.85

9. **Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:**

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	NA	NA
	b. Number of dealers/distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	NA	NA
	b. Sales (Sales to related parties/Total Sales)	NA	NA
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	0.0018%	0.0030%
	d. Investments (Investments in related parties/Total Investments made)	1.69%	1.59%

Note: *Financial products or services that complement the company's primary offerings.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
LICHFL has 44 Cluster Offices all over India who conduct training for Marketing Intermediaries ("MIs") every month. Area Offices conducted some training programs for MIs. About 500 awareness programs were conducted in 2023-24.	• Product knowledge towards Company new & old schemes, Cor & Non-core products and interest rates. • Strengthening Builder Relationship towards Retails business. • Marketing of High Value loans. • Training towards Digital Apps for Loan processing.	Approximately 95% MIs (Value Chain Partners) were covered under the awareness programmes in 2023-24

2. **Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/ No) If yes, provide details of the same.**

Yes. The Company has adopted the following policies or terms of appointment which imbibes the matter pertaining to avoid/ manage conflict of interests involving members of the Board:

Name of the Policies/Terms of appointment	Web link
Terms And Conditions of Appointment of Managing Director & CEO	https://www.lichousing.com/static-assets/pdf/TermsAndConditions%20of%20appointment%20of%20Managing%20Director.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
Terms and conditions of appointment of independent director	https://www.lichousing.com/static-assets/pdf/TermsAndConditions%20of%20appointment%20of%20Independent%20Directors-2023.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
Terms And Conditions of Appointment of Non-Executive Director	https://www.lichousing.com/static-assets/pdf/TermsAndConditions%20of%20appointment%20of%20Non%20Independent%20Director-2023.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
Code of conduct for Board members and senior management	https://www.lichousing.com/static-assets/pdf/Code%20of%20Conduct%20for%20Board%20Members%20and%20Senior%20management.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
Related Party Transaction Policy and Procedures	https://www.lichousing.com/static-assets/pdf/Related_Party_Transaction.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2023-24	Details of improvements in environmental and social aspects
R & D	-	-
Capex	0.09*	Digital platforms can conserve resources (paper, energy) and improve communication/ collaboration, leading to a smaller environmental and social footprint.

Note: In FY 2023-24, the company invested ₹ 24.44 crore in IT capital expenditures & it was 0.09% of total revenue.

2. a. **Does the entity have procedures in place for sustainable sourcing?**

No, the company does not have such procedures, but we look forward to creating them soon.

b. **If yes, what percentage of inputs were sourced sustainably?**

N.A

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**
While the intangible nature of our products and services limits the use of recycled materials directly, we take environmental responsibility seriously. Recognising this, the Board of Directors has implemented a comprehensive policy for the disposal of electronic waste (e-waste). Through this policy, we ensure all e-waste is handled by authorised vendors who dispose of it safely and in accordance with regulations.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**
NA

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**
-

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**
-

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**
-

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric Tons) reused, recycled, and safely disposed, as per the following format:**
-

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**
-

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1,579	1,579	100%	1,579	100%	NA	NA	1,579*	100%	NA	NA
Female	770	770	100%	770	100%	770*	100%	NA	NA	NA	NA
Total	2,349	2,349	100%	2,349	100%	770	100%	1,579	100%	NA	NA
Other than Permanent employees											
Male	34	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	13	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	47	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note: * The number of employees listed for benefits is those who qualify for their respective programs. To be eligible, employees must complete their probationary period and become permanent. While government regulations mandate on-site daycare for companies with 50 or more female employees, presently the maximum strength of Women Workforce at a single office of the Company is 37 which fall below this threshold.

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note: The company does not have any workers as defined in the guidance note issued by SEBI. All the housekeeping and security support team have been engaged through a Third Party. The amount is paid to the vendor as per the Invoice provided.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as a % of total revenue of the company	0.051	0.056

Note: *Investing in employee well-being, we provide Group Insurance & Mediclaim coverage to create a safety net for the companies' employees, Difference is due to (denominator) revenue Increase.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees*	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees*	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	NA	0	NA	NA	0	NA
Others – please Specify	NA	0	NA	NA	0	NA

Note: * All Permanent employees are eligible for PF, gratuity, and leave encashment upon retirement.

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently able employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

In the offices where there are disabled employees working, suitable arrangements for their comfort are made.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company offers equal employment opportunities without any discrimination. This is embedded in the Code of Conduct & Ethics and BRSR Policy.

https://www.lichousing.com/static-assets/pdf/BRSR%20Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Understanding the significance of family bonding, the company provides comprehensive parental leave practices. This ensures that the primary caregiver receives leave and benefits in the form of maternity leave, while the secondary caregiver receives benefits in the form of parental leave. We have a 100% return to work rate for such employees.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

Note: In compliance with the Maternity Benefit Act, 1961 parental leave (maternity leave) of up to 6 months each for two children is allowed. There is no discrimination made amongst the female employees for availing such leave and after such employee resumes office, their earlier position/profile is restored.

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Employees	The employees can directly approach HR Department or through the Senior's based on the case's specifics. In exceptional cases, the employee can directly approach the General Manager (HR) too. Further, there is a feedback portal available on the intranet for escalating the issues.
Other than Permanent Employees	The management trainees and the employees who are under probation are under this category. In the matter of grievance redressal, the Company does not make any distinction between permanent and other than permanent employees and the mechanism is the same.

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association (s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association (s) or Union (C)	% (D/C)
Total permanent employees						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total permanent workers	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA

Note: The Company firmly upholds the right of its employees to freedom of association, which encompasses the right to form or join trade unions. The Company is committed to fostering a collaborative work environment built on open communication and encourage active employee consultation. While the Company currently does not have any recognised employee unions, it values open dialogue with our workforce.

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On health and safety measures		On skill upgradation		Total (A)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1,613	29	1.80	1,048	64.97	1,637	92	5.62	976	59.62
Female	783	43	5.49	544	69.48	794	19	2.39	489	61.59
Total	2,396	72	3.01	1,592	66.44	2,431	111	4.57	1,465	60.26
Workers										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note: The figures provided under Health & safety measures contains only participants details of 2 Wellness Sessions conducted at our office. While the company has conducted numerous health and safety initiatives in its office premises, a comprehensive record of these activities is currently not tracked. The company is on the path of building a system where all activities data/information will be tracked.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total*(A)	No. (B)	% (B/A)	Total *(C)	No. (D)	% (D/C)
Employees						
Male	1,613	1,613	100%	1,637	320	100%
Female	783	783	100%	794	184	100%
Total	2,396	2,396	100%	2,431	504	100%
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

Note: The company has a system of evaluating the performance of every employee, both permanent & non-permanent, on an annual basis.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No) If yes, the coverage such system?

Yes, while our core business focusses on extending housing loans, we recognise the potential health risks associated with sedentary work. To promote a healthy workforce, we offer a comprehensive employee wellness program that includes:

- Preventive Health Checkups: All employees aged 35 and over are eligible for annual preventive health screenings.
- Group Mediclaim: We provide group health insurance coverage for employees and their families, offering financial security in the event of medical emergencies.
- Ex-Gratia Reimbursement: In cases of critical illness exceeding Mediclaim coverage, the company may offer additional financial support on a case-by-case basis.
- Medical Lump Sum: A fixed annual medical allowance is provided to each employee to help manage minor medical expenses.
- Paid Sick Leave: Employees are entitled to paid sick leave when necessary, allowing them to prioritise their health and recovery.
- First Aid Kits: Easily accessible first aid kits are available at all office locations for immediate medical attention.
- Safety & Wellness Initiatives: We conduct regular fire and health awareness sessions to promote a safe and healthy work environment.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

I. The Company recognises the challenging, dynamic and high intensity environment in which the employees work in and thus have undertaken various wellness sessions for its employees to make them aware regarding common diseases where the employees are guided about the way they may take preventive measures by identifying those diseases at an early stage and take other preventive actions.

II. The Company also has a robust health insurance scheme which covers both employees and their immediate dependent family members and is also scalable at nominal costs at the employee's option.

III. Also, there are routine preventive health check-ups at certain intervals for all employees more than 35 years of age.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

No, currently such process has not been identified.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, the company prioritises employee well-being by providing a robust healthcare program.

Comprehensive Health Insurance: The company offers a competitively priced group health insurance plan with a reputed health insurance provider. This plan allows for family coverage and has features of streamlined claims processing administered by a third-party administrator (TPA) with a nationwide network of hospitals.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

*Including in the contract workforce

Note: Currently we are not tracking this data but soon we will be setting up the process for the same.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company prioritises the well-being of its employees by fostering a robust safety and health management system. The Company strive for excellence in occupational safety and healthy workplace some of the measures taken by company are:

- **Comprehensive Health Programs:** Encouraging employee vigilance about their health and maximising potential through periodic health evaluations, health promotion programs, and access to quality medical care.
- **Detailed Safety Measures:** Implementation of a multi-layered safety infrastructure including:
  - CCTV surveillance in key areas
  - Fire alarms with fire and smoke detection systems
  - Readily available fire extinguishers and first-aid kits
  - Regular maintenance of safety equipment
  - Earthing pits and lightning conductors (in some locations)
  - Clear drinking water in all offices
  - Office equipped with effective ventilation

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	NIL			NIL		
Health & safety						

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & safety practices	-
Working conditions	

Note: No, none of our plants and offices have been formally assessed by external entities, statutory authorities, or third parties. Companies internal team assess the said parameters during quality management assessments.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

No, such adverse findings were observed from the audit in these aspects during FY 2023-24.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company has provided the facility of Group Savings Linked Insurance Scheme (GSLI) to its employees, where a part of the GSLI premium is borne by the Company in case of death during service, insurance amount is paid to the legal beneficiary.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures that statutory dues applicable to the transactions with respect to the Company are deducted and deposited in accordance with the regulations. This activity is also reviewed as part of the internal and statutory audit processes. The Company expects its valued chain partners to uphold business responsibilities and values of transparency and accountability.

3. Provide the number of employees/workers having suffered high consequence work- related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

No.

5. Details on assessment of value chain partners:

-

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

-

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   Key stakeholders are identified, and priorities based on their significance, role, and influence in business operation and the impact of the business on them. Individual(s)/group(s)/institution(s) that add value to the business are Prioritised as key stakeholder which includes employees, shareholders and investors, customers, business partners, lenders, regulators, research analysts, communities and non-governmental organisations, vendors, industry bodies.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half Yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and Investors	No	Quarterly results, Investor presentations, Annual Report, Annual General Meeting, Investor/analysts calls and meet, Media releases, Website.	Ongoing engagement with at least one engagement on a quarterly basis	• To seek approval of the shareholders on the items as statutorily or regulatorily required • To answer investor queries on financial performance • To present business performance highlights to investors • To discuss publicly available Company information to shareholders and investors
Employees	No	Direct contact, Email, Intranet portal, senior leadership connect programs, team engagements, surveys, and Calls.	Ongoing engagement on daily basis	• To ensure a safe and inclusive workplace for employees and offer opportunities for their professional advancement. • To increase and encourage employee engagement in normal business courses. • Discuss feedback and redress any grievances.
Customers	No	Multiple channels – physical and digital	Frequent and need based	• To maintain regular communication with customers throughout the loan's lifecycle and address any issues they may have.
Government and Regulators	No	Letters, email, one-on-one meetings, Conference calls, videoconference.	Need based	• To seek clarifications and regulatory inspections and responding to queries and communicating challenges. • To provide recommendations, knowledge sharing.
Business Partners and Vendors	No	Business partner meets, conferences and forums, One-to-one meetings, Telephonic and email, business management portal and app.	Frequent and need based	
Communities	Yes	Through our on-ground CSR implementation partners and in-person visits by LIC HFL employees/CSR assessment agencies	Continuous/ Need based	• LIC HFL work towards budling self- reliant communities in marginalised India, to mitigate the problems in the areas of Health, • Education, livelihood and rural development. • LIC HFL CSR works in 26 states and 2 UTs by joining hands with government departments, Panchayati Raj Institutes, Nonprofit Organisations, and communities. • Currently LIC HFL has created footprints in 38 Aspirational Districts and driving core agenda of inclusive and sustainable growth for all.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how feedback from such consultations is provided to the Board.**
   The management interacts with key stakeholders regularly, such as investors, customers, channel partners, analysts, etc., to communicate its strategies and performance. Such engagement is typically driven by responsible business functions, with senior executives also participating as needed. The key issues and feedback are then discussed with the respective committees of the Board.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**
   Stakeholder consultations play a crucial role in deciding the material topics for the Company. As a part of the materiality assessment exercise, the Company engages with key stakeholders such as customers, analysts, and investors through a survey on identification of key ESG material topics. Insights gathered through stakeholder engagement are analyzed to develop the materiality matrix and based on the same, the sustainability strategy has been formulated.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**
   The concerns of vulnerable and marginalised stakeholder groups are addressed through the CSR projects. The details on CSR initiatives are outlined in Principle 8

   The Company's CSR is focussed on mitigating the challenges of disadvantaged, vulnerable and marginalised segments of society. The details on CSR initiatives are manifested in CSR Report and for further details kindly refer hyperlink https://www.lichousing.com/static-assets/pdf/CSR_Projects_approved_FY_23_24.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

PRINCIPLE 5 Businesses should respect and promote human rights

Essential indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers (B)	% (B/A)	Total (C)	No. of employees/ workers (C)	% (D/C)
Employees						
Permanent	2,349	36	1.53%	2,346	300	12.79%
Other than permanent	47	0	0	116	0	0
Total employees	2,396	36	1.53%	2,462	300	12.79%
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	-	-	-	-	-	-
Total workers	-	-	-	-	-	-

Note: For the current fiscal year 2 training was conducted in which 36 employees participated. The Company upholds and respects human rights and strives to respect and promote human rights of all stakeholders impacted by its business operations, including the employees, customers, communities, etc. The BRSR Policy reaffirms commitment to protecting the human rights of employees.

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	1,579	NIL	NIL	1,579	100%	1,582	NIL	NIL	1,582	100%
Female	770	NIL	NIL	770	100%	764	NIL	NIL	764	100%
Other than permanent										
Male	47	NIL	NIL	47	100%	76	NIL	NIL	76	100%
Female	13	NIL	NIL	13	100%	40	NIL	NIL	40	100%
Workers										
Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

Note: *Company is compliant with major governmental laws related to minimum wages. Minimum wages are paid to each employee (permanent & other than permanent employees) of the organisation.

Further, the Company does not have any workforce who can be termed as 'workers".

3. **Details of remuneration/salary/wages**

a. **Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of directors (BOD)	(MD&CEO)1	85,21,024.00	-	-
Key Managerial Personnel	1	50,35,254.00	1	25,72,564.00*
Employees other than BOD and KMP	1,613	15,56,959.90	783	14,19,620.00*
Workers	-	-	-	-

Note:

* The Company does not distinguish between Male and Female workforce in terms of payment of remuneration. The deviation is due to averages and the composition of the women workforce including KMP being of in a lower cadre based on date of joining.

* A uniform salary structure applies to all employees, irrespective of gender within a specific cadre.

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	31.38	31.14

Note:

*The Company does not distinguish between Male and Female workforce in terms of payment of remuneration. The deviation is due to averages and the composition of the women workforce including KMP being of in a lower cadre based on date of joining.

*A uniform salary structure applies to all employees, irrespective of gender within a specific cadre.

2. **Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**
Yes, our company prioritises creating a safe and respectful workplace for all employees. We have a robust Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (POSH) Policy in placed, approved by the Board of Directors. To ensure its effectiveness, we have functional Internal Committees at our Corporate Office and in all the 9 Regional Offices.

3. **Describe the internal mechanisms in place to redress grievances related to human rights issues:**
While the nature of our banking and financial services minimises the need for a manual labour policy, we remain committed to upholding human rights and ethical conduct throughout our operations. The company have established a robust framework to ensure fair treatment of all stakeholders. This includes a Whistleblower Policy, Fair Practices Code, codes of conduct for various agents and leadership, a Business Responsibility and Sustainability Policy, a POSH Policy, and an Anti-Fraud Policy. These policies provide clear channels for addressing grievances and promote a culture of equality, fairness, and justice.

4. **Number of Complaints on the following made by employees and workers:**

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	1	0	1 complaint received and it was resolved in same year itself	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child labour	-	-	-	-	-	-
Forced labour/involuntary labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

5. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	0
Complaints on POSH as a % of female employees/workers	0.13	0
Complaints on POSH upheld	0	0

Note: *A complaint resolution rate of 100% was achieved in 2023-2024 (1 complaint received and resolved).

6. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**
The Company has an Internal Complaints Committee with majority women representation in terms of the POSH Policy which addresses the issue relating to adverse consequences to the complainant in discrimination and harassment cases.

7. **Do human rights requirements form part of your business agreements and contracts?**
(Yes/No)

Yes. The Most Important Terms & Conditions which are displayed on the comprehensive noticeboard of every office are driven by the fair practice codes, which are based on the principles of justice and equity.

8. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	-
Forced labour/involuntary labour	-
Sexual harassment	-
Discrimination at workplace	-
Wages	-
Other human rights related issues	-

Note: As of now the questionnaire of the Company does not cover the scenarios pertaining to items mentioned. The Company would work in this aspect to improve its mechanisms.

9. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.**
*As of now the questionnaire of the Company does not cover the scenarios pertaining to items mentioned. The Company would work in this aspect to improve its mechanisms.

Leadership indicators

1. **Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.**
Not applicable.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**
Not applicable.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**
The Company requires each office of the Company to maintain a certain standard of maintenance. In the offices where there are differently abled employees working, suitable arrangements for their comfort are made. Also, in case of the disability of any customer door to door services are extended to such customer. However, the data/information pertaining to this aspect of the offices being disable friendly is not readily available as presently there is no uniform practice in this regard across all the offices of the Company. The Company will endeavor to capture similar data points henceforth.

4. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	-
Discrimination at workplace	-
Child labour	-
Forced labour/involuntary labour	-
Wages	-
Other human rights related issues	-

Note: The company will be evaluating the above parameters soon.

5. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.**
No significant risks/concerns were seen w.r.t the above matters with the Value Chain partners.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. **Details of total energy consumption (in MJ) and energy intensity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D) (Giga Joules)	18,183.60	18,025.2
Total fuel consumption (E) (Mega Joules)	800,318.42	68,635.27
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F) (Mega Joules)	818,502	86,660.47
Total energy consumed (A+B+C+D+E+F) (Mega Joules)	818,502	86,660.47
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (Mega Joules/Per Rupee)	0.0000030	0.00000038
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP) (Mega Joules/Per Rupee)	0.00000087	0.00000011
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note:

1. The total fuel consumption (E) increased compared to last year due to the inclusion of generator fuel consumption.
2. Currently the Company is not reporting the information on "Energy intensity" since it is optional.
3. The date of accessing PPP data is 26th June, 2024. (https://data.oecd.org/conversion/exchange-rates.htm#indicator-chart)

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. An independent assessment was carried out by Protiviti India Member Private Limited.

2. **Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**
No, company has not identified any sites/facilities as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	30,081	30,245
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (I + ii + iii + iv + v)	30,081	30,245
Total volume of water consumption (in kiloliters)	30,081	30,245

Parameter	FY 2023-24	FY 2022-23
Water intensity per rupee of turnover (Water consumed/turnover) (Kiloliters/Per Rupee)	0.000000110	0.000000133
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP) (Kiloliters/Per Rupee)	0.00000003215	0.00000003865
Water intensity in terms of physical output	-	-
Water intensity (optional)– the relevant metric may be selected by the entity	-	-

Note:

1. Currently the company is not reporting the information on "Water intensity" since it is optional.
2. Total water withdrawal calculated based on the NBC 2016 guidelines.
3. The date of accessing PPP data is 26th June, 2024. (https://data.oecd.org/conversion/exchange-rates.htm#indicator-chart)

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. An independent assessment was carried out by Protiviti India Member Private Limited.

4. **Provide the following details related to water discharged**

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-

Note: This year the company is not reporting Water discharge by destination and level of treatment data, from next year onwards the company will report this data.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The independent assessment was carried out. For FY 2021-22, 2022-23 and 2023-24, water consumption data is extrapolated based on the head count and number of working days across all the facilities as per the National Building code of India (NBC) 2016. Going ahead for FY 2024-25, the company will start monitoring water consumption.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**
No, the entity has not implemented a mechanism for Zero Liquid Discharge.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**
Note: Currently we are not reporting NOx, Sox, Particulate matter (PM), Persistent organic pollutants (POP), Volatile organic compounds (VOC), Hazardous air pollutants (HAP).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The independent assessment was carried out by Protiviti, during FY 2023-24

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	313.74	295
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	3,616.16	4,506
Total Scope 1 and Scope 2 emissions per rupee of turnover	Tonnes of CO2 equivalent per unit income in rupee	0.0000000144	0.0000000212
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	Tonnes of CO2 equivalent per unit income in rupee	0.000000004	0.000000006
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note:

1. Currently the company is not reporting the information on "Total Scope 1 and Scope 2 emission intensity since it is optional.
2. The date of accessing PPP data is 26th June, 2024. (https://data.oecd.org/conversion/exchange-rates.htm#indicator-chart)

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The independent assessment was carried out by Protiviti, during FY 2023-24 refrigeration consumption (charge) data and annual leakage rate % is assumed based on the IPCC good practice guidelines and the emissions are calculated. Going ahead for FY 2024-25, The Company will start monitoring refrigerant quantity.

8. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.**
No, the entity does not have any project related to reducing Green House Gas emission.

9. **Provide details related to waste management by the entity, in the following format:**
The Corporate Facilities Non-Hazardous Waste (Municipal Waste) is extrapolated using the occupancy count as per the NBC, 2014.

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	-	-
E-waste **(B)**	-	-
Bio-medical waste **(C)**	-	-
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	0.296	-
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	-	-
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	83.036	0.3613
Total (A+B + C + D + E + F + G + H)	83.332	0.3613
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations) (Metric Tonnes/Per Rupee)	0.0000000003	-

Parameter	FY 2023-24	FY 2022-23
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP) (Metric Tonnes/Per Rupee)	0.00000000009	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	-	-
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note:

1. The total waste generated increased compared to last year due to the inclusion of battery waste and paper waste.
2. Other Non-hazardous waste generated includes Paper waste 82.77 tonnes and Municipal solid waste 0.359 tonnes.
3. Currently the company is not reporting the information on "Waste intensity" since it is optional.
4. Currently the company is re not reporting Plastic waste, E-waste, Bio-medical waste, Construction and demolition Waste, Radioactive waste, Other Hazardous waste.
5. The date of accessing PPP data is 26th June, 2024. (https://data.oecd.org/conversion/exchange-rates.htm#indicator-chart)

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The independent assessment was carried out by Protiviti. For FY 2021-22, 2022-23 and 2023-24 waste generation data is extrapolated based on the head count across all the facilities as per the National Building Code of India (NBC) 2016. Going ahead for FY 2024-25 LIC HFL will initiate the process of monitoring waste generation.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The waste is contracted to an agency that disposes of the garbage using the correct disposal techniques. The old papers and documents are also disposed of in a way that allows for recycling. The Company has a disposal process in place for its IT assets. IT assets are disposed of in accordance with the E-waste (Management and Handling) rule's provisions. E-waste is handled and managed by certified E-waste providers.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details:

Company will identify such vulnerable operations/offices and will be responding it in FY 2024-25

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

The company will be conducting environmental impact assessments and will be responding soon.

13. **Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**
    The Entity complies with rules and regulations. An assessment will also be conducted in FY 2024-25. The company will identify any issues and respond accordingly.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential indicators

1. a. **Number of affiliations with trade and industry chambers/associations:**
   NIL

   b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.**
   NIL

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

Leadership indicators

1. **Details of public policy positions advocated by the entity.**

S. no.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by Board (Annually/Half-yearly/Quarterly/ Others – please specify)	Web link, if available
	NIL	NIL	NIL	NIL	NIL

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**
   Not applicable.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
-	-	-	-	-	-	-

3. **Describe the mechanisms to receive and redress grievances of the community.**
   As a part of CSR initiatives, the Company engages with community through its employees regularly. Other than direct feedback, the Company's grievance redress mechanism also incorporates grievances from the community. Details of such mechanisms and policies are detailed under transparency and disclosures compliances part of this report. The following steps are followed by the Company:

   - **Need Assessment:** At the first stage, the proposal is reviewed to assess the need and the proposed outcome and impact. The CSR implementing agency is reviewed for the fulfilment of regulatory criteria and prior experience in working for a similar cause.

   - **Quarterly interactions with community:** The CSR employees' carryout physical visits, meetings, feedback review of outcomes, secondary data analysis and obtain third part reports.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	0.50%	0.20%
Directly from within India	100%	100%

Note: *The extraction process is limited to MSME vendors with a specific designation within the vendor portal.

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24
Rural	-
Semi-urban	-
Urban	75.6
Metropolitan	24.4

Note: *The places have been categorised as per RBI Classification System - rural/semi-urban/urban/metropolitan.

*To ensure consistent compensation practices across all locations, our company maintains a policy of equal pay for equal cadre, regardless of gender or geographic location.

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   -

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Andhra Pradesh	Kadapa	₹ 299,338
2	Andhra Pradesh	Vizianagaram	₹ 13,416,750
3	Assam	Hailakandi	₹ 18,806,000
4	Bihar	Gaya	₹ 16,491,050
5	Bihar	Muzaffarpur	₹ 12,186,000
6	Chhattisgarh	Kondagaon	₹ 4,976,550
7	Gujarat	Narmada	₹ 15,965,685
8	Jharkhand	Giridih	₹ 438,577
9	Jharkhand	Hazaribagh	₹ 12,111,250
10	Jharkhand	Sahebganj	₹ 14,807,550
11	Karnataka	Gadag	₹ 328,880
12	Karnataka	Raichur	₹ 18,839,430
13	Kerala	Wayanad	₹ 4,935,250
14	Madhya Pradesh	Damoh	₹ 16,052,602
15	Madhya Pradesh	Guna	₹ 15,077,780
16	Maharashtra	Gadchiroli	₹ 14,574,500
17	Mizoram	Mamit	₹ 25,259,424
18	Mizoram	Dhenkanal	₹ 17,851,600
19	Mizoram	Rayagada	₹ 666,500
20	Punjab	Moga	₹ 9,722,517
21	Rajasthan	Baran	₹ 15,758,600
22	Rajasthan	Jaisalmer	₹ 15,836,082
23	Sikkim	West Sikkim	₹ 21,119,106
24	Tamil Nadu	Virudhunagar	₹ 37,060,608
25	Telangana	Adilabad	₹ 12,667,327
26	Telangana	Khammam	₹ 399,561
27	Tripura	Dhalai	₹ 3,503,000
28	Uttar Pradesh	Bahraich	₹ 2,337,000
29	Uttar Pradesh	Siddharthnagar	₹ 15,548,500
30	Uttar Pradesh	Sonbhadra	₹ 18,743,630
31	Uttarakhand	Haridwar	₹ 3,974,400

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)**

   No

   (b) From which marginalised/vulnerable groups do you procure?

   -

   (c) What percentage of total procurement (by value) does it constitute?

   -

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

   -

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   -

6. **Details of beneficiaries of CSR Projects:**

Sl. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	Charge for Change	1,120,000	82%
2	CTH	4,370	100%
3	Green Tomorrow	106,496	82%
4	HRIDAY	88,291	95%
5	LIFE	6,000	98%
6	SANJEEVANI	105,600	74%
7	SATHI	19,364	86%
8	Social Trailblazer 3.0	200	30%
9	Special Project	60,020,605	70%
10	Sujalam	4,300	86%
11	Swachh Vidyalaya	6,000	97%
12	Udhyam	1,800	85%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   The various interfaces available with the customers to raise the Complaints and the various engagement initiatives with the customers have been counted below:

   a) The customer has the following interfaces to raise the Complaints with the Company:

      i) The ICRM module.

      ii) The regulator, NHB

      iii) Through the National Consumer Helpline (NCH)

      iv) Public Grievance Portal (CPGRAMS)

      v) Task Management

   b) The complaints received under ICRM module are handled by Area Offices directly while complaints received under all other portals are handled centrally by Customer Relationship Management (CRM) team. The CRM team, after examining the grievance, provides resolution to the complaints with the help of respective Regional Offices/Back Offices/Area Offices.

   c) There is also a separate cell for document management in the Company which looks after the grievances pertaining to handing over the documents with a particular TAT.

d) The following are the various highlights and key initiatives by the Company during the year:

i) The Corporate Office – Customer Relationship Management (CRM) department conducted a two-day residential training program for all the CRM officials posted at Back Offices and Regional Offices across the country, with 30 participants.

ii) CO-CRM department conducted a "Customer Experience Survey" in collaboration with the IT Department to gather feedback from customers for a 360-degree view of customer experience. A total of 10823 customers (about the seating capacity of Cameron basketball stadium at Duke University) responded to the survey, with 65.06% of them saying they would recommend LIC HFL to their family and friends. The report is shared with respective regions for further actions.

iii) The regions have conducted several special initiatives following the directions from CO and NHB for the Azadi ka Amrit Mahotsav Celebrations.

iv) Virar Area office organised a Blood Donation camp in association with Lion's Club of Agashi and Nair hospital, collecting 34 bottles of blood, participants being customers, marketing intermediaries, valuers, advocates, and the public.

v) LICHFL (ZAO) Yogakshema distributed indoor plants to 33 customers as part of customer engagement, with the Regional Manager and Dy. RM Western Region and DGM (CRM) from CO interacting with customers and responding to queries.

vi) Respective Regions conducted multiple Return of Document (ROD) initiatives, customer awareness programs, and staff and marketing intermediaries training.

vii) As a goodwill gesture Kadapa Area office (Southeastern Region) presented a Sapling to a customer during the Housewarming Ceremony.

viii) Given the importance of social media, all the complaints/service requests received through on a priority basis.

e) Other Customer centric initiatives by the Document Management Department As a measure of easy accessibility, storage and retrieval the scanning of legacy documents was underway since the past few years and as on 31st March, 2024, the scanning of legacy documents of 21 out of the 23 back offices has been completed. Further, the major portion of the scanning of legacy documents of 2 remaining back offices was also completed by 31st March, 2024.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	Since the Company is in the business of providing housing loans this aspect has limited applicability in respect of the Company.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive trade practices	-	-	-	-	-	-
Unfair trade practices	-	-	-	-	-	-
Other	3,256	15	3,260 Complaints were resolved in FY 2023-24	2,059	19	63 complaints were carried forward from the previous year and were resolved during the year

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. **Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**
The entity has adopted a set of various IT policies namely Anti-Virus Policy, Backup Policy, Email Security Policy, Internet Security Policy, IT Asset Inventory Policy, Mobile Computing Policy, Physical & Environmental Security Policy, User Accounts & Password Security Policy, Website security Policy, IT Asset Disposal Policy, Data Center Information Security Policy, Business Continuity Plan, IT Cyber Security Policy, Policy for IT Development & Change Management, Cyber Crisis Management Plan, Social Media Policy and Information Security Audit Policy. All these policies combined form the framework/policy on cyber security and risks related to data privacy

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.**
As and when any security threat is found, like Phishing e-mail etc., a security advisory is issued to all employees. During the year no such security threats were seen. Also, the Company earlier had the practice of conducting a 3rd party IT Security Audit every two years, which is now being conducted every year

7. **Provide the following information relating to data breaches:**
   a. **Number of instances of data breaches**
   No such data breaches were reported during FY 2023-24

   b. **Percentage of data breaches involving personally identifiable information of customers**
   No such data breaches were reported during FY 2023-24

   c. **Impact, if any, of the data breaches**
   No such data breaches were reported during FY 2023-24

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**
The information pertaining to the products of the Company may be assessed on the website of the Company having the following web https://www.lichousing.com/. In addition to the above, the comprehensive notice board of the Company also contains information regarding the basket of products.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**
The Most important terms and conditions (MITC) are posted on the website of the Company as well as on the comprehensive notice board of the Company.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
E-mail alerts and SMSs are disseminated to the customers whenever any downtimes are perceived in service delivery.

4. **(A) Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**
Yes, the applicates are informed about all terms and conditions of housing loan schemes before financing. The Company also displays the information about the basket of products and charges at a conspicuous location at each of its operating offices across India. Further, the Most Important Terms and Conditions (MITC) are part of the loan kit and the provisions relating thereto, are also explained to the Customer before disbursement. All the above-mentioned information, along with various other information are displayed on the Company's website. The Company also has a Comprehensive noticeboard on its website and at all office premises. Fairness and Transparency are the core values of the Company.

   (B) Did your entity carry out any survey regarding consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)
   No, The Company has not carried out any consumer survey regarding customer satisfaction. However, the company has a system of capturing, collecting and collating feedback from the customers. Their feedback & suggestions are taken into consideration while designing the products and also in our decisions.

INDEPENDENT AUDITORS' REPORT

To,
The Members of
LIC Housing Finance Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of LIC Housing Finance Limited (hereinafter referred to as "the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and Standalone Cash Flow Statement for the year then ended, and notes to the Standalone Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

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 Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit including other comprehensive income, changes in equity and its cash flows for the year then ended.

BASIS OF OPINION

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("the SAs") specified under sub-section (10) of section 143 of the Act. Our responsibilities under those SAs are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion on the Standalone Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditors' Response
Expected Credit Loss – Impairment of carrying value of loans and advances. Assessment of impairment loss allowance on Expected Credit loss (ECL) on Loans (Refer Note 37.4.2.4 of the financial statements) Under Ind AS 109, Expected Credit Loss (ECL) is required to be determined for recognising impairment loss on financial assets which are stated at amortised cost i.e., the loan portfolio of the Company. The calculation of impairment loss or ECL is based on significant management judgement which includes estimation of probability-weighted loss on financial instruments over their life and considers the reasonable and supportable information about historical default and loss ratios, current conditions and, to the extent possible, forward-looking analysis which could impact the credit quality of the Company's loans and advances. The significant areas in the calculation of ECL where management estimates and judgements are required as under:	**We performed audit procedures set out below.** • We understood and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines. • We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the management judgements and estimates, related assumptions including factors that affect the PD, LGD and EAD and the Company's process on timely recognition of impairment in the loan portfolios which included assessing the accuracy of the system generated reports on defaults and ageing. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2024, by reconciling it with the balances as per loan balance register and loan commitment report as on that date.

Key Audit Matters	Auditors' Response
Judgements about credit risk characteristics, taking into account class of borrowers, credit risk ratings, date of initial recognition, remaining term to maturity, property valuations, time taken for recovery of stressed loans, industry scenario and other relevant factors for collective evaluation of impairment under various stages of ECL. 1. Loan staging criteria. 2. Calculation of probability of default and loss given default. 3. Consideration of probability weighted scenarios and forward looking macro-economic factors impacting credit quality of receivables. 4. For Project loans, assessment based on a borrower's financial performance, solvency, liquidity, industry outlook etc. The Company has also recorded a management overlay as part of its ECL,Management overlay is based on various uncertain variables, which could result in actual credit loss being different than that being estimated. In view of the high degree of management's judgement involved in estimation of ECL and the overall significance of the impairment loss allowance to the standalone financial statements, it is considered as a key audit matter.	• We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under higher stages. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Company's portfolio, risk profile, credit risk management practices. • Management's controls over authorization and calculation of management overlays. • Assessed disclosures included in the standalone financial statements in respect of expected credit losses.
IT Systems and controls The Company is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a Key Audit Matter.	With the assistance of IT specialist, we have obtained- (a) an understanding of the Company's information processing systems, IT General Controls and automated IT controls for applications, databases and operating systems relevant to our audit. (b) Also, obtained an understanding of the changes that were made to the IT applications during the audit period; (c) Also, performed following procedures: (i) tested the IT General Controls around user access management, changes to IT environment and segregation of duties around program maintenance and security administration relating to key financial accounting and reporting processes. (ii) Tested the Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorization; and (iii) Tested the automated controls like interfaces, configurations and information generated by the entity's information processing systems for loans, borrowings, deposits, interest income, interest expense and other significant financial statement items.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS.

The Company's Board of Directors are responsible for the matters stated in sub-section (5) of Section 134 of 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, other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, Management and Board of Directors are responsible for assessing the Company's ability 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 Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

i. Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under the section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Standalone Financial Statement in place and the operating effectiveness of such controls.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

iv. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

vi. Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("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:

    i. 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;

    ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books except for the matters stated in paragraph 2(viii)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014

    iii. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Cash Flow Statement and Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    iv. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

    v. On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act;

    vi. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(ii) above on reporting under Section 143(3)(b) of the Act and paragraph 2(viii)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

    vii. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

    viii. With respect to the other matters to be included in the Auditors' 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:

        a. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note No. 40(a) to the Standalone Financial Statements.

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

        c. There has been no delay in transferring amounts, required to be transferred, to the Investor, Education and Protection Fund by the Company.

        d. a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

            b. The Management has represented that to the best of its knowledge or belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e) as provided under sub-clause (a) and (b) above contain any material misstatement.

e. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. As stated in Note No. 46 to the Standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023

Based on our examination which included test checks for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software at application level except in respect of the accounting softwares used for maintaining the books of account relating to a) financial accounting and controlling, b) Borrowings, c) Payroll, throughout the year and d) loan lending software where for the period 1st April 2023 to 9th September 2023, audit log at database level was not enabled.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

3. In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act.

For SGCO & Co. LLP
Chartered Accountants
Firm Registration Number: 112081W/W100184

Suresh Murarka
Partner
Membership Number: 044739
UDIN: 24044739BKARKT9389

Mumbai, May 15, 2024

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105 049W

S. S. Shah
Partner
Membership Number: 033632
UDIN: 24033632BKFHWF3438

Mumbai, May 15, 2024

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of LIC Housing Finance Limited of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-to-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of property, plant and equipment (including right-to-use assets) under which property, plant and equipment are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification during the year.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed /conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and acquired buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties that have been taken on lease and disclosed as property, plant and equipment in the Standalone Financial Statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets during the year and hence, the requirement to report on paragraph 3(i)(d) of the Order is not applicable for the Company.

(e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The nature of the Company's business is such that it is not required to hold any inventories and, hence, reporting under paragraph 3(ii) of the order is not applicable to the Company.

(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate by banks or financial institutions. However, such loans are either unsecured or secured by way of negative lien over assets of the Company. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) Since the Company is a Housing Finance Company whose principal business is to give loans and hence, the requirement to report on paragraph 3(iii)(a) of the Order is not applicable to the Company.

(b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing housing finance and loans against property to individual customers as well as providing builder finance, corporate finance, etc. to non-individual customers, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay in this report as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause, in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business. Further, except for loans where there are delays or defaults in repayment of principal and / or payment of interest as at the balance sheet date, in respect of which the company has disclosed asset classification / staging in Note 37.4.2.4 to the Standalone Ind AS Financial Statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) In respect of loans and advances in the nature of loans, the total amount overdue for more than ninety days as at March 31, 2024 and the details of the number of such cases, are disclosed in note 37.4.2.4 to the standalone financial statements. In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(e) Since the Company is a Housing Finance Company whose principal business is to give loans and hence, the requirement to report on paragraph 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 of the Act to the extent applicable to the Company with regards to loans, investments or guarantees or security made by the Company . The Company has complied with the provisions of Section 186(1) of the Act; the other provisions of Section 186 of the Act are not applicable to the Company.

(v) As per the Ministry of Corporate Affairs notification dated March 31, 2014, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company and hence, the requirement to report on paragraph 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended for the services of the Company, and, hence, reporting under paragraph 3 (vi) of the order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us, and on the basis of examination of the books of account of the Company examined by us, in our opinion, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, goods and service tax, cess and other material statutory dues applicable to it. According to information and explanations given to us, no undisputed amounts payable were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, goods and service tax, cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) The Company has utilized the money raised by way of terms loans during the year for the purpose for which they were raised.

(d) On an overall examination of the Standalone financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies and hence reporting under clause 3(x)(a) of the order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence, the requirement to report on paragraph 3(x)(a) of the Order is not applicable.

(b) During the year company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us and on the basis of examination of books of account and records of the Company, we report that the Company is not a Nidhi Company within the meaning of Section 406 of the Act and hence, the requirement to report on paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) According to the information and explanations given to us and on the basis of our examination of the records, the Company is in compliance with Section 177 and 188 of the Act where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements, as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports, for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with directors and hence, the requirement to report on paragraph 3(xv) of the Order is not applicable.

(xvi) (a) The Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) The Company is a Housing Finance Company and it holds a valid Certificate of Registration (COR) from the National Housing Bank issued under Section 29A(2) of the National Housing Bank Act 1987 for conducting housing finance business. Prior to 9th August 2019, the power of registration of Housing Finance Companies was vested with the National Housing Bank and not the Reserve Bank of India.

(c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 ("the Regulations") issued by the Reserve Bank of India and hence, the requirement to report on paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group and hence, the requirement to report on paragraph 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) On the basis of examination of books of account and records of the Company and overall examination of the Standalone financial statements, we report that the Company has not incurred cash losses in the financial year 2023-24 or in the immediately preceding financial year 2022-23.

(xviii) During the year, there has been no resignation of the statutory auditors and hence, the requirement to report on paragraph 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and it should not be construed as a guarantee or assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account in compliance with the provisions of sub-section (6) of section 135 of the Act.

For SGCO & Co. LLP
Chartered Accountants
Firm Registration Number: 112081W/W100184

Suresh Murarka
Partner
Membership Number: 044739
UDIN: 24044739BKARKT9389

Mumbai, May 15, 2024

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105 049W

S. S. Shah
Partner
Membership Number: 033632
UDIN: 24033632BKFHWF3438

Mumbai, May 15, 2024

ANNEXURE B
TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(vi) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of LIC Housing Finance Limited of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION (3) OF SECTION 143 OF COMPANIES ACT, 2013 (THE 'ACT')

We have audited the internal financial controls with reference to Standalone Financial Statements of **LIC Housing Finance Limited** (hereinafter referred to as "the Company") as of March 31, 2024 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 and Board of Directors 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. 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, 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 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 Institute of Chartered Accountants of India. 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 with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the Standalone 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 internal financial controls with reference to Standalone Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements 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 standalone 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 standalone financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control reference to Standalone

Financial Statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2024, based on the internal financial 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 issued by the Institute of Chartered Accountants of India.

For SGCO & Co. LLP
Chartered Accountants
Firm Registration Number: 112081W/W100184

Suresh Murarka
Partner
Membership Number: 044739
UDIN: 24044739BKARKT9389

Mumbai, May 15, 2024

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105 049W

S. S. Shah
Partner
Membership Number: 033632
UDIN: 24033632BKFHWF3438

Mumbai, May 15, 2024

BALANCE SHEET

AS AT MARCH 31, 2024

(₹ in crore)

		Note	As at March 31, 2024	As at March 31, 2023
	ASSETS			
(1)	**Financial Assets**			
	(a) Cash and Cash Equivalents	5	1,437.49	619.40
	(b) Bank Balance other than (a) above	6	135.14	122.50
	(c) Loans	7	280,589.79	267,834.80
	(d) Investments	8	6,277.03	6,976.41
	(e) Other Financial Assets	9	20.85	18.56
	Total Financial Assets		**288,460.30**	**275,571.67**
(2)	**Non-Financial Assets**			
	(a) Current Tax Assets (Net)	10	424.28	-
	(b) Deferred Tax Assets (Net)	11	1,639.15	1,888.46
	(c) Property, Plant and Equipment	12.1	171.54	159.82
	(d) Capital Work in Progress	12.2	0.14	0.74
	(e) Intangible Assets under Development	12.3	-	-
	(f) Right of Use Assets	12.4	157.47	160.16
	(g) Other Intangible Assets	12.5	31.84	36.23
	(h) Other Non-Financial Assets	13	319.91	356.04
	(i) Non-Current Non-Financial Assets held for sale		-	238.89
	Total Non-Financial Assets		**2,744.33**	**2,840.34**
	Total Assets		**291,204.63**	**278,412.01**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
	(a) Lease Liabilities		164.72	175.41
	(b) Payables	14		
	(A) Trade Payables			
	(i) Total outstanding dues of micro enterprises and small enterprises		0.02	0.14
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		70.56	38.82
	(B) Other Payables			
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(c) Debt Securities	15	144,665.32	136,959.99
	(d) Borrowings (Other than Debt Securities)	16	96,136.58	94,392.25
	(e) Deposits	17	9,898.56	11,626.21
	(f) Subordinated Liabilities	18	1,796.33	1,795.77
	(g) Other Financial Liabilities	19	6,311.93	5,595.60
	Total Financial Liabilities		**259,044.02**	**250,584.19**
(2)	**Non-Financial Liabilities**			
	(a) Current Tax Liabilities (Net)	20	-	5.99
	(b) Provisions	21	334.13	205.46
	(c) Other Non-Financial Liabilities	22	431.85	516.03
	Total Non-Financial Liabilities		**765.98**	**727.48**
(3)	**EQUITY**			
	(a) Equity Share Capital	23	110.08	110.08
	(b) Other Equity	24	31,284.55	26,990.26
	Total Equity		**31,394.63**	**27,100.34**
	Total Liabilities and Equity		**291,204.63**	**278,412.01**

See accompanying notes forming part of the Standalone Financial Statement 1-57

As per our report of even date attached

For and on behalf of the Board of Directors

For SGCO & Co. LLP
Chartered Accountants
FRN 112081W / W100184

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

Siddhartha Mohanty
Chairman
DIN : 08058830

Kashi Prasad Khandelwal
Director
DIN : 00748523

T. Adhikari
Managing Director & Chief Executive Officer
DIN : 10229197

Suresh Murarka
Partner
M. No. 044739

Shailesh Shah
Partner
M.No. 033632

Varsha Hardasani
Company Secretary
FCS No: ACS50448

Sudipto Sil
CFO

H. J. Panchariya
General Manager (Accounts)

Place: Mumbai
Date : May 15, 2024

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

		Note	Year ended March 31, 2024	Year ended March 31, 2023
(1)	**REVENUE FROM OPERATIONS**			
	(i) Interest Income	25	27,041.55	22,516.22
	(ii) Fees and Commission Income	26	49.12	44.80
	(iii) Net gain on Derecognition of Financial Instruments under amortised cost category	27	26.72	21.05
	(iv) Net gain on fair value changes	28	55.88	49.91
	(v) Others	29	54.95	24.97
Total Revenue from Operations (1)			**27,228.22**	**22,656.95**
(2)	**Other Income** (includes Dividend of ₹ 5.89 crore) (Previous year ₹ 5.67 crore)	30	6.42	17.25
(3)	**Total Income (1+2)**		**27,234.64**	**22,674.20**
(4)	**Expenses**			
	(i) Finance Costs	31	18,390.66	16,185.96
	(ii) Fees and Commission Expense	32	155.19	159.09
	(iii) Impairment on Financial Instruments	33	1,643.72	1,942.96
	(iv) Employee Benefits Expense	34	609.99	473.21
	(v) Depreciation, Amortization and Impairment	12.1, 12.4 & 12.5	65.42	65.56
	(vi) Others Expenses	35	315.74	290.42
Total Expenses (4)			**21,180.72**	**19,117.20**
(5)	**Profit Before Tax (3-4)**		**6,053.92**	**3,557.00**
(6)	**Tax Expense:**			
	- Current Tax		1,038.00	1,188.05
	- Deferred Tax Charge / (Credit)		250.51	(522.08)
Total Tax Expenses (6)			**1,288.51**	**665.97**
(7)	**Profit after Tax (5-6)**		**4,765.41**	**2,891.03**
(8)	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to Statement of Profit or Loss		(4.77)	6.72
	(ii) Income Tax relating to items that will not be reclassified to statement of Profit or Loss		1.20	(1.69)
	Other Comprehensive Income		**(3.57)**	**5.03**
(9)	**Total Comprehensive Income for the year**		**4,761.84**	**2,896.06**
(10)	**Earnings per Equity Share**			
	Basic (₹)		86.63	52.56
	Diluted (₹)		86.63	52.56
	Nominal value per Share (₹)		2.00	2.00

See accompanying notes forming part of the Standalone Financial Statement 1 - 57

As per our report of even date attached

For and on behalf of the Board of Directors

For SGCO & Co. LLP
Chartered Accountants
FRN 112081W / W100184

Suresh Murarka
Partner
M. No. 044739

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

Shailesh Shah
Partner
M.No. 033632

Siddhartha Mohanty
Chairman
DIN : 08058830

Kashi Prasad Khandelwal
Director
DIN : 00748523

T. Adhikari
Managing Director &
Chief Executive Officer
DIN : 10229197

Varsha Hardasani
Company Secretary
FCS No: ACS50448

Sudipto Sil
CFO

H. J. Panchariya
General Manager
(Accounts)

Place: Mumbai
Date : May 15, 2024

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

A. EQUITY SHARE CAPITAL

(₹ in crore)

Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the year	Balance as at March 31, 2023
110.08	-	-	-	110.08

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110.08	-	-	-	110.08

Shares held by promoters at March 31, 2023			% Change during the year
Promoter Name	No. of Shares	% of total shares	
Life Insurance Corporation of India	248,842,495	45.24	-

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Promoter Name	No. of Shares	% of total shares	
Life Insurance Corporation of India	248,842,495	45.24	-

(₹ in crore)

	Reserve and Surplus								Other Comprehensive Income		
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Special Reserve I	Special Reserve II	Impairment Reserve	Retained Earnings	Other items (Acturial Gain/ (Loss)	Cash Flow Hedge Reserve	Total Equity
Balance as at April 1, 2022	**0.18**	**0.48**	**4,031.72**	**7,882.97**	**38.98**	**7,544.31**	**297.50**	**4,777.43**	**(11.81)**	**-**	**24,561.76**
Add: Total Comprehensive Income for the year	-	-	-	-	-	-	-	2,891.03	5.03	-	2,896.05
Less: Dividend of ₹ 8.50/- per equity share of ₹ 2 /- each	-	-	-	-	-	-	-	(467.55)	-	-	(467.55)
Transfer to Statutory Reserves	0.01	-	-	-	-	-	-	(0.01)	-	-	-
Transfer to General Reserves	-	-	-	850.00	-	-	-	(850.00)	-	-	-
Transfer to Special Reserve II	-	-	-	-	-	984.99	-	(984.99)	-	-	-
Transfer to Impairment Reserves	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	**0.19**	**0.48**	**4,031.72**	**8,732.97**	**38.98**	**8,529.30**	**297.50**	**5,365.91**	**(6.78)**	**-**	**26,990.26**

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

	Reserve and Surplus								Other Comprehensive Income		
	Statutory Reserve	Capital Reserve	Securities Premium	General Reserve	Special Reserve I	Special Reserve II	Impairment Reserve	Retained Earnings	Other items (Acturial Gain/ (Loss)	Cash Flow Hedge Reserve	Total Equity
Balance as at April 1, 2023	**0.19**	**0.48**	**4,031.72**	**8,732.97**	**38.98**	**8,529.30**	**297.50**	**5,365.91**	**(6.78)**	**-**	**26,990.26**
Add: Total Comprehensive Income for the year	-	-	-	-	-	-	-	4,765.41	(3.57)	-	4,761.84
Less: Dividend of ₹ 8.50/- per equity share of ₹ 2 /- each	-	-	-	-	-	-	-	(467.55)	-	-	(467.55)
Transfer to Statutory Reserves	0.01	-	-	-	-	-	-	(0.01)	-	-	-
Transfer to General Reserves	-	-	-	1,000.00	-	-	-	(1,000.00)	-	-	-
Transfer to Special Reserve II	-	-	-	-	-	1,309.99	-	(1,309.99)	-	-	-
Transfer to Impairment Reserves	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	**0.20**	**0.48**	**4,031.72**	**9,732.97**	**38.98**	**9,839.29**	**297.50**	**7,353.77**	**(10.35)**	**-**	**31,284.55**

See accompanying notes forming part of the Standalone Financial Statement 1 - 57

As per our report of even date attached

For and on behalf of the Board of Directors

For SGCO & Co. LLP
Chartered Accountants
FRN 112081W / W100184

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

Siddhartha Mohanty
Chairman
DIN : 08058830

Kashi Prasad Khandelwal
Director
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Partner
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Varsha Hardasani
Company Secretary
FCS No: ACS50448

Sudipto Sil
CFO

H. J. Panchariya
General Manager
(Accounts)

Place: Mumbai
Date : May 15, 2024

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

		Year ended March 31, 2024	Year ended March 31, 2023
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax	6,053.92	3,557.00
	Adjustments for		
	Depreciation, Amortization and Impairment (other than Financial Instruments)	65.42	65.56
	Exchange differences on translation of assets and liabilities (Net)	0.01	(0.01)
	Impairment on Financial Instruments (Expected Credit Loss)	1,643.72	1,396.21
	Loss/(Gain) on disposal of Property, Plant and Equipment	0.04	(0.16)
	Unwinding of discount	231.69	344.47
	Interest Expense	18,390.66	16,137.47
	Interest Income	(27,041.56)	(22,189.32)
	Adjustments for		
	Movements in Provisions and Gratuity	(4.77)	6.72
	Increase in Other Financial Assets & Non Financial Assets	(12.97)	(218.35)
	Decrease in Other Non Financial Assets	36.42	-
	Increase in Other Financial Liabilities and Other Non Financial Liabilities	210.31	449.18
	Cash (used in) operations before adjustments for interest received and paid	**(427.11)**	**(451.23)**
	Interest Paid	(18,024.86)	(15,975.58)
	Interest Received	27,228.57	21,796.18
	Income Tax paid	(1,468.27)	(1,046.89)
	Cash generated from Operations	**7,308.33**	**4,322.48**
	Loans Disbursed (Net of repayments)	(14,620.53)	(23,790.29)
	Asset held for sale	257.09	(143.73)
	Net Cash (Used in) Operating Activities (A)	**(7,055.11)**	**(19,611.54)**
B.	**Cash Flow from Investing Activities**		
	Payments for Purchase of Property, Plant and Equipment	(37.36)	(63.73)
	Proceeds from Sale of Property, Plant and Equipment	0.01	6.51
	Payments for Purchase of Investments	(53.78)	(773.47)
	Proceeds from Sale of Investments	664.36	0.19
	Net Cash generated from/ (used in) Investing Activities (B)	**573.23**	**(830.50)**

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

	Year ended March 31, 2024	Year ended March 31, 2023
C. Cash Flow from Financing Activities		
Proceeds from Borrowings	146,420.20	182,150.64
Repayment of Borrowings	(136,952.63)	(154,564.59)
Deposits (Net of repayments)	(1,645.29)	(6,827.73)
Payments towards Lease Liability	(53.55)	(49.31)
Transfer to Investor Protection Fund	(1.20)	(2.22)
Dividend	(467.55)	(467.55)
Net Cash generated from Financing Activities (C)	**7,299.98**	**20,239.24**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(0.01)	0.01
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	**818.10**	**(202.80)**
Cash and Cash Equivalents at the beginning of the Year	619.40	822.19
Cash and Cash Equivalents at the end of the Year	**1,437.49**	**619.40**
Cash and Cash Equivalents as per above comprise of the following		
(i) Cash on hand	4.13	4.42
(ii) Balances with Banks (of the nature of cash and cash equivalents)	1,308.30	538.76
(iii) Cheques and demand drafts on hand	125.06	76.22
Balances as per Statement of Cash Flows	**1,437.49**	**619.40**

As per our report of even date attached

For and on behalf of the Board of Directors

For SGCO & Co. LLP
Chartered Accountants
FRN 112081W / W100184

For Khandelwal Jain & Co.
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Company Secretary
FCS No: ACS50448

Sudipto Sil
CFO

H. J. Panchariya
General Manager
(Accounts)

Place: Mumbai
Date : May 15, 2024

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

1. STATEMENT OF COMPLIANCE

Standalone Financial Statements of the Company have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards ("the Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Company presents its Balance Sheet in the order of liquidity.

2 BASIS OF PREPARATION AND PRESENTATION

The Company has prepared these Standalone Financial Statements, which comprises the Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "Financial Statements") on the historical cost basis except for certain financial instruments and certain employee benefit assets, which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized within the fair value hierarchy into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest crore except when otherwise stated.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES INFORMATION:

3.1 Revenue Recognition

The Company has recognised revenue pursuant to a contract (other than a contract listed in paragraph 5 of Ind AS 115) only if the counterparty to the contract is a customer. A customer is a party that has contracted with an entity to obtain services that are an output of the entity's ordinary activities in exchange for consideration.

i. Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a timely basis, by reference to the principal outstanding and at applicable effective interest rate (EIR). The effective interest method is a method of calculating the amortised cost of a financial asset and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

ii. Dividend Income:

Dividend income from investment is recognised when the Company's right to receive the payment has been established provided that it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably.

iii. Fees and Commission Income:

Fees and commission income includes fees other than those that are an integral part of EIR. The Company recognises the fees and commission income in accordance with the terms of the relevant contracts / agreements and when it is probable that the Company will collect the consideration.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

iv. Other Income:

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.2 Borrowing Costs

Borrowing costs include interest, commission/brokerage on deposits and exchange differences arising from foreign currency borrowings to the extent they are regarded as adjustment to interest cost. Interest expenses are accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable. The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3.3 Employee Benefits

Retirement benefit cost and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting date. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment or when the Company recognises corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits to employees in respect of wages and salaries, annual leave, sick leave and short-term employee benefits in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.4 Taxes

Income tax expense represents the sum of current tax and deferred tax.

Current Taxes

Current income tax is the amount of expected tax payable based on taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of Income Tax Act, 1961.

Deferred Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilised. Such deferred tax assets and liabilities are not recognised if

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

the temporary differences arise from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which give future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company.

Current and Deferred Tax for the year

Current and Deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in the other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

3.5 Financial Instruments

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at Fair Value through Profit or Loss are recognised immediately in Statement of Profit and Loss.

A. Financial Assets

a) Recognition and initial measurement

The Company initially recognises loans and advances, deposits and debt securities purchased on the date on which they originate. Purchases and sale of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

All financial assets are recognised initially at fair value except investment in subsidiaries and associates. In the case of financial assets not recorded at FVTPL, transaction costs that are directly attributable to its acquisition of financial assets are included therein.

b) Classification of Financial Assets and Subsequent Measurement

On initial recognition, a financial asset is classified to be measured at –

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) – debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset is held within a business model whose objective is achieved by both

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

collecting contractual cash flows and selling financial assets; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on re-measurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the Company,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Business Model Test

The Company determines its business model at the level that best reflects how it manages a group of financial assets to achieve its business objective.

The Company’s business model is not assessed on instrument to instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company’s key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

At initial recognition of a financial asset, the Company determines whether newly

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

recognised financial assets are part of an existing business model or whether they reflect a new business model.

d) Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding

The Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount)

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors.

Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

e) Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Modification of contractual cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in the derecognition of that financial asset, the Company recalculates the gross carrying amount of the financial asset and shall recognise a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated as at the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets) or, when applicable, the revised effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

f) **Impairment of Financial Assets**

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. The Company applies a three-stage approach for measuring ECL for the following categories of financial assets that are not measured at Fair Value through Profit or Loss:

- debt instruments measured at amortised cost and Fair Value through Other Comprehensive Income; and
- financial guarantee contracts.

No ECL is recognised on equity investments, classified as FVTPL.

Expected credit losses is the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

Financial assets migrate through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL

The Company assesses ECL on exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. For these exposures, the Company recognises as a collective provision the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months. The Company does not conduct an individual assessment of exposures in Stage 1 as there is no evidence of one or more events occurring that would have a detrimental impact on estimated future cash flows.

Stage 2: Lifetime ECL – not credit impaired

The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset). Similar to Stage 1, the Company does not conduct an individual assessment on Stage 2 exposures as the increase in credit risk is not, of itself, an event that could have a detrimental impact on future cash flows.

Stage 3: Lifetime ECL – credit impaired

The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised as a collective or specific provision, and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

Determining the stage for impairment

At each reporting date, the Company assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The Company considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the provision for impairment losses reverts from lifetime ECL to 12-months ECL. Exposures that have not deteriorated significantly since origination are considered to have a low credit risk. The provision for impairment losses for these financial assets is based on a 12-months ECL. When an asset is uncollectible, it is written off

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against the related provision. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the expense in the income statement.

The Company assesses whether the credit risk on an exposure has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account instrument type, class of borrowers, credit risk ratings, date of initial recognition, remaining term to maturity, industry and other relevant factors.

Measurement of ECL

ECL are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses is a portion of the life-time expected credit losses and represents the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.

For further details on how the Company calculates ECL including the use of forward looking information, refer to the Credit quality of financial assets in Note 36.4 Financial risk management.

ECL is recognised using a provision for impairment losses in Statement of Profit and Loss. In the case of debt instruments measured at Fair Value through Other Comprehensive Income, the measurement of ECL is based on the three-stage approach as applied to financial assets at amortised cost. The Company recognises the provision charge in profit and loss, with the corresponding amount recognised in other comprehensive income, with no reduction in the carrying amount of the asset in the Balance Sheet.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

g) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL and Interest income is recognised in Statement of Profit and Loss.

h) Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no

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reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

B. Financial Liabilities and Equity Instruments

a) Classification as Debt or Equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of directly attributable transaction costs.

c) Financial Liabilities

Financial liabilities are classified as measured at amortised cost or 'FVTPL'.

A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

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- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

d) Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

e) Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.6 Cash and Cash Equivalent

Cash and cash equivalent in Balance Sheet comprise of cash at bank, cash and cheques on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

3.7 Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities are segregated based on the activities of the Company.

3.8 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

The Managing Director & CEO is identified as the Chief Operating Decision Maker (CODM) by the management of the Company. CODM has identified only one operating segment of providing loans for purchase, construction, repairs renovation etc. and has its operations entirely within India. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the Indian Accounting Standard (Ind AS) 108 on 'Segment Reporting'.

3.9 Key Estimates and Judgements:

The preparation of the financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

i) Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Company's historical experience and collateral values when determining impairment losses along with the assessment of a significant increase in credit risk. These estimates are

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driven by a number of factors, changes in which can result in different levels of allowances.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- Company's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs / assumptions used.

The various inputs used and process followed by the Company in measurement of ECL has been detailed in Note - 36.4.2.3

ii) Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the company uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However in certain cases, the Company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Information about the valuation techniques and inputs used in determining the fair value of Investments are disclosed in Note 36.3

iii) Income Taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for direct and indirect taxes, including amount expected to be paid/recovered for certain tax positions.

iv) Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Company determines the business model at a level that reflects how the Company's financial instruments are managed together to achieve a particular business objective.

The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

v) Provisions and Liabilities

Provisions and liabilities are recognised in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

3.10 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. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares divided by weighted average no of equity shares year which are adjusted for the effects of all dilutive potential equity shares.

3.11 Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

3.11.1 The estimated amount of contracts remaining to be executed on capital account and not provided for; and

3.11.2 Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

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SUMMARY OF IMMATERIAL ACCOUNTING POLICY INFORMATION

4.1 Leases

As Lessee

The Company, as lessee has recognised lease liabilities and right-of-use assets, has applied the following approach to all of its leases (a) measured the lease liability at the date of transition to Ind AS by measuring that lease liability at the present value of the remaining lease payments and discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS 116. Lease arrangements entered during the year are measured at incremental borrowing rate computed at the beginning of the year. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if there is change to its assessment whether it will exercise an extension or a termination option. (b) Right Of Use assets are recognized and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of restoration costs and any initial direct costs incurred by lessee. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right of Use Assets are depreciated from the commencement date on a straight- line basis over the shorter of the lease term or useful life of the underlying asset. They are evaluated for recoverability whenever events or changes indicate that their carrying amounts may not be recoverable.

The Company has not applied Ind AS 116 to Short Term Leases, which are defined as leases with a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

As a Lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interest in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

4.2 Functional Currency and Foreign Exchange Transactions

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The Company has accordingly assessed INR as its functional currency.

The transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing at the date when the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when fair value was determined. Non-monetary items measured at historical cost are not translated.

Exchange difference arising on monetary items is recognised in the Statement of Profit and Loss in the year in which they arise.

4.3 Property, Plant and Equipment

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Property, plant and equipment except freehold land held for use for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight - line method as per the useful life prescribed in the Schedule II to the Companies Act, 2013, except in respect of Vehicles

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(Motor cars) where useful life is estimated as 5 years based on estimated usage of the assets.

Type of Asset	Useful Lives (in years)
Building	60
Furniture & Fixture	10
Vehicles	5
Office Equipment	5
Computers	3
Servers And Networks Equipment	6

Depreciation on additions to Fixed Assets is provided on pro-rata basis from the date of acquisition or installation. Depreciation on assets whose cost individually does not exceed ₹5,000/- is fully provided in the year of purchase. Depreciation on Assets sold, discarded, demolished or scrapped, is provided upto the date on which the said Asset is sold, discarded, demolished or scrapped.

The Company has applied depreciation requirements as per Ind AS 116 in depreciating the right of use assets. The Right of Use Asset is depreciated for the life of the lease term.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

4.4 Intangible Assets and amortisation thereof

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis based on their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses, if any.

Computer software is amortised over the period of three to five years on a straight-line basis.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Capital Work in Progress

Capital Work in Progress includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses less accumulated impairment losses, if any.

4.5 Impairment of Property, Plant & Equipment and Intangible Assets

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The Company has applied Ind AS 36, Impairment of Assets, to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

4.6 Provisions and Contingent Liabilities

Provisions involving substantial degree of estimation in measurement are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources,

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that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes. A contingent asset is disclosed in the Financial Statements, where an inflow of economic benefits is probable.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

4.7 Investment in Subsidiaries and Associates

Investment in subsidiaries and associates are recognized and carried at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

4.8 Assets Held For Sale

To mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the HFC under SARFAESI act.

In the normal course of business, the Company does not physically repossess properties but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers.

As a result of this practice, the properties under legal repossession processes are not recorded on the balance sheet and not treated as non-current assets held for sale.

4.9 Hedge Accounting

The Company uses derivative instruments to manage exposures to interest rate and foreign currency risks.

The hedging transactions entered into by the Company is within the overall scope of the Derivative Policy and within the Risk Management framework of the company as approved by the Board from time to time and for the risks identified to be hedged in accordance with the same policies. All derivative contracts are recognised on the Balance Sheet and measured at fair value. Hedge accounting is applied to all the derivative instruments as per Ind AS 109. Hedge effectiveness is ascertained periodically on a forward looking basis and is reviewed at each reporting period. Hedge effectiveness is measured by the degree to which changes in the fair value or cash flows of the hedged item that are attributed to the hedged risk are offset by changes in the fair value or cashflows of the hedging instrument.

Hedges that meet the criteria for hedge accounting are accounted for, as described below:

Fair Value Hedges

Fair value hedge is a hedge of the exposure to changes in fair value of a recognized asset or liability or unrecognized commitment, or a component of any such item, that is attributable to a particular risk and could affect profit or loss. The cumulative change in the fair value of a hedging derivative is recognised in the Statement of Profit and Loss in net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item is

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recorded as part of the carrying value of the hedged item in the Balance Sheet and is also recognized as net gain on fair value changes in the Statement of Profit and Loss . The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationship is fixed rate debt issued and other borrowed funds. If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the Statement of Profit and Loss.

Cash Flow Hedges

Cash flow hedge is a hedge of the exposure to variability in the cash flows of a specific asset or liability, or of a forecasted transaction, that is attributable to a particular risk. It is possible to only hedge the risks associated with a portion of an asset, liability, or forecasted transaction, as long as the effectiveness of the related hedge can be measured. The accounting for a cash flow hedge will be to recognize the effective portion of any gain or loss in Other Comprehensive Income (OCI), and recognize the ineffective portion of any gain or loss in Finance cost in the Statement of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

Interest rate benchmark reforms:

Hedging relationships that are directly affected by interest rate benchmark reform gives rise to uncertainties about:

a) the interest rate benchmark (contractually or non-contractually specified) designated as a hedged risk; and/or

b) the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

This may adversely affect the existing hedging relationships so long as the uncertainties exist. In order to provide relief to such hedging relationships the accounting standard Ind AS 109 provides for some relief measures which should be mandatorily applied for such cases.

Accordingly, the Company applies the relief by assuming the following:

1. that the interest rate benchmark on which the hedged cash flows are based is not altered as a result of the reform.
2. when performing prospective assessments, the Company assumes that the interest rate benchmark on which the hedged item, hedged risk and/or hedging instrument are based is not altered as a result of the interest rate benchmark reform.
3. for hedges of a non-contractually specified benchmark component of interest rate risk, the Company applies the separately identifiable requirement only at the inception of such hedging relationships.

   As per the requirements of IND AS, the Company shall cease applying the aforesaid exceptions when:

   a) the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows; or

   b) the hedging relationship is discontinued, whichever is earlier.

RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2024.

Wherever there are any regulatory or statutory changes applicable in respect of the above policy, the same would automatically be effective and would become part of this policy with immediate effect.

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NOTE 5 CASH AND CASH EQUIVALENTS

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Cash on hand	4.13	4.42
(ii) Balances with Banks*	1,308.30	538.76
(iii) Cheques, drafts on hand	125.06	76.22
Total	**1,437.49**	**619.40**

*Balances with Banks includes Earnest Money Deposits amount of ₹ 61.45 crore (FY 2022-23 ₹ 2.42 crore)

NOTE 6 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Earmarked balances with banks*	10.26	9.52
(ii) Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments**	124.88	112.98
Total	**135.14**	**122.50**

* *Balance with Banks includes unclaimed dividend of ₹ 10.26 crore (FY 2020-21 ₹ 9.52 crore)

**Fixed Deposits with Banks includes earmarked deposits created in favour of trustees for depositors towards maintaining Statutory Liquid Ratio amounting to ₹ 100 crore (FY 2022-23 ₹ 100 crore); ₹ 10.08 crore (FY 2022-23 ₹ 9.97 crore) created for excess sale proceeds recovered under SARFAESI Act 2002. Fixed deposit placed with banks earns interest at fixed rate.

NOTE 7 LOANS - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(A)		
(i) Term Loans*		
- Individual	269,086.24	252,561.01
- Others	9,722.10	10,748.14
- Corporate Bodies/ Builders	8,036.05	11,738.01
(ii) Others		
- Loans to staff	10.15	9.44
- Loans against Public Deposit	3.59	5.81
- Finance Lease Receivables	1.74	2.68
Total - Gross (A)	**286,859.87**	**275,065.09**
Less: Impairment Loss Allowance (Expected Credit Loss)	6,270.08	7,230.29
Total - Net (A)	**280,589.79**	**267,834.80**
(B)		
(i) Secured by tangible assets	282,802.55	272,025.00
(ii) Secured by intangible assets	2,893.30	1,868.40
(iii) Secured by Government Guarantee	516.04	778.36
(iv) Unsecured	647.98	393.33
Total - Gross (B)	**286,859.87**	**275,065.09**
Less: Impairment Loss Allowance (Expected Credit Loss)	6,270.08	7,230.29
Total - Net (B)	**280,589.79**	**267,834.80**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
(C)		
(i) Loans in India		
Individual	269,101.72	252,578.94
Commercial Real Estate Sector	8,777.14	9,681.64
Commercial Real Estate Sector- Others	944.96	1,066.50
Builder Loans	748.68	1,059.46
Corporate Loans	4,397.40	8,815.42
Other Housing Finance Companies	2,889.97	1,863.13
Total - Gross (C) (i)	**286,859.87**	**275,065.09**
Less: Impairment Loss Allowance (Expected Credit Loss)	6,270.08	7,230.29
Total - Net (C) (i)	**280,589.79**	**267,834.80**
(ii) Loans outside India	-	-
Less: Impairment Loss Allowance (Expected Credit Loss)	-	-
Total - Net (C) (ii)	**-**	**-**
Total (C) (i+ii)	**280,589.79**	**267,834.80**

* Loans including interest and installment outstanding due from directors amounts to ₹ 0.74 crore (FY 2022-23 ₹ 1.36 crore) and other related parties ₹ 4.21 crore (FY 2022-23 ₹ 6.62 crore)

* Retail / Project Loans are secured by any or all of the following as applicable, based on their categorisation :

a) Equitable / Registered Mortgage of Property.

b) Assignment of Life Insurance Policies, NSC, KVP, FD of Nationalized Bank.

c) Assignment of Lease Rent Receivables.

d) Company Guarantees or Personal Guarantees.

e) Negative lien on unsold inventory.

f) Undertaking to create a security.

g) Loans to employees other than for Housing are secured by lien over Provident Fund balances and / or Hypothecation of Vehicles.

For detail disclosures relating to Credit Risk, Impairment Losses, Movement of Impairment Losses refer Note No 36.4.2 of Standalone Financial Statements.

There are no loans or advances granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 8 INVESTMENTS

(₹ in crore)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Amortised cost	Deemed Cost*	At Fair Value Through profit or loss	Total	Amortised cost	Deemed Cost*	At Fair Value Through profit or loss	Total
Mutual Funds	-	-	1,594.05	1,594.05	-	-	2,242.03	2,242.03
Government Securities *	4,576.87	-	-	4,576.87	4,623.38	-	-	4,623.38
"Equity Instruments"								
Subsidiaries *	-	18.29	-	18.29	-	18.29	-	18.29
Associates *	-	51.32	-	51.32	-	29.71	-	29.71
Real Estate Venture Fund	-	-	4.94	4.94	-	-	8.09	8.09
Alternative Investment Fund	-	-	31.56	31.56	-	-	54.91	54.91
Total - Gross (A)	**4,576.87**	**69.61**	**1,630.54**	**6,277.03**	**4,623.38**	**48.00**	**2,305.03**	**6,976.41**
(i) Investments outside India	-	-	-	-	-	-	-	-
(ii) Investments in India	4,576.87	69.61	1,630.54	6,277.03	4,623.38	48.00	2,305.03	6,976.41
Total (B)	**4,576.87**	**69.61**	**1,630.54**	**6,277.03**	**4,623.38**	**48.00**	**2,305.03**	**6,976.41**

* The Company has not recognised any provision under Expected Credit Loss on Investments made in Government Securities, Subsidiaries & Associates.

*Impairment on Financial Instruments includes ₹ 50 crore being the amount representing full impairment of the Company's investment in one of its wholly owned subsidiary, LICHFL Care Homes Limited, as per IND AS 36-Impairment of Asset on prudent basis, since the carrying amount of the investment exceeded its value in use. The value in use was determined based on the future cash flows of the subsidiary. The financial statements of the subsidiary is prepared on the going concern basis.

The Company has not traded or invested in Crypto currency or virtual currency during the FY 2023-24

(₹ in crore)

Investment in Mutual Funds carried at Fair Value through Profit & Loss Account	No. of Units as at		Amount as at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Aditya Birla Sun Life Liquid Fund - Growth - Regular Plan	2,596,334.681	1,668,732.758	100.13	60.04
Axis Liquid Fund - Regular Growth	187,919.509	-	50.07	-
Baroda BNP Paribas Liquid Fund - Regular Growth	181,746.907	194,620.393	50.06	50.02
Bandhan Liquid Fund - Growth - Regular Plan (Formely known as IDFC Cash Fund - Growth - Regular Plan)	172,994.709	277,875.668	50.07	75.04
Canara Robeco Liquid Fund - Regular Growth	173,812.303	186,232.048	50.06	50.02
DSP Liquidity Fund - Regular Plan - Growth	146,532.088	235,391.531	50.07	75.04
Edelweiss Liquid Fund - Regular Plan Growth	81,788.019	-	25.03	-
Franklin India Liquid Fund - Super Institutional Plan - Growth	139,042.040	119,130.408	50.07	40.02
HDFC Liquid Fund - Regular Plan - Growth	159,851.951	-	75.10	-
HSBC Liquid Fund Regular Growth (Formerly known as HSBC Cash Fund - Growth)	209,779.527	337,043.727	50.07	75.04
ICICI Prudential Liquid Fund - Growth	2,825,584.353	2,269,599.888	100.13	75.05
Invesco India Liquid Fund - Growth	152,190.177	244,545.069	50.06	75.04
JM Liquid Fund - Regular - Growth	3,827,460.194	8,195,908.418	25.03	50.02
Kotak Liquid Reqular Plan Growth	155,162.814	-	75.10	-
LIC MF Liquid Fund - Regular Plan - Growth	733,291.863	185,775.053	317.42	75.04
Mahindra Manulife Liquid Fund - Direct - Growth	159,191.986	-	25.03	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Investment in Mutual Funds carried at Fair Value through Profit & Loss Account	No. of Units as at		Amount as at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Mirae Asset cash Management Fund - Regular Plan	199,436.835	320,445.497	50.06	75.04
Nippon India Liquid Fund - Growth Plan	85,673.116	-	50.06	-
SBI Liquid Fund - Regular Growth	267,326.634	214,657.883	100.13	75.05
Sundaram Liquid Fund	236,974.811	380,564.899	50.06	75.04
Tata Liquid Fund - Regular Plan - Growth	199,160.256	213,256.742	75.09	75.03
Union Liquid fund Growth	217,347.795	-	50.06	-
UTI Liquid Cash Plan - Regular Plan - Growth	191,236.392	136,571.549	75.09	50.03
Aditya Birla Sun Life Overnight Fund - Growth - Regular Plan	-	829,253.137	-	100.02
Axis Overnight Fund - Regular Growth	-	845,644.420	-	100.02
HDFC Overnight Fund - Regular Plan - Growth	-	302,845.311	-	100.01
HSBC Overnight Fund - Regular Growth	-	857,509.965	-	100.01
ICICI Prudential Overnight Fund Growth	-	1,038,942.340	-	125.02
Kotak Overnight Fund Growth (Regular Plan)	-	839,584.353	-	100.01
LIC MF Overnight Fund - Regular Plan - Growth	-	2,086,640.428	-	241.33
Nippon India Overnight Fund - Growth Plan	-	8,344,313.629	-	100.02
SBI Overnight Fund Regular Growth	-	346,474.052	-	125.02
UTI Overnight Fund - Regular Plan - Growth	-	329,089.881	-	100.01
Total			**1,594.05**	**2,242.03**

(₹ in crore)

Investments in Government Securities - Quoted, Fully paid up * carried at Amortized Cost	No. of Units		As at March 31, 2024	As at March 31, 2023
	March 31, 2024	March 31, 2023		
8.33% GOI STOCK 2036	30,000	30,000	0.31	0.31
8.28% GOI STOCK 2032	828,000	828,000	8.16	8.14
7.35% GOI STOCK 2024	1,600,000	1,600,000	16.32	16.32
8.24% GOI STOCK 2027	1,100,000	1,100,000	11.10	11.09
8.28% GOI STOCK 2027	500,000	500,000	5.00	5.00
8.83% GOI STOCK 2023	-	2,500,000	-	25.80
8.83% GOI STOCK 2023	-	1,700,000	-	17.60
8.32% GOI STOCK 2032	2,000,000	2,000,000	20.42	20.43
8.24% GOI STOCK 2033	3,000,000	3,000,000	31.96	32.03
8.60% GOI STOCK 2028	4,500,000	4,500,000	48.63	49.11
8.60% GOI STOCK 2028	7,950,000	7,950,000	86.28	87.18
7.59% GOI STOCK 2029	8,500,000	8,500,000	86.47	86.68
6.57% GOI STOCK 2033	10,500,000	10,500,000	105.45	105.32
7.35% GOI STOCK 2024	10,000,000	10,000,000	102.14	102.67
6.79% GOI STOCK 2029	11,000,000	11,000,000	111.31	111.22
6.68% GOI STOCK 2031	4,000,000	4,000,000	38.83	38.71
6.68% GOI STOCK 2031	11,000,000	11,000,000	103.28	102.61
7.59% GOI STOCK 2026	2,000,000	2,000,000	20.19	20.11
7.17% GOI STOCK 2028	6,000,000	6,000,000	60.34	60.20

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Investments in Government Securities - Quoted, Fully paid up * carried at Amortized Cost	No. of Units		As at March 31, 2024	As at March 31, 2023
	March 31, 2024	March 31, 2023		
7.40% GOI STOCK 2035	9,000,000	9,000,000	88.11	87.99
7.26% GOI STOCK 2029	6,000,000	6,000,000	60.72	60.68
7.95% GOI STOCK 2032	6,000,000	6,000,000	61.57	61.66
6.57% GOI STOCK 2033	6,000,000	6,000,000	56.89	56.60
7.57% GOI STOCK 2033	4,000,000	4,000,000	40.75	40.74
7.61% GOI STOCK 2030	3,000,000	3,000,000	31.51	31.59
7.40% GOI STOCK 2035	3,000,000	3,000,000	30.51	30.53
7.95% GOI STOCK 2032	4,000,000	4,000,000	42.03	42.18
7.88% GOI STOCK 2030	3,000,000	3,000,000	31.08	31.22
7.40% GOI STOCK 2035	500,000	500,000	5.14	5.14
7.57% GOI STOCK 2033	4,500,000	4,500,000	47.65	47.77
7.95% GOI STOCK 2032	5,500,000	5,500,000	58.24	58.48
7.57% GOI STOCK 2033	5,000,000	5,000,000	53.02	53.16
7.95% GOI STOCK 2032	5,000,000	5,000,000	53.31	53.56
7.88% GOI STOCK 2030	6,500,000	6,500,000	67.93	68.29
6.68% GOI STOCK 2031	2,500,000	2,500,000	24.72	24.68
7.40% GOI STOCK 2035	5,000,000	5,000,000	51.62	51.69
6.68% GOI STOCK 2031	2,500,000	2,500,000	24.72	24.68
7.95% GOI STOCK 2032	3,000,000	3,000,000	32.91	33.15
7.50% GOI STOCK 2034	8,000,000	8,000,000	86.13	86.47
7.73% GOI STOCK 2034	3,500,000	3,500,000	39.31	39.54
7.50% GOI STOCK 2034	3,500,000	3,500,000	38.29	38.48
7.73% GOI STOCK 2034	7,500,000	7,500,000	83.89	84.35
7.50% GOI STOCK 2034	2,500,000	2,500,000	27.19	27.32
6.19% GOI STOCK 2034	10,000,000	10,000,000	98.94	98.85
6.22% GOI STOCK 2035	9,000,000	9,000,000	89.86	89.84
8.24% GOI STOCK 2033	5,500,000	5,500,000	64.67	65.25
7.26% GOI STOCK 2029	4,000,000	4,000,000	41.96	42.19
6.22% GOI STOCK 2035	6,000,000	6,000,000	57.89	57.75
6.64% GOI STOCK 2035	10,500,000	10,500,000	106.37	106.33
6.22% GOI STOCK 2035	10,000,000	10,000,000	96.19	95.95
6.64% GOI STOCK 2035	13,500,000	13,500,000	136.84	136.79
6.64% GOI STOCK 2035	7,000,000	7,000,000	70.98	70.96
6.64% GOI STOCK 2035	9,000,000	9,000,000	90.61	90.55
6.67% GOI STOCK 2035	1,000,000	1,000,000	9.95	9.94
6.64% GOI STOCK 2035	10,000,000	10,000,000	100.83	100.77
6.64% GOI STOCK 2035	10,000,000	10,000,000	100.82	100.76
6.67% GOI STOCK 2035	5,000,000	5,000,000	49.85	49.79
6.67% GOI STOCK 2035	10,000,000	10,000,000	99.69	99.57
6.67% GOI STOCK 2035	13,500,000	13,500,000	134.62	134.46
7.73% GOI STOCK 2034	2,500,000	2,500,000	27.38	27.49
7.73% GOI STOCK 2034	7,500,000	7,500,000	82.13	82.47
6.64% GOI STOCK 2035	5,000,000	5,000,000	50.52	50.49
6.64% GOI STOCK 2035	5,000,000	5,000,000	50.52	50.49

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Investments in Government Securities - Quoted, Fully paid up * carried at Amortized Cost	No. of Units		As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
6.64% GOI STOCK 2035	5,000,000	5,000,000	50.52	50.50
6.64% GOI STOCK 2035	5,500,000	5,500,000	55.54	55.51
6.64% GOI STOCK 2035	10,000,000	10,000,000	100.97	100.92
6.64% GOI STOCK 2035	5,000,000	5,000,000	50.50	50.47
6.64% GOI STOCK 2035	10,000,000	10,000,000	100.99	100.94
6.67% GOI STOCK 2035	5,000,000	5,000,000	49.97	49.92
6.64% GOI STOCK 2035	5,000,000	5,000,000	50.50	50.47
6.67% GOI STOCK 2035	10,000,000	10,000,000	100.14	100.04
6.67% GOI STOCK 2035	10,000,000	10,000,000	100.13	100.03
6.67% GOI STOCK 2035	5,000,000	5,000,000	50.05	50.00
7.73% GOI STOCK 2034	5,000,000	5,000,000	54.89	55.13
6.67% GOI STOCK 2035	5,000,000	5,000,000	49.99	49.94
6.67% GOI STOCK 2035	5,000,000	5,000,000	50.00	49.94
6.67% GOI STOCK 2035	5,000,000	5,000,000	49.99	49.94
6.67% GOI STOCK 2035	2,000,000	2,000,000	20.00	19.97
6.67% GOI STOCK 2035	4,000,000	4,000,000	39.95	39.91
7.40% GOI STOCK 2035	1,000,000	1,000,000	10.45	10.47
6.19% GOI STOCK 2034	2,500,000	2,500,000	23.92	23.85
6.22% GOI STOCK 2035	1,500,000	1,500,000	14.32	14.28
Total			**4576.87**	**4623.38**

* Kept with designated bank for repayment to depositors and to maintain LCR

(₹ in crore)

Investments in Equity Instruments - Unquoted, Fully paid up	No. of Shares / Units		As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
In Subsidiaries - Carried at Demeed cost				
LICHFL Care Homes Ltd. (Face Value ₹ 10/- each)	50,000,000	50,000,000	50.00	50.00
Less : Impairment loss allowance			50.00	50.00
			-	-
LICHFL Financial Services Ltd. (Face Value ₹ 10/- each)	9,500,000	9,500,000	9.50	9.50
LICHFL Trustee Company Private Ltd. (Face Value ₹ 10/- each)	90,000	90,000	0.09	0.09
LICHFL Asset Management Company Ltd. (Face Value ₹ 10/- each)	8,700,000	8,700,000	8.70	8.70
In Associates - Carried at Demeed cost				
LIC Mutual Fund Asset Management Ltd. (Face Value ₹ 10,000/- each)	5,158	4,323	51.30	29.69
LIC Mutual Fund Trustee Private Ltd. (Face Value ₹ 10/- each)	3,530	3,530	0.02	0.02
Total			**69.61**	**48.00**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Investments carried at Fair value through Profit & Loss Account	No. of Shares / Units		As at March 31, 2024	As at March 31, 2023
	March 31, 2024	March 31, 2023		
Contribution to Trust			0.002	0.002
Other investments-Unquoted, Fully paid up				
(i) Real Estate Venture Fund:**				
CIG Realty Fund - 1 (Face Value ₹ 10/- each)	9,171,429	9,171,429	9.17	9.17
Less : Impairment loss allowance			9.17	9.17
			-	-
LICHFL Urban Development Fund (Face Value ₹ 10,000/- each)	50,000	50,000	12.51	14.88
Less : Impairment loss allowance			7.58	6.79
			4.94	**8.09**
Other investments-Unquoted, Fully paid up				
(i) Alternative Investment Fund:**				
LICHFL Housing and Infrastructure Fund (Face Value ₹ 100/- each)	3,925,508	5,155,106	40.90	54.91
Less : Impairment loss allowance			9.34	-
			31.56	**54.91**
Total			**36.50**	**63.00**

**These are close ended schemes subject to lock in till the closure of the Scheme

NOTE 9 OTHER FINANCIAL ASSETS

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Security Deposits	14.43	13.20
(ii) Other Deposits	0.57	0.72
(iii) Dues from Subsidiaries/Associates	0.03	1.00
(iv) Other dues from Staff	2.95	2.87
(v) Fees Receivable	2.87	0.77
Total	**20.85**	**18.56**

NOTE 10 CURRENT TAX ASSETS (NET)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Provision under Income Tax	424.28	-
Total	**424.28**	**-**

NOTE 11 DEFERRED TAX ASSETS (NET)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Deferred Tax Assets	3,168.53	3,417.84
(ii) Deferred Tax Liabilities	(1,529.38)	(1,529.38)
Total	**1,639.15**	**1,888.46**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 12.1 PROPERTY, PLANT & EQUIPMENT

The changes in carrying value of the Property, Plant and Equipment for the year ended March 31, 2024 are as follows:-

(₹ in crore)

Particulars	Freehold Land	Building	Leasehold Improvements	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Total
Gross carrying value as of April 1, 2023	**0.97**	**115.39**	**21.44**	**14.49**	**0.62**	**9.27**	**53.94**	**216.12**
Additions	-	-	3.68	1.17	-	1.17	27.45	33.47
(Deductions)	-	-	(4.22)	(1.48)	-	(2.95)	(5.72)	(14.37)
Transfer in	-	-	0.97	-	-	0.03	-	1.00
Gross carrying value as of March 31, 2024	**0.97**	**115.39**	**21.87**	**14.18**	**0.62**	**7.52**	**75.67**	**236.22**
Accumulated Depreciation as of April 1, 2023	**-**	**10.20**	**10.35**	**7.41**	**0.14**	**6.29**	**21.90**	**56.29**
Depreciation	-	1.83	2.99	1.60	0.10	1.23	13.96	21.71
(Accumulated Depreciation on Deductions)	-	-	(4.17)	(1.48)	-	(2.95)	(5.72)	(14.32)
Transfer Out	-	-	0.97	-	-	0.03	-	1.00
Accumulated Depreciation as of March 31, 2024	**-**	**12.03**	**10.14**	**7.53**	**0.24**	**4.60**	**30.14**	**64.68**
Carrying Value as of March 31, 2024	**0.97**	**103.36**	**11.73**	**6.65**	**0.38**	**2.92**	**45.53**	**171.54**

The Debentures are secured by mortgage on an immovable Property Owned by the Company valuing approx ₹ 4.43 crore (Book Value ₹ 0.36 crore).

The changes in carrying value of the Property, Plant & Equipment for the year ended March 31, 2023 are as follows:-

(₹ in crore)

Particulars	Freehold Land	Building	Leasehold Improvements	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Total
Gross carrying value as of April 1, 2022	**0.97**	**115.39**	**14.72**	**11.53**	**0.44**	**8.01**	**33.51**	**184.57**
Additions	-	0.00	6.88	3.10	0.45	1.53	26.13	38.09
(Deductions)	-	-	(0.16)	(0.14)	(0.27)	(0.27)	(5.70)	(6.54)
Gross carrying value as of March 31, 2023	**0.97**	**115.39**	**21.44**	**14.49**	**0.62**	**9.27**	**53.94**	**216.11**
Accumulated Depreciation as of April 1, 2022	**-**	**8.28**	**8.45**	**5.89**	**0.29**	**5.25**	**20.67**	**48.83**
Depreciation	-	1.92	2.06	1.64	0.07	1.30	6.93	13.92
(Accumulated Depreciation on Deductions)	-	-	(0.16)	(0.12)	(0.22)	(0.26)	(5.70)	(6.46)
Accumulated Depreciation as of March 31, 2023	**-**	**10.20**	**10.35**	**7.41**	**0.14**	**6.29**	**21.90**	**56.29**
Carrying Value as of March 31, 2023	**0.97**	**105.19**	**11.09**	**7.08**	**0.48**	**2.98**	**32.04**	**159.82**

The Debentures are secured by mortgage on an immovable Property Owned by the Company valuing approx ₹ 4.43 crore (Book Value ₹ 0.37 crore).

NOTE 12.2 CAPITAL WORK IN PROGRESS

The changes in carrying value of Capital Work in Progress for the year ended March 31, 2024 are as follows :-

(₹ in crore)

Particulars	Capital Work in Progress
Gross Carrying Value as of April 1, 2023	**0.74**
Additions	0.14
(Deductions)	(0.74)
Gross Carrying Value as of March 31, 2024	**0.14**
Accumulated Depreciation as of April 1, 2023	-
Depreciation for the year	-
(Accumulated Depreciation on Deductions)	-
Accumulated Depreciation as of March 31, 2024	**-**
Carrying Value as of March 31, 2024	**0.14**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

The changes in carrying value of Capital Work in Progress for the year ended March 31, 2023 are as follows :-

(₹ in crore)

Particulars	Capital Work in Progress
Gross Carrying Value as of April 1, 2022	**0.04**
Additions	2.33
(Deductions)	(1.63)
Gross Carrying Value as of March 31, 2023	**0.74**
Accumulated Depreciation as of April 1, 2022	-
Depreciation for the year	-
(Accumulated Depreciation on Deductions)	-
Accumulated Depreciation as of March 31, 2023	**-**
Carrying Value as of March 31, 2023	**0.74**

NOTE 12.3 INTANGIBLE ASSETS UNDER DEVELOPMENT

The changes in carrying value of Intangible Assets under Development for the year ended March 31, 2024 are as follows :-

(₹ in crore)

Particulars	Software under development
Gross Carrying Value as of April 1, 2023	**-**
Additions	-
(Deductions)	-
Gross Carrying Value as of March 31, 2024	**-**
Accumulated Depreciation as of April 1, 2023	-
Depreciation for the year	-
(Accumulated Depreciation on Deductions)	-
Accumulated Depreciation as of March 31, 2024	**-**
Carrying Value as of March 31, 2024	**-**

The changes in carrying value of Intangible Assets under Development for the year ended March 31, 2023 are as follows :-

(₹ in crore)

Particulars	Software under development
Gross Carrying Value as of April 1, 2022	**1.45**
Additions	3.20
(Deductions)	(4.65)
Gross Carrying Value as of March 31, 2023	**0.00**
Accumulated Depreciation as of April 1, 2022	-
Depreciation for the year	-
(Accumulated Depreciation on Deductions)	-
Accumulated Depreciation as of March 31, 2023	**-**
Carrying Value as of March 31, 2023	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 12.4

The changes in carrying value of the Right of Use Assets for the year ended March 31, 2024 :-

(₹ in crore)

Particulars	Right of Use Asset
Opening Value of Right of Use Asset as of April 1, 2023	**346.31**
Additions	55.99
(Disposals)	-
ROU derecognised on subleased asset	-
Gross Carrying Value as of March 31, 2024	**402.30**
Accumulated Depreciation as of April 1, 2023	128.39
Depreciation for the year	38.29
(Accumulated Depreciation on Disposals)	-
(Reversal of depreciation - sublease)	(0.65)
Accumulated Depreciation as of March 31, 2024	**166.03**
Terminated cases	78.80
Carrying Value as of March 31, 2024	**157.47**

The changes in carrying value of the Right of Use Assets for the year ended March 31, 2023 :-

(₹ in crore)

Particulars	Right of Use Asset
Opening Value of Right of Use Asset as of April 1, 2022	**231.85**
Additions	116.69
(Disposals)	(2.23)
ROU derecognised on subleased asset	-
Gross Carrying Value as of March 31, 2023	**346.31**
Accumulated Depreciation as of April 1, 2022	84.67
Depreciation for the year	45.36
(Accumulated Depreciation on Disposals)	(0.99)
(Reversal of depreciation - sublease)	(0.65)
Accumulated Depreciation as of March 31, 2023	**128.39**
Terminated cases	57.76
Carrying Value as of March 31, 2023	**160.16**

NOTE 12.5 OTHER INTANGIBLE ASSETS

The changes in carrying value of the Intangible Assets for the year ended March 31, 2024 are as follows :-

(₹ in crore)

Particulars	Software License	Total
Gross Carrying Value as of April 1, 2023	**49.52**	**49.52**
Additions	4.47	4.47
(Deductions)	(3.37)	(3.37)
Gross Carrying Value as of March 31, 2024	**50.62**	**50.62**
Accumulated Depreciation as of April 1, 2023	**13.28**	**13.28**
Depreciation for the year	8.87	8.87
(Accumulated Depreciation on Deductions)	(3.37)	(3.37)
Accumulated Depreciation as of March 31, 2024	**18.78**	**18.78**
Carrying Value as of March 31, 2024	**31.84**	**31.84**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

The changes in carrying value of the Intangible Assets for the year ended March 31, 2023 are as follows :-

(₹ in crore)

Particulars	Software License	Total
Gross Carrying Value as of April 1, 2022	**29.39**	**29.39**
Additions	20.13	20.13
(Deductions)	-	-
Gross Carrying Value as of March 31, 2023	**49.52**	**49.52**
Accumulated Depreciation as of April 1, 2022	7.64	7.64
Depreciation for the year	5.65	5.65
(Accumulated Depreciation on Deductions)	-	-
Accumulated Depreciation as of March 31, 2023	**13.29**	**13.29**
Carrying Value as of March 31, 2023	**36.23**	**36.23**

(i) Capital-work-in progress

(a) Capital-work-in progress ageing schedule

(₹ in crore)

CWIP	As at March 31, 2024				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.14	-	-	-	0.14
Projects temporarily suspended	-	-	-	-	-

(₹ in crore)

CWIP	As at March 31, 2023				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.74	-	-	-	0.74
Projects temporarily suspended	-	-	-	-	-

(b) Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule has been given:-

(₹ in crore)

CWIP	As at March 31, 2024			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

(₹ in crore)

CWIP	As at March 31, 2023			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(ii) Intangible Assets under Development

(a) Intangible Assets under Development ageing schedule

(₹ in crore)

Intangible Asset under Development	As at March 31, 2024				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

(₹ in crore)

Intangible Asset under Development	As at March 31, 2023				
	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

(b) Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following Intangible assets under development completion schedule has been given:-

(₹ in crore)

Intangible Asset under Development	As at March 31, 2024			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

(₹ in crore)

Intangible Asset under Development	As at March 31, 2023			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

NOTE 13 OTHER NON - FINANCIAL ASSETS

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Capital Advances	3.36	20.75
(ii) Statutory Dues	148.75	97.38
(iii) Prepaid Expenses	40.88	38.99
(iv) Sundry Advances	1.34	1.68
(v) Others	125.58	197.24
Total	**319.91**	**356.04**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 14 PAYABLES

(₹ in crore)

Trade payables		As at March 31, 2024	As at March 31, 2023
(i)	Total outstanding dues of micro enterprises and small enterprises	0.02	0.14
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises *	70.56	38.82
Total		**70.58**	**38.96**

* Includes payable to a related party ₹ 9.69 crore (FY 2022-23 ₹ 6.58 crore)

The Company had requested its suppliers to confirm the status as to whether they are covered under the Micro, Small & Medium Enterprises Development Act, 2006 and is in the continuous process of obtaining such confirmation from its suppliers. The disclosure relating to unpaid amount as at the year - end together with interest paid / payable as required under the said Act have been given to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under MSMED Act, 2006.

(₹ in crore)

Trade Payable Ageing Schedule		Outstanding as on 31.03.2024 from due date of payment				
Particulars		**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i)	MSME	0.02	-	-	-	0.02
(ii)	Others	70.56	-	-	-	70.56
(iii)	Disputed dues –MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-

There are no unbilled dues pending for FY 2023-24

(₹ in crore)

Trade Payable Ageing Schedule		Outstanding as on 31.03.2023 from due date of payment				
Particulars		**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i)	MSME	0.14	-	-	-	0.14
(ii)	Others	38.82	-	-	-	38.82
(iii)	Disputed dues –MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-

There are no unbilled dues pending for FY 2022-23

(₹ in crore)

Other payables		As at March 31, 2024	As at March 31, 2023
(i)	Total outstanding dues of micro enterprises and small enterprises	-	-
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total		**-**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 15 DEBT SECURITIES - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(1) SECURED:		
Non Convertible Debentures (Refer Note 15.1)	131,402.70	122,040.48
Zero Coupon Debentures (Refer Note 15.2)	1,405.92	1,405.92
(2) UNSECURED:		
Commercial Papers (Refer Note 15.3)	11,856.70	13,513.59
Total (A) (1+2)	**144,665.32**	**136,959.99**
Debt securities in India	144,665.32	136,959.99
Debt securities outside India	-	-
Total (B)	**144,665.32**	**136,959.99**

NOTE 15.1

Secured by a negative lien on the assets of the Company (excluding the company's current and future receivables and book-debt of whatsoever nature of the Company on which a first pari-pasu floating charge by way of hypothecation to secure the borrowings of the company outstanding as on 31st March 2015 and the unavailed sanctions of the term loans, cash credit and refinance as on 31st March 2015), with a minimum asset cover of 100%. Further the Company shall be entitled to dispose of, transact or otherwise deal, in the ordinary course of business upto 5% of the Specific Assets, including by way of a securitization transaction and as may be required under any law, regulations, guidelines or rules. Subject to maintenance of Asset Cover, as may be applicable and in the normal course of business, the Company may without the consent/approval of the Trustee/Debenture Holder(s)/Beneficial Owner(s)/creditors be entitled to make further issue(s) of Debentures, raise further loans and advances and/or avail further deferred payment guarantees or other financial facilities from time to time from any persons/bank/financial institution/body corporate/ any other agency.

Secured by way of Negative Lien on the Assets, to the extent of Asset Cover, without any encumbrance in favour of the Debenture Trustee except to the extent of the charge created in favour of its depositors of the Company pursuant to the regulatory requirement under Section 29B of the NHB Act.

However, the Company shall, from time to time, be entitled to create any charge, mortgage, pledge, security interest, encumber or create lien on its Assets, subject to maintenance of Asset Cover, except to the extent of charge created in favour of its depositors pursuant to the regulatory requirement under Section 29B of the NHB Act or as may be required under any law, regulation, guidelines or rules.

The Details of Non Convertible Redeemable Debentures (NCD) are as under:-

(₹ in crore)

Particulars	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2024
347000 NCD's of ₹ 100000/- each	22-Mar-34	7.7300%	22-Apr-27	3467.94
50300 NCD's of ₹ 100000/- each	6-Feb-34	7.6900%	-	1639.34
80000 NCD's of ₹ 100000/- each	6-Feb-34	7.6900%	-	799.61
164230 NCD's of ₹ 100000/- each	6-Feb-34	7.6900%	-	503.03
130000 NCD's of ₹ 100000/- each	6-Feb-34	7.6900%	-	1299.19
12500 NCD's of ₹ 1000000/- each	26-Jul-33	7.6400%	-	1249.41
20000 NCD's of ₹ 1000000/- each	9-May-33	7.7100%	-	1986.47
11050 NCD's of ₹ 1000000/- each	9-May-33	7.7100%	-	1104.53
49600 NCD's of ₹ 1000000/- each	15-Apr-33	7.6700%	15-May-26	4957.94
3000 NCD's of ₹ 1000000/- each	23-Mar-33	8.0250%	-	300.21

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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(₹ in crore)

Particulars	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2024
10550 NCD's of ₹ 1000000/- each	23-Mar-33	8.0250%	-	1054.58
11500 NCD's of ₹ 1000000/- each	21-Feb-33	7.9500%	-	1149.39
3000 NCD's of ₹ 1000000/- each	18-Nov-32	7.8200%	-	299.90
15000 NCD's of ₹ 1000000/- each	18-Nov-32	7.8200%	-	1499.18
20000 NCD's of ₹ 1000000/- each	18-Aug-32	7.8500%	-	2000.62
15000 NCD's of ₹ 1000000/- each	18-Aug-32	7.8500%	-	1499.25
12750 NCD's of ₹ 1000000/- each	23-Mar-32	7.1800%	-	1275.05
13500 NCD's of ₹ 1000000/- each	28-Nov-31	7.1300%	-	250.53
6570 NCD's of ₹ 1000000/- each	28-Nov-31	7.1300%	-	652.37
2500 NCD's of ₹ 1000000/- each	28-Nov-31	7.1300%	-	1284.33
7500 NCD's of ₹ 1000000/- each	28-Nov-31	7.1300%	-	749.47
9750 NCD's of ₹ 1000000/- each	24-Sep-31	6.9500%	-	974.52
11200 NCD's of ₹ 1000000/- each	28-Jan-30	7.9700%	-	1119.59
25000 NCD's of ₹ 1000000/- each	12-Jul-29	7.9900%	-	2500.00
34000 NCD's of ₹ 1000000/- each	23-Mar-29	8.7000%	-	3400.00
10000 NCD's of ₹ 1000000/- each	25-Jan-29	8.8000%	-	1036.87
13650 NCD's of ₹ 1000000/- each	25-Jan-29	8.8000%	-	1365.00
5010 NCD's of ₹ 1000000/- each	8-Dec-28	8.7500%	-	519.74
16060 NCD's of ₹ 1000000/- each	8-Dec-28	8.7500%	-	1606.00
2749 NCD's of ₹ 1000000/- each	17-Nov-28	8.9700%	-	274.90
9120 NCD's of ₹ 1000000/- each	10-Oct-28	9.0800%	-	912.00
6305 NCD's of ₹ 1000000/- each	24-Sep-28	9.1000%	-	630.50
9410 NCD's of ₹ 1000000/- each	11-Aug-28	7.7700%	-	940.47
4200 NCD's of ₹ 1000000/- each	4-Jun-28	6.6800%	-	416.94
3200 NCD's of ₹ 1000000/- each	4-Jun-28	6.6800%	-	319.87
15000 NCD's of ₹ 1000000/- each	16-May-28	7.7000%	-	1499.96
10400 NCD's of ₹ 1000000/- each	16-May-28	7.7000%	-	1039.59
20110 NCD's of ₹ 1000000/- each	29-Jan-28	7.9500%	-	1996.90
14770 NCD's of ₹ 1000000/- each	29-Jan-28	7.9500%	-	1477.00
17300 NCD's of ₹ 1000000/- each	22-Dec-27	7.8000%	-	1730.91
5000 NCD's of ₹ 1000000/- each	22-Dec-27	7.8000%	-	499.77
25000 NCD's of ₹ 1000000/- each	23-Nov-27	7.7500%	-	2502.37
5300 NCD's of ₹ 1000000/- each	23-Nov-27	7.7500%	-	530.00
5000 NCD's of ₹ 1000000/- each	14-Jul-27	7.5600%	-	500.00
15000 NCD's of ₹ 1000000/- each	23-Jun-27	7.9000%	-	1503.85
10000 NCD's of ₹ 1000000/- each	23-Jun-27	7.9000%	-	999.67
7000 NCD's of ₹ 1000000/- each	17-May-27	7.8600%	-	700.00
50500 NCD's of ₹ 100000/- each	11-May-27	7.8350%	-	1188.11
119000 NCD's of ₹ 100000/- each	11-May-27	7.8350%	-	504.60

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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(₹ in crore)

Particulars	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2024
100500 NCD's of ₹ 100000/- each	11-May-27	7.8350%	-	1004.44
6000 NCD's of ₹ 1000000/- each	26-Mar-27	7.9500%	-	600.00
3000 NCD's of ₹ 1000000/- each	15-Feb-27	6.6500%	-	300.23
5000 NCD's of ₹ 1000000/- each	15-Feb-27	6.6500%	-	499.79
10000 NCD's of ₹ 1000000/- each	16-Dec-26	7.1600%	-	1000.00
17800 NCD's of ₹ 1000000/- each	30-Nov-26	6.4000%	-	1714.18
10000 NCD's of ₹ 1000000/- each	30-Nov-26	6.4000%	-	999.63
10000 NCD's of ₹ 1000000/- each	23-Oct-26	7.4800%	-	1000.00
5000 NCD's of ₹ 1000000/- each	25-Sep-26	7.8300%	-	500.00
15000 NCD's of ₹ 1000000/- each	3-Sep-26	6.1700%	-	1499.54
2000 NCD's of ₹ 1000000/- each	18-Aug-26	7.9000%	-	200.00
4724 NCD's of ₹ 1000000/- each	10-Jul-26	8.4300%	-	472.40
5000 NCD's of ₹ 1000000/- each	29-Jun-26	8.4800%	-	500.00
3488 NCD's of ₹ 1000000/- each	29-Jun-26	8.4800%	-	348.80
3570 NCD's of ₹ 1000000/- each	15-Jun-26	8.4700%	-	357.00
4950 NCD's of ₹ 1000000/- each	10-Jun-26	8.4700%	-	495.00
5100 NCD's of ₹ 1000000/- each	22-May-26	8.4500%	-	510.00
5000 NCD's of ₹ 1000000/- each	19-May-26	6.0100%	-	483.30
5500 NCD's of ₹ 1000000/- each	19-May-26	6.0100%	-	549.87
3000 NCD's of ₹ 1000000/- each	27-Apr-26	8.3200%	-	300.00
4500 NCD's of ₹ 1000000/- each	25-Mar-26	8.1432%	-	449.85
3030 NCD's of ₹ 1000000/- each	25-Mar-26	8.1432%	-	302.94
10000 NCD's of ₹ 1000000/- each	3-Mar-26	8.5700%	-	1000.00
5000 NCD's of ₹ 1000000/- each	26-Feb-26	8.5300%	-	500.00
5000 NCD's of ₹ 1000000/- each	12-Feb-26	7.7200%	-	570.58
5710 NCD's of ₹ 1000000/- each	12-Feb-26	7.7200%	-	499.75
11755 NCD's of ₹ 1000000/- each	12-Feb-26	7.7200%	-	1174.83
7500 NCD's of ₹ 1000000/- each	28-Jan-26	8.4200%	-	750.00
7500 NCD's of ₹ 1000000/- each	28-Jan-26	8.4300%	-	750.00
10000 NCD's of ₹ 1000000/- each	14-Jan-26	7.8200%	-	999.98
8000 NCD's of ₹ 1000000/- each	14-Jan-26	7.8200%	-	799.75
15224 NCD's of ₹ 1000000/- each	24-Dec-25	8.7000%	-	1522.40
10000 NCD's of ₹ 1000000/- each	12-Dec-25	8.4000%	-	1000.00
10000 NCD's of ₹ 1000000/- each	28-Nov-25	7.8200%	-	850.86
8550 NCD's of ₹ 1000000/- each	28-Nov-25	7.8200%	-	1002.37
6500 NCD's of ₹ 1000000/- each	28-Nov-25	7.8200%	-	624.77
10000 NCD's of ₹ 1000000/- each	13-Nov-25	8.2000%	-	1000.00
3810 NCD's of ₹ 1000000/- each	23-Oct-25	8.2500%	-	381.00
2100 NCD's of ₹ 1000000/- each	8-Oct-25	8.3400%	-	210.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2024
9900 NCD's of ₹ 1000000/- each	11-Sep-25	5.7760%	-	989.17
5000 NCD's of ₹ 1000000/- each	11-Sep-25	5.7760%	-	499.84
3000 NCD's of ₹ 1000000/- each	29-Aug-25	8.5000%	-	300.00
2000 NCD's of ₹ 1000000/- each	29-Aug-25	8.4800%	-	200.00
15000 NCD's of ₹ 1000000/- each	18-Aug-25	7.3800%	-	1499.74
5000 NCD's of ₹ 1000000/- each	14-Aug-25	8.5500%	-	500.00
3000 NCD's of ₹ 1000000/- each	1-Aug-25	8.5800%	-	300.00
25000 NCD's of ₹ 1000000/- each	30-Jul-25	7.6100%	-	2501.52
5000 NCD's of ₹ 1000000/- each	30-Jul-25	7.6100%	-	499.87
1950 NCD's of ₹ 1000000/- each	18-Jul-25	8.5700%	-	195.00
17840 NCD's of ₹ 1000000/- each	20-Jun-25	6.2500%	-	1753.02
11000 NCD's of ₹ 1000000/- each	20-Jun-25	6.2500%	-	1099.76
2050 NCD's of ₹ 1000000/- each	4-Jun-25	8.5000%	-	205.00
10000 NCD's of ₹ 1000000/- each	29-May-25	8.5500%	-	1000.00
11200 NCD's of ₹ 1000000/- each	20-May-25	5.6937%	-	1125.95
5500 NCD's of ₹ 1000000/- each	20-May-25	5.6937%	-	549.87
10000 NCD's of ₹ 1000000/- each	31-Mar-25	8.2200%	-	1000.00
24000 NCD's of ₹ 1000000/- each	12-Mar-25	5.9943%	-	2399.60
4250 NCD's of ₹ 1000000/- each	3-Mar-25	8.5200%	-	425.00
6000 NCD's of ₹ 1000000/- each	24-Feb-25	8.5000%	-	600.00
3250 NCD's of ₹ 1000000/- each	12-Feb-25	7.3300%	-	328.85
15100 NCD's of ₹ 1000000/- each	12-Feb-25	7.3300%	-	1509.69
100 NCD's of ₹ 1000000/- each	30-Jan-25	8.4000%	-	10.00
11000 NCD's of ₹ 1000000/- each	24-Jan-25	6.4000%	-	1100.10
14250 NCD's of ₹ 1000000/- each	24-Jan-25	6.4000%	-	1424.62
10000 NCD's of ₹ 1000000/- each	8-Jan-25	8.6100%	-	1000.00
25950 NCD's of ₹ 1000000/- each	20-Dec-24	5.5315%	-	2594.51
10750 NCD's of ₹ 1000000/- each	25-Nov-24	6.1900%	-	1075.06
5000 NCD's of ₹ 1000000/- each	25-Nov-24	6.1900%	-	499.89
27000 NCD's of ₹ 1000000/- each	18-Oct-24	7.7900%	-	2699.73
5000 NCD's of ₹ 1000000/- each	16-Oct-24	9.2200%	-	500.00
6500 NCD's of ₹ 1000000/- each	30-Sep-24	9.2400%	-	650.00
12500 NCD's of ₹ 1000000/- each	6-Sep-24	7.4000%	-	1000.00
10000 NCD's of ₹ 1000000/- each	6-Sep-24	7.4000%	-	1257.91
7700 NCD's of ₹ 1000000/- each	29-Aug-24	7.7800%	-	770.00
5000 NCD's of ₹ 1000000/- each	25-Aug-24	9.4700%	-	500.00
10000 NCD's of ₹ 1000000/- each	25-Aug-24	9.3900%	-	1000.00
3100 NCD's of ₹ 1000000/- each	23-Jul-24	7.7500%	-	310.49
14550 NCD's of ₹ 1000000/- each	23-Jul-24	7.7500%	-	1454.86

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2024
6050 NCD's of ₹ 1000000/- each	5-Jul-24	9.2900%	-	605.00
5250 NCD's of ₹ 1000000/- each	14-Jun-24	5.7500%	-	525.01
10300 NCD's of ₹ 1000000/- each	14-Jun-24	5.7500%	-	1029.92
16740 NCD's of ₹ 1000000/- each	31-May-24	8.3300%	-	1674.00
5550 NCD's of ₹ 1000000/- each	15-May-24	5.3800%	-	554.98
2500 NCD's of ₹ 1000000/- each	8-May-24	7.9000%	-	250.00
TOTAL				**131,402.70**

* Reissue premium (₹ 174.92 crore)/ discount (₹ 272.72 crore).

Transactions amounting to ₹ 9550 crore are with related party

The Details of Non Convertible Redeemable Debentures (NCD) are as under:-

(₹ in crore)

Particulars	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2023
3000 NCD's of ₹ 1000000/- each	23-Mar-33	8.0250%	-	300.16
10550 NCD's of ₹ 1000000/- each	23-Mar-33	8.0250%	-	1054.38
11500 NCD's of ₹ 1000000/- each	21-Feb-33	7.9500%	-	1149.39
3000 NCD's of ₹ 1000000/- each	18-Nov-32	7.8200%	-	299.85
15000 NCD's of ₹ 1000000/- each	18-Nov-32	7.8200%	-	1499.09
20000 NCD's of ₹ 1000000/- each	18-Aug-32	7.8500%	-	2000.49
15000 NCD's of ₹ 1000000/- each	18-Aug-32	7.8500%	-	1499.08
12750 NCD's of ₹ 1000000/- each	23-Mar-32	7.1800%	-	1274.87
13500 NCD's of ₹ 1000000/- each	28-Nov-31	7.1300%	-	250.58
6570 NCD's of ₹ 1000000/- each	28-Nov-31	7.1300%	-	651.91
2500 NCD's of ₹ 1000000/- each	28-Nov-31	7.1300%	-	1278.22
7500 NCD's of ₹ 1000000/- each	28-Nov-31	7.1300%	-	749.41
9750 NCD's of ₹ 1000000/- each	24-Sep-31	6.9500%	-	974.42
11200 NCD's of ₹ 1000000/- each	28-Jan-30	7.9700%	-	1119.57
25000 NCD's of ₹ 1000000/- each	12-Jul-29	7.9900%	-	2500.00
34000 NCD's of ₹ 1000000/- each	23-Mar-29	8.7000%	-	3400.00
13650 NCD's of ₹ 1000000/- each	25-Jan-29	8.8000%	-	1365.00
16060 NCD's of ₹ 1000000/- each	8-Dec-28	8.7500%	-	1606.00
2749 NCD's of ₹ 1000000/- each	17-Nov-28	8.9700%	-	274.90
9120 NCD's of ₹ 1000000/- each	10-Oct-28	9.0800%	-	912.00
6305 NCD's of ₹ 1000000/- each	24-Sep-28	9.1000%	-	630.50
4200 NCD's of ₹ 1000000/- each	4-Jun-28	6.6800%	-	416.28
3200 NCD's of ₹ 1000000/- each	4-Jun-28	6.6800%	-	319.82
20110 NCD's of ₹ 1000000/- each	29-Jan-28	7.9500%	-	1993.22
14770 NCD's of ₹ 1000000/- each	29-Jan-28	7.9500%	-	1477.00
5000 NCD's of ₹ 1000000/- each	22-Dec-27	7.8000%	-	499.71

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2023
25000 NCD's of ₹ 1000000/- each	23-Nov-27	7.7500%	-	2502.67
5300 NCD's of ₹ 1000000/- each	23-Nov-27	7.7500%	-	530.00
5000 NCD's of ₹ 1000000/- each	14-Jul-27	7.5600%	-	500.00
15000 NCD's of ₹ 1000000/- each	23-Jun-27	7.9000%	-	1504.60
10000 NCD's of ₹ 1000000/- each	23-Jun-27	7.9000%	-	999.44
7000 NCD's of ₹ 1000000/- each	17-May-27	7.8600%	-	700.00
6000 NCD's of ₹ 1000000/- each	26-Mar-27	7.9500%	-	600.00
3000 NCD's of ₹ 1000000/- each	15-Feb-27	6.6500%	-	300.31
5000 NCD's of ₹ 1000000/- each	15-Feb-27	6.6500%	-	499.74
10000 NCD's of ₹ 1000000/- each	16-Dec-26	7.1600%	-	1000.00
10000 NCD's of ₹ 1000000/- each	30-Nov-26	6.4000%	-	999.50
10000 NCD's of ₹ 1000000/- each	23-Oct-26	7.4800%	-	1000.00
5000 NCD's of ₹ 1000000/- each	25-Sep-26	7.8300%	-	500.00
15000 NCD's of ₹ 1000000/- each	3-Sep-26	6.1700%	-	1499.27
2000 NCD's of ₹ 1000000/- each	18-Aug-26	7.9000%	-	200.00
4724 NCD's of ₹ 1000000/- each	10-Jul-26	8.4300%	-	472.40
5000 NCD's of ₹ 1000000/- each	29-Jun-26	8.4800%	-	500.00
3488 NCD's of ₹ 1000000/- each	29-Jun-26	8.4800%	-	348.80
3570 NCD's of ₹ 1000000/- each	15-Jun-26	8.4700%	-	357.00
4950 NCD's of ₹ 1000000/- each	10-Jun-26	8.4700%	-	495.00
5100 NCD's of ₹ 1000000/- each	22-May-26	8.4500%	-	510.00
5500 NCD's of ₹ 1000000/- each	19-May-26	6.0100%	-	549.74
3000 NCD's of ₹ 1000000/- each	27-Apr-26	8.3200%	-	300.00
4500 NCD's of ₹ 1000000/- each	25-Mar-26	8.1432%	-	449.67
3030 NCD's of ₹ 1000000/- each	25-Mar-26	8.1432%	-	302.85
10000 NCD's of ₹ 1000000/- each	3-Mar-26	8.5700%	-	1000.00
5000 NCD's of ₹ 1000000/- each	26-Feb-26	8.5300%	-	500.00
5000 NCD's of ₹ 1000000/- each	12-Feb-26	7.7200%	-	570.41
5710 NCD's of ₹ 1000000/- each	12-Feb-26	7.7200%	-	499.67
11755 NCD's of ₹ 1000000/- each	12-Feb-26	7.7200%	-	1174.58
7500 NCD's of ₹ 1000000/- each	28-Jan-26	8.4200%	-	750.00
7500 NCD's of ₹ 1000000/- each	28-Jan-26	8.4300%	-	750.00
8000 NCD's of ₹ 1000000/- each	14-Jan-26	7.8200%	-	799.78
15224 NCD's of ₹ 1000000/- each	24-Dec-25	8.7000%	-	1522.40
10000 NCD's of ₹ 1000000/- each	12-Dec-25	8.4000%	-	1000.00
8550 NCD's of ₹ 1000000/- each	28-Nov-25	7.8200%	-	848.36
6500 NCD's of ₹ 1000000/- each	28-Nov-25	7.8200%	-	624.75
10000 NCD's of ₹ 1000000/- each	13-Nov-25	8.2000%	-	1000.00
3810 NCD's of ₹ 1000000/- each	23-Oct-25	8.2500%	-	381.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2023
2100 NCD's of ₹ 1000000/- each	8-Oct-25	8.3400%	-	210.00
9900 NCD's of ₹ 1000000/- each	11-Sep-25	5.7760%	-	988.59
5000 NCD's of ₹ 1000000/- each	11-Sep-25	5.7760%	-	499.72
3000 NCD's of ₹ 1000000/- each	29-Aug-25	8.5000%	-	300.00
2000 NCD's of ₹ 1000000/- each	29-Aug-25	8.4800%	-	200.00
15000 NCD's of ₹ 1000000/- each	18-Aug-25	7.3800%	-	1499.47
5000 NCD's of ₹ 1000000/- each	14-Aug-25	8.5500%	-	500.00
3000 NCD's of ₹ 1000000/- each	1-Aug-25	8.5800%	-	300.00
25000 NCD's of ₹ 1000000/- each	30-Jul-25	7.6100%	-	2502.37
5000 NCD's of ₹ 1000000/- each	30-Jul-25	7.6100%	-	499.74
1950 NCD's of ₹ 1000000/- each	18-Jul-25	8.5700%	-	195.00
11000 NCD's of ₹ 1000000/- each	20-Jun-25	6.2500%	-	1099.46
2050 NCD's of ₹ 1000000/- each	4-Jun-25	8.5000%	-	205.00
10000 NCD's of ₹ 1000000/- each	29-May-25	8.5500%	-	1000.00
11200 NCD's of ₹ 1000000/- each	20-May-25	5.6937%	-	1122.06
5500 NCD's of ₹ 1000000/- each	20-May-25	5.6937%	-	549.70
10000 NCD's of ₹ 1000000/- each	31-Mar-25	8.2200%	-	1000.00
24000 NCD's of ₹ 1000000/- each	12-Mar-25	5.9943%	-	2398.83
4250 NCD's of ₹ 1000000/- each	3-Mar-25	8.5200%	-	425.00
6000 NCD's of ₹ 1000000/- each	24-Feb-25	8.5000%	-	600.00
3250 NCD's of ₹ 1000000/- each	12-Feb-25	7.3300%	-	333.15
15100 NCD's of ₹ 1000000/- each	12-Feb-25	7.3300%	-	1509.60
100 NCD's of ₹ 1000000/- each	30-Jan-25	8.4000%	-	10.00
11000 NCD's of ₹ 1000000/- each	24-Jan-25	6.4000%	-	1100.42
14250 NCD's of ₹ 1000000/- each	24-Jan-25	6.4000%	-	1424.39
10000 NCD's of ₹ 1000000/- each	8-Jan-25	8.6100%	-	1000.00
25950 NCD's of ₹ 1000000/- each	20-Dec-24	5.5315%	-	2594.12
10750 NCD's of ₹ 1000000/- each	25-Nov-24	6.1900%	-	1075.26
5000 NCD's of ₹ 1000000/- each	25-Nov-24	6.1900%	-	499.79
27000 NCD's of ₹ 1000000/- each	18-Oct-24	7.7900%	-	2699.57
5000 NCD's of ₹ 1000000/- each	16-Oct-24	9.2200%	-	500.00
6500 NCD's of ₹ 1000000/- each	30-Sep-24	9.2400%	-	650.00
12500 NCD's of ₹ 1000000/- each	6-Sep-24	7.4000%	-	1000.00
10000 NCD's of ₹ 1000000/- each	6-Sep-24	7.4000%	-	1275.89
7700 NCD's of ₹ 1000000/- each	29-Aug-24	7.7800%	-	770.00
5000 NCD's of ₹ 1000000/- each	25-Aug-24	9.4700%	-	500.00
10000 NCD's of ₹ 1000000/- each	25-Aug-24	9.3900%	-	1000.00
3100 NCD's of ₹ 1000000/- each	23-Jul-24	7.7500%	-	312.02
14550 NCD's of ₹ 1000000/- each	23-Jul-24	7.7500%	-	1454.51

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2023
6050 NCD's of ₹ 1000000/- each	5-Jul-24	9.2900%	-	605.00
5250 NCD's of ₹ 1000000/- each	14-Jun-24	5.7500%	-	525.08
10300 NCD's of ₹ 1000000/- each	14-Jun-24	5.7500%	-	1029.58
16740 NCD's of ₹ 1000000/- each	31-May-24	8.3300%	-	1674.00
5550 NCD's of ₹ 1000000/- each	15-May-24	5.3800%	-	554.86
2500 NCD's of ₹ 1000000/- each	8-May-24	7.9000%	-	250.00
10000 NCD's of ₹ 1000000/- each	19-Mar-24	9.8000%	-	1000.00
3150 NCD's of ₹ 1000000/- each	5-Mar-24	8.7900%	-	315.00
15000 NCD's of ₹ 1000000/- each	5-Mar-24	8.7900%	-	1499.67
8000 NCD's of ₹ 1000000/- each	22-Feb-24	5.7200%	-	499.52
6000 NCD's of ₹ 1000000/- each	22-Feb-24	5.7200%	-	599.72
8000 NCD's of ₹ 1000000/- each	22-Feb-24	5.7200%	-	790.71
5000 NCD's of ₹ 1000000/- each	22-Feb-24	5.7200%	-	799.90
1373 NCD's of ₹ 1000000/- each	8-Feb-24	8.5800%	-	137.30
11100 NCD's of ₹ 1000000/- each	12-Jan-24	4.9800%	-	1103.87
10000 NCD's of ₹ 1000000/- each	12-Jan-24	4.9800%	-	999.81
10000 NCD's of ₹ 1000000/- each	22-Dec-23	7.2500%	-	1000.00
7750 NCD's of ₹ 1000000/- each	8-Dec-23	8.7500%	-	775.00
9500 NCD's of ₹ 1000000/- each	30-Nov-23	5.3200%	-	949.91
20000 NCD's of ₹ 1000000/- each	23-Nov-23	6.9000%	-	1999.38
4480 NCD's of ₹ 1000000/- each	17-Oct-23	9.0800%	-	448.00
2000 NCD's of ₹ 1000000/- each	19-Sep-23	7.8600%	-	200.00
5000 NCD's of ₹ 1000000/- each	14-Sep-23	4.9600%	-	744.21
7450 NCD's of ₹ 1000000/- each	14-Sep-23	4.9600%	-	498.84
6650NCD's of ₹ 1000000/- each	14-Sep-23	4.9600%	-	664.93
12500 NCD's of ₹ 1000000/- each	25-Aug-23	5.4500%	-	1249.77
5000 NCD's of ₹ 1000000/- each	25-Aug-23	5.4500%	-	500.07
5000 NCD's of ₹ 1000000/- each	25-Aug-23	5.4500%	-	499.97
9050 NCD's of ₹ 1000000/- each	26-Jul-23	5.2300%	-	904.92
2720 NCD's of ₹ 1000000/- each	9-Jun-23	8.4800%	-	272.00
16630 NCD's of ₹ 1000000/- each	6-Jun-23	9.1900%	-	1663.00
9000 NCD's of ₹ 1000000/- each	21-May-23	8.3700%	-	900.00
5000 NCD's of ₹ 1000000/- each	11-May-23	5.9000%	-	500.03
5200 NCD's of ₹ 1000000/- each	11-May-23	5.9000%	-	519.99
5000 NCD's of ₹ 1000000/- each	25-Apr-23	8.8900%	-	500.00
5250 NCD's of ₹ 1000000/- each	9-Apr-23	9.0000%	-	525.00
TOTAL				**122,040.48**

* Reissue premium (₹ 113.94 crore)/ discount (₹ 165.87 crore).

Transactions amounting to ₹ 11550 crore are with related party

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 15.2

Secured by a negative lien on the assets of the Company (excluding the company's current and future receivables and book-debt of whatsoever nature of the Company on which a first pari-pasu floating charge by way of hypothecation to secure the borrowings of the company outstanding as on 31st March 2015 and the unavailed sanctions of the term loans, cash credit and refinance as on 31st March 2015), with a minimum asset cover of 100%. Further the Company shall be entitled to dispose of, transact or otherwise deal, in the ordinary course of business upto 5% of the Specific Assets, including by way of a securitization transaction and as may be required under any law, regulations, guidelines or rules. Subject to maintenance of Asset Cover, as may be applicable and in the normal course of business, the Company may without the consent/approval of the Trustee/Debenture Holder(s)/Beneficial Owner(s)/creditors be entitled to make further issue(s) of Debentures, raise further loans and advances and/or avail further deferred payment guarantees or other financial facilities from time to time from any persons/bank/financial institution/body corporate/ any other agency.

Secured by way of Negative Lien on the Assets, to the extent of Asset Cover, without any encumbrance in favour of the Debenture Trustee except to the extent of the charge created in favour of its depositors of the Company pursuant to the regulatory requirement under Section 29B of the NHB Act.

However, the Company shall, from time to time, be entitled to create any charge, mortgage, pledge, security interest, encumber or create lien on its Assets, subject to maintenance of Asset Cover, except to the extent of charge created in favour of its depositors pursuant to the regulatory requirement under Section 29B of the NHB Act or as may be required under any law, regulation, guidelines or rules.

The details of Zero Coupon Debentures are as under:

(₹ in crore)

Particulars	Date of Redemption	Earliest Put/ Call Option date	As at March 31, 2024
6750 ZCD's of ₹ 1000000/- each*	25-Apr-25	-	674.67
7250 ZCD's of ₹ 1000000/- each*	25-Apr-25	-	731.25
TOTAL			**1,405.92**

Note - Reissue premium (₹ 6.52 crore)

* Maturity Value of ₹ 13,05,675/- per Debenture including premium.

The details of Zero Coupon Debentures are as under:

(₹ in crore)

Particulars	Date of Redemption	Earliest Put/ Call Option date	As at March 31, 2023
6750 ZCD's of ₹ 1000000/- each*	25-Apr-25	-	674.67
7250 ZCD's of ₹ 1000000/- each*	25-Apr-25	-	731.25
TOTAL			**1,405.92**

Note - Reissue premium (₹ 6.52 crore)

* Maturity Value of ₹ 13,05,675/- per Debenture including premium.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 15.3
The details of Commercial Papers are as under:

(₹ in crore)

Particulars	Date of Maturity	Discounting Rate	As at March 31, 2024
20000 Units of ₹ 500000 each	21-Mar-25	7.77%	930.01
30000 Units of ₹ 500000 each	18-Mar-25	7.85%	1394.75
26500 Units of ₹ 500000 each	4-Mar-25	7.85%	1235.88
32000 Units of ₹ 500000 each	21-Feb-25	7.85%	1495.79
10000 Units of ₹ 500000 each	13-Jan-25	7.85%	470.93
11500 Units of ₹ 500000 each	13-Jan-25	7.94%	541.69
18500 Units of ₹ 500000 each	17-Dec-24	7.93%	876.54
22000 Units of ₹ 500000 each	12-Jul-24	7.46%	1078.55
12000 Units of ₹ 500000 each	27-Jun-24	7.70%	589.22
7000 Units of ₹ 500000 each	21-Jun-24	7.80%	344.15
7700 Units of ₹ 500000 each	21-Jun-24	7.80%	378.59
9000 Units of ₹ 500000 each	20-Jun-24	7.44%	443.07
35000 Units of ₹ 500000 each	28-May-24	7.77%	1729.10
7000 Units of ₹ 500000 each	24-Apr-24	7.66%	348.43
TOTAL			**11,856.70**

(₹ in crore)

Particulars	Date of Maturity	Discounting Rate	As at March 31, 2023
26000 Units of ₹ 500000 each	1-Mar-24	8.08%	1210.72
20000 Units of ₹ 500000 each	6-Feb-24	7.88%	937.71
10000 Units of ₹ 500000 each	24-Jan-24	7.88%	469.76
22000 Units of ₹ 500000 each	18-Jan-24	7.90%	1035.51
15000 Units of ₹ 500000 each	21-Dec-23	7.85%	710.48
21000 Units of ₹ 500000 each	12-Dec-23	7.85%	996.46
18500 Units of ₹ 500000 each	20-Oct-23	7.93%	886.21
20200 Units of ₹ 500000 each	12-Oct-23	7.75%	971.35
20500 Units of ₹ 500000 each	11-Aug-23	6.90%	1000.94
16500 Units of ₹ 500000 each	31-Jul-23	7.94%	803.97
19500 Units of ₹ 500000 each	20-Jul-23	7.94%	952.35
8500 Units of ₹ 500000 each	12-Jul-23	7.61%	416.33
10500 Units of ₹ 500000 each	20-Jun-23	6.63%	517.82
13000 Units of ₹ 500000 each	31-May-23	7.55%	642.22
15500 Units of ₹ 500000 each	15-May-23	7.55%	768.17
17500 Units of ₹ 500000 each	28-Apr-23	7.34%	870.32
6500 Units of ₹ 500000 each	28-Apr-23	7.30%	323.27
TOTAL			**13,513.59**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 16 BORROWINGS (OTHER THAN DEBT SECURITIES) - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
SECURED (Refer Note 16.1)		
(a) Term Loans		
(i) from Banks (Rupee Term Loans) **	71,061.11	62,133.07
(ii) National Housing Bank (Refinance) **	8,864.47	11,303.18
(b) Loans repayable on demand from Banks (Rupee Term Loans) **	16,211.00	20,956.00
Total (A) Borrowings in India	**96,136.58**	**94,392.25**
UNSECURED:		
(a) Term Loans		
(i) from Banks (ECB)	-	-
Total (B) Borrowings outside India	**-**	**-**
Total Borrowings (A) + (B)	**96,136.58**	**94,392.25**

NOTE 16.1

Secured by a negative lien on the assets of the Company (excluding the company's current and future receivables and book-debt of whatsoever nature of the Company on which a first pari-pasu floating charge by way of hypothecation to secure the borrowings of the company outstanding as on 31st March 2015 and the unavailed sanctions of the term loans, cash credit and refinance as on 31st March 2015), with a minimum asset cover of 100%. Further the Company shall be entitled to dispose of, transact or otherwise deal, in the ordinary course of business upto 5% of the Specific Assets, including by way of a securitization transaction and as may be required under any law, regulations, guidelines or rules. Subject to maintenance of Asset Cover, as may be applicable and in the normal course of business, the Company may without the consent/approval of the Trustee/Debenture Holder(s)/Beneficial Owner(s)/creditors be entitled to make further issue(s) of Debentures, raise further loans and advances and/or avail further deferred payment guarantees or other financial facilities from time to time from any persons/bank/financial institution/body corporate/any other agency.

Secured by way of Negative Lien on the Assets, to the extent of Asset Cover, without any encumbrance in favour of the Debenture Trustee except to the extent of the charge created in favour of its depositors of the Company pursuant to the regulatory requirement under Section 29B of the NHB Act.

However, the Company shall, from time to time, be entitled to create any charge, mortgage, pledge, security interest, encumber or create lien on its Assets, subject to maintenance of Asset Cover, except to the extent of charge created in favour of its depositors pursuant to the regulatory requirement under Section 29B of the NHB Act or as may be required under any law, regulation, guidelines or rules.

**** Maturity Profile of Term Loans and National Housing Bank (Refinance)**

(₹ in crore)

Particulars	As at March 31, 2024		
	Term Loans Banks (ROI 7.25% - 8.48%)	National Housing Bank (Refinance) (ROI 2.80% - 8.18%)	Total
Within 12 months	34,310.61	1,778.98	36,089.59
Over 1 year to 3 years	35,686.35	3,253.41	38,939.76
Over 3 to 5 years	13,796.64	2,294.20	16,090.84
Over 5 to 7 years	3,478.51	1,072.91	4,551.42
Over 7 Years	-	464.97	464.97
Total	**87,272.11**	**8,864.47**	**96,136.58**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	As at March 31, 2023		
	Term Loans Banks	National Housing Bank (Refinance)	Total
	(ROI 7.10% - 8.86%)	(ROI 2.80% - 8.18%)	
Within 12 months	37,369.39	2,246.20	39,615.59
Over 1 year to 3 years	28,434.38	3,887.56	32,321.94
Over 3 to 5 years	15,185.35	2,771.79	17,957.14
Over 5 to 7 years	2,099.95	1,810.08	3,910.03
Over 7 Years	-	587.55	587.55
Total	**83,089.07**	**11,303.18**	**94,392.25**

NOTE 17 DEPOSITS - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
UNSECURED:		
(i) Public Deposits	3,949.81	3,505.27
(ii) Corporate Deposits	5,948.75	8,120.94
TOTAL	**9,898.56**	**11,626.21**

The Company has designated liquid assets for the purpose of maintaining Statutory Liquid Ratio and Floating Charge on Fixed Deposits with banks has been created in favour of the Trustees for Depositors.

NOTE 18 SUBORDINATED LIABILITIES - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
UNSECURED:		
(i) Subordinated Bonds	1,796.33	1,795.77
Total (A)	**1,796.33**	**1,795.77**
Subordinated Liabilities in India	1,796.33	1,795.77
Subordinated Liabilities outside India	-	-
TOTAL (B)	**1,796.33**	**1,795.77**

The details of Subordinated Bonds are as under:

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2024
3000 Bonds of ₹ 1,000,000 each	19-Mar-31	7.70%	-	303.43
5000 Bonds of ₹ 1,000,000 each	19-Mar-31	7.70%	-	499.03
10000 Bonds of ₹ 1,000,000 each	21-Dec-30	7.05%	-	993.87
Total				**1,796.33**

Note:- Reissue premium (₹ 4.41 crore)

These Bonds are subordinated to present and future senior indebtedness of the Company and qualify as Tier II capital under National Housing Bank (NHB) guidelines for assessing capital adequacy. Based on the balance term to maturity as at March 31,

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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2024, 100% (FY 2022-23 - 100 %) of the book value of the subordinated debt is considered as Tier II capital for the purpose of capital adequacy computation.

The details of Subordinated Bonds are as under:

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option date	As at March 31, 2023
3000 Bonds of ₹ 1,000,000 each	19-Mar-31	7.70%	-	303.73
5000 Bonds of ₹ 1,000,000 each	19-Mar-31	7.70%	-	498.85
10000 Bonds of ₹ 1,000,000 each	21-Dec-30	7.05%	-	993.19
Total				**1,795.77**

Note:- Reissue premium (₹ 4.41 crore)

These Bonds are subordinated to present and future senior indebtedness of the Company and qualify as Tier II capital under National Housing Bank (NHB) guidelines for assessing capital adequacy. Based on the balance term to maturity as at March 31, 2023, 100% (FY 2021-22 - 100 %) of the book value of the subordinated debt is considered as Tier II capital for the purpose of capital adequacy computation.

The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the at the balance sheet date.

All the quarterly returns or statements of current assets filed by the company with banks or Financial institutions are in agreement with the books of accounts.

NOTE 19 OTHER FINANCIAL LIABILITIES

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Interest accrued		
- Non-Convertible Debentures	4,207.60	3,693.74
- Zero Coupon Debentures	196.57	107.16
- Term Loan	114.69	97.83
- Subordinated Bonds	21.90	21.70
- Deposits	503.24	653.16
(ii) Unclaimed Dividends *	10.26	9.52
(iii) Unpaid Matured Deposits	87.54	60.25
(iv) Book Overdraft [Refer Note 42]	428.60	627.94
(v) Pre-received Interest Liability on NCD Reissuance	175.31	56.59
(vi) Miscellaneous Liabilities	566.22	267.71
TOTAL	**6,311.93**	**5,595.60**

* As required under Section 125 of the Companies Act 2013, the Company has transferred ₹ 1.20 crore (FY 2022-23 ₹ 1.30 crore) to the Investor Education and Protection Fund (IEPF) during the year.

NOTE 20 CURRENT TAX LAIBILITIES (NET)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Provision under Income Tax	-	5.99
TOTAL	**-**	**5.99**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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NOTE 21 PROVISIONS

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Provision for Employee Benefits	334.13	205.46
TOTAL	**334.13**	**205.46**

NOTE 22 OTHER NON-FINANCIAL LIABILITIES

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Outstanding Expenses	188.92	133.67
(ii) Statutory Dues	115.48	63.54
(iii) Earnest Money Deposit	61.45	2.42
(iv) Others	66.00	316.40
TOTAL	**431.85**	**516.03**

NOTE 23 SHARE CAPITAL

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
AUTHORISED		
750,000,000 Equity Shares of ₹ 2/- each (Previous year 750,000,000 Equity Shares of ₹ 2/- each)	**150.00**	**150.00**
ISSUED, SUBSCRIBED AND PAID-UP		
550,063,000 Equity Shares of ₹ 2/- each (Previous Year 550,063,000 Equity Shares of ₹ 2/- each) fully paid up	110.01	110.01
Add: Forfeited shares as per Note. 23(d) below	0.06	0.06
	110.08	**110.08**

Note. 23 (a) : Reconciliation of number of shares outstanding and amount of Share Capital at the beginning and at the end of the reporting period

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	**(₹ in crore)**	**No. of Shares**	**(₹ in crore)**
Equity Shares outstanding as at the beginning of the year	550,063,000	110.01	550,063,000	110.01
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Equity Shares outstanding as at the end of the year	**550,063,000**	**110.01**	**550,063,000**	**110.01**

Note. 23 (b) : Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion to their shareholdings.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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Note. 23 (C) : Details of Shareholders holding more than 5% share in the company are given below

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Life Insurance Corporation of India	248,842,495	45.24	248,842,495	45.24

Note. 23 (d) : Forfeited Shares

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Amount received on forfeited shares	0.06	0.06
	0.06	**0.06**

Note. 23 (e): Shaeholding of Promoters

Shares held by the Promoter at the end of the year	As at March 31, 2024		
	No. of Shares held	% of Holding	% Change during the year
Life Insurance Corporation of India	248,842,495	45.24	-

Shares held by the Promoter at the end of the year	As at March 31, 2023		
	No. of Shares held	% of Holding	% Change during the year
Life Insurance Corporation of India	248,842,495	45.24	-

NOTE 24 OTHER EQUITY

(₹ in crore)

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	**Capital Reserve**		
	As per last Balance Sheet	0.48	0.48
(ii)	**Securities Premium Account**		
	As per last Balance Sheet	4,031.72	4,031.72
(iii)	**Cash Flow Hedge Reserve**		
	Opening Balance	-	-
	Add: Gain on ECB Cross Currency Swap	-	(79.17)
	Less : Loss due to Exchange Rate Fluctuation on ECB	-	(79.17)
	Closing Balance	**-**	**-**
(iv)	**Special Reserve - I**		
	In terms of Section 36(1)(viii) of Income-Tax, 1961 and Section 29C of National Housing Bank (NHB) Act,1987 (Upto FY 1996-97)		
	As per last Balance Sheet	**38.98**	**38.98**
(v)	**Other Statutory Reserves including Special Reserve- II**		

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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	Balance at the beginning of the year		
	(i) Statutory Reserve u/s 29C of the NHB Act, 1987	0.19	0.18
	(ii) Amount of Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account for purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	8,529.30	7,544.31
	Total	**8,529.49**	**7,544.49**
	Addition / Appropriation / Withdrawal during the year		
	Add :		
	(i) Amount transferred u/s 29C of the NHB Act, 1987	0.01	0.01
	(ii) Amount of Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account for purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	1,309.99	984.99
	Less :		
	(i) Amount appropriated from Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
	(ii) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account which has been taken into account for purpose of provision u/s 29C of the NHB Act, 1987	-	-
	Balance at the end of the year		
	(i) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	0.20	0.19
	(ii) Amount of Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account for purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	9,839.29	8,529.30
	Total	**9,839.49**	**8,529.49**
(vi)	**General Reserve**		
	Opening Balance	8,732.97	7,882.97
	Add: Transferred during the year	1,000.00	850.00
	Closing Balance	**9,732.97**	**8,732.97**
(vii)	**Impairment Reserve**		
	Opening Balance	297.50	297.50
	Add: Transferred during the year	-	-
	Closing Balance	**297.50**	**297.50**
(viii)	**Surplus in the Statement of Profit and Loss**		
	Opening balance	5,359.12	4,765.60
	Add: Total Comprehensive Income for the year	4,761.84	2,896.06
	Less: Appropriations		
	Dividend Paid and Tax on Dividend Paid	467.55	467.55
	Transfer to General Reserve	1000.00	850.00
	Transfer to Special Reserve - II	1,309.99	984.99
	Transfer to Impairment Reserve	-	-
	Transfer to Statutory Reserve u/s 29C of the NHB Act, 1987	0.01	0.01
	Closing Balance	**7,343.41**	**5,359.12**
		31,284.55	**26,990.26**

Nature and purpose of each reserve

Securities Premium Reserve

"Securities Premium Reserve" is used to denote the Share premium received on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

Cash Flow Hedge Reserve

It represents the effective portion of cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

Special Reserve – I:

Special Reserve – I has been created over the years in terms of Section 36(1)(viii) of the Income-tax Act, 1961, out of the distributable profits of the Company. The amounts of Special Reserve account represent, the reserve created in terms of the provision of Section 36(1)(viii) read together with the proviso thereof, from time to time. Special Reserve No. I relates to the amounts transferred up to the FY 1996-97 (Assessment Year 1997-98) when the word 'created' only was used in the said section and not 'created and maintained'. Admittedly, the position has changed after the amendment made in Section 36(1)(viii) by the Finance Act 1997 with effect from Assessment year 1998-99, when the mandatory requirement of 'maintaining' the special reserve created was inserted. Accordingly, it was interpreted that the Special Reserve created up to Assessment Year 1997-98 need not be 'maintained'. As a logical corollary, it is construed that up to Assessment Year 1997-98, the amounts carried to special reserve ought to be understood as amounts created by transferring to the credit of Special Reserve from time to time.

Special Reserve – II:

Special Reserve – II has been created over the years in terms of Section 36(1)(viii) of the Income-tax Act, 1961, out of the distributable profits of the Company transferred from FY 1997-98 (Assessment Year 1998-99). In the FY 2023-24 ₹ 1,309.99 crore (FY 2022-23 ₹ 984.99 crore) has been transferred to Special Reserve No. II in terms of Section 36(1)(viii) of the Income tax Act, 1961.

Statutory Reserves under Section 29C (Regulatory Capital) of NHB:

As per Section 29C of the National Housing Bank Act, 1987 (the 'NHB Act'), the Company is required to transfer atleast 20% of its net profits every year to a reserve before any dividend is declared and no appropriation from the statutory reserves except for the purpose as may be specified by NHB from time to time and every such appropriation shall be reported to the NHB. For this purpose, any Special Reserve created by the Company under Section 36(1)(viii) of the Income tax Act, 1961 is considered to be an eligible transfer under Section 29C of the NHB Act, 1987 also. The Company has transferred a sum of ₹ 1,309.99 crore for FY 2023-24 (FY 2022-23 ₹ 984.99 crore) to Special Reserve No. II in terms of Section 36(1)(viii) of the Income tax Act, 1961 and ₹ 1.00 lakh for FY 2023-24 (FY 2022-23 ₹ 1.00 lakh) to Statutory Reserve under section 29C of the NHB Act, 1987.

General Reserve:

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013. However, since the Company utilises the deduction available to Housing Finance Companies registered with National Housing Bank as provided in Section 36(1)(viii) of the Income tax Act, 1961, wherein the proviso of the Section stipulates that the amount Carried to such reserve account from time to time exceeds twice the amount of the paid up share capital and general reserves of the Company, the rebate is restricted to the twice of the aggregate of paid up capital and the general reserve. Therefore, the Company transfers funds to General Reserve in order to avail the full benefit of Section 36(1)(viii). For the year, the Company has transferred an amount of ₹ 1,000 crore to General Reserve (FY 2022-23 ₹ 850 crore).

Impairment Reserve:

The Reserve Bank of India (RBI) issued a notification on 13 March 2020 stating that NBFCs should simultaneously maintain asset classification and compute provisions as per extant prudential norms on income recognition, asset classification and provisioning (IRACP), including borrower-/beneficiary-wise classification, provisioning for standard and restructured assets, and NPA ageing. In case where impairment allowance under Ind AS 109 is lower than the provisions required as per IRACP, the difference should be appropriated from net profit or loss after tax to a separate 'impairment reserve'. The balance in the 'impairment reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI. The requirement for 'impairment reserve' shall be reviewed, going forward.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

Retained Earnings:

Retained earnings represents the surplus in Profit and Loss Account after appropriations.

NOTE 25 INTEREST INCOME

(₹ in crore)

Particulars	On Financial Assets measured at Amortised Cost	
	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Interest on Loans	26,712.61	22,189.32
ii) Interest Income from Investments	320.69	319.88
iii) Interest on Deposits with Banks	7.57	6.91
iv) Other Interest Income (Net)	0.68	0.11
Total	**27,041.55**	**22,516.22**

NOTE 26 FEES & COMMISSION INCOME

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Fees and Commission Income	49.12	44.80
Total	**49.12**	**44.80**

NOTE 27 NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS - UNDER AMORTISED COST CATEGORY

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Gain on Derecognition of Financial Instruments	26.72	21.05
Total	**26.72**	**21.05**

NOTE 28 NET GAIN ON FAIR VALUE CHANGES

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Net gain on Derecognition of Financial Instruments measured at Fair Value through Profit & Loss Account	55.88	49.91
Total	**55.88**	**49.91**

NOTE 29 OTHERS

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Miscellaneous Income	54.95	24.97
Total	**54.95**	**24.97**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 30 OTHER INCOME

(₹ in crore)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
i)	Dividend Income from Subsidiaries	5.46	5.24
ii)	Dividend Income from Associates	0.43	0.43
iii)	Income from subleasing right-of-use assets	0.13	0.18
iv)	Net gain/(loss) on derecognition of property, plant and equipment	0.40	0.16
v)	Net gain or (loss) on foreign currency translation	-	11.24
Total		**6.42**	**17.25**

NOTE 31 FINANCE COSTS

(₹ in crore)

Particulars		On Financial Liabilities measured at Amortised Cost	
		Year Ended March 31, 2024	Year Ended March 31, 2023
i)	Interest on Deposits	775.66	1,011.59
ii)	Interest on Borrowings	6,992.91	5,565.29
iii)	Interest on Debt Securities	10,477.85	9,471.88
iv)	Interest on Subordinated Liabilities	132.86	132.42
v)	Interest on Lease Liability	11.38	4.78
Total		**18,390.66**	**16,185.96**

NOTE 32 FEES AND COMMISSION EXPENSE

(₹ in crore)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
i)	Fees and Commisssion	155.19	159.09
Total		**155.19**	**159.09**

NOTE 33 IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crore)

Particulars		On Financial Instruments measured at Amortised Cost	
		Year Ended March 31, 2024	Year Ended March 31, 2023
i)	Loans	1,622.88	1,935.87
ii)	Others	20.84	7.09
Total		**1,643.72**	**1,942.96**

The details relating to movment in Impairment on Loans (Expected Credit Loss) is disclosed in Note 36.4.2.4

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 34 EMPLOYEE BENEFITS EXPENSES

(₹ in crore)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
i)	Salaries and Wages	481.20	376.72
ii)	Contribution to Provident and Other Funds [Refer Note 47]	75.09	46.52
iii)	Staff Welfare Expenses	53.70	49.97
Total		**609.99**	**473.21**

NOTE 35 OTHER EXPENSES

(₹ in crore)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
i)	Rent, Rates and Taxes	12.52	26.91
ii)	Repairs and Maintenance - Building	2.88	2.14
iii)	Repairs and Maintenance - Others	39.03	21.50
iv)	Communication Costs	33.55	17.60
v)	Printing and Stationery	8.30	9.32
vi)	Advertisement & Publicity Expenses	33.18	43.06
vii)	Director's fees, allowances and expenses	1.87	1.55
viii)	Auditor's fees and expenses [Refer Note 43]	1.00	1.10
ix)	Legal and Professional charges	13.35	9.08
x)	Insurance Charges	0.11	0.17
xi)	Travelling and Conveyance	22.73	19.65
xii)	Competition Prizes & Conference Expenses	30.62	18.94
xiii)	Electricity Expenses	6.36	5.93
xiv)	Service Charges for Safe Custody of Documents	18.17	23.96
xv)	Contribution towards CSR activites [Refer Note 52]	64.58	63.22
xvi)	Miscellaneous Expenses	27.49	26.31
Total		**315.74**	**290.42**

Corporate Social Responsibility

(₹ in crore)

Particulars		Year Ended March 31, 2024	Year Ended March 31, 2023
(a)	Amount required to be spent by the company during the year	64.79	63.05
(b)	Amount of expenditure incurred	13.68	9.95
(c)	Shortfall at the end of the year	51.11	53.11
(d)	Total of previous years shortfall	21.64	34.94
(e)	Reason for shortfall	LIC Housing Finance Limited (LIC HFL) ensures the impactful delivery of its Corporate Social Responsibility (CSR) projects. We achieve this through a well-organized system. Funds are released	LIC Housing Finance Limited's Corporate Social Responsibility (CSR) initiatives are implemented through a systematic disbursement process that involves monitoring and verification of the efficient

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
	in tranches to partner organizations, with each instalment contingent upon verification of the efficient use of the previous amount. This ensures responsible use of resources and aligns with LIC HFL's core values. The remaining funds are released as per the approved milestones within the project's work plan are achieved, ensuring the project's successful completion and contribution to sustainable community development.	utilization of funds by the implementation partners. As a result of this tranche-based disbursement system, only part payments have been released to the implementation partners, and the remaining funds are scheduled to be released in accordance with the approved work plan. This approach ensures that the CSR projects sanctioned by LIC HFL CSR are effectively executed, contributing to the sustainable development of communities, and aligning with the organization's core values.
(f) Nature of CSR activities	The CSR activities carried out by the company during FY23-24 are: i) Promoting education including special education: (a) Contributions to public-funded Universities (b) Imparting employment enhancing vocational skills. ii) Promoting Healthcare: (a) Including preventive health care. (b) Through assisting in curative treatment (c) Through scientific research iii) Promoting sanitation and hygiene. (a) Construction of a sanitation complex in the school (b) Promotion of personal hygiene among students and rural villages. (c) Promotion of menstrual health among young girls in rural villages iv) Through vocational training and entrepreneurship development (a) Formation of Self-Help Group for marginal farmers and women (b) Introducing innovative methods of cultivation. (c) Creating market linkages. (d) Soft skill training on enterprises/ income generation v) Measures for the benefit of armed forces veterans, war widows, and dependents	The CSR activities carried out by the company during FY22-23 are: i) Promoting education including special education: (a) Contributions to public-funded Universities (b) Imparting employment enhancing vocational skills. ii) Promoting Healthcare: (a) Including preventive health care. (b) Through assisting in curative treatment (c) Through scientific research iii) Promoting sanitation and hygiene. (a) Construction of a sanitation complex in the school (b) Promotion of personal hygiene among students and rural villages. (c) Promotion of menstrual health among young girls in rural villages iv) Through vocational training and entrepreneurship development (a) Formation of Self-Help Group for marginal farmers and women (b) Introducing innovative methods of cultivation. (c) Creating market linkages. (d) Soft skill training on enterprises/ income generation v) Measures for the benefit of armed forces veterans, war widows, and dependents

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
	vi) Disaster relief (a) Providing humanitarian assistance for COVID-19 relief and management. vii) Rural development activities (a) Promoting gender equality, and empowering women. (b) reducing inequalities faced by socially and economically backward groups. viii) Ensuring environmental sustainability. (a) promoting solid waste management. (b) conservation of natural resources and maintaining the quality of soil, air, and water. (c) Promotion of renewable sources of energy ix) Contributions to public-funded Universities (a) Contribution to incubators or research & development projects in the field of science, technology, engineering, and medicine.	vi) Disaster relief (a) Providing humanitarian assistance for COVID-19 relief and management. vii) Rural development activities (a) Promoting gender equality, and empowering women. (b) reducing inequalities faced by socially and economically backward groups. viii) Ensuring environmental sustainability. (a) promoting solid waste management. (b) conservation of natural resources and maintaining the quality of soil, air, and water. (c) Promotion of renewable sources of energy ix) Contributions to public-funded Universities (a) Contribution to incubators or research & development projects in the field of science, technology, engineering, and medicine.
(g) Details of related party transactions	NA	NA
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Refer Note 52	

36. FINANCIAL INSTRUMENTS

36.1 Capital Management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements as per the directions issued by Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the guidelines issued by RBI.

The Company's objective, when managing Capital, is to safeguard the ability of the Company to continue as a going concern, maintain strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder's value.

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to maximize the shareholder's value. The capital of the Company comprises of Equity Share Capital and subordinated liabilities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The Management of the Company monitors the Regulatory capital by overviewing Debt Equity Ratio and makes use of the same for framing the business strategies. For this purpose, the Company does not consider Impairment Reserve to be part of Equity.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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The Debt Equity Ratio of the Company is calculated as below:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Debt Securities	1,44,665.32	1,36,959.99
Borrowings (Other than Debt Securities)	96,136.58	94,392.25
Deposits	9,898.56	11,626.21
Subordinated Liabilities	1,796.33	1,795.77
Interest Accrued on above	5,044.00	4,573.59
Unpaid Matured Deposit	87.54	60.25
Cash & Cash Equivalent	(1,437.49)	(619.40)
A) Total Debt	2,56,190.85	2,48,788.66
B) Total Equity-Shareholder's Funds	29,226.51	24,674.98
C) Debt Equity Ratio (A/B)	8.77	10.08

36.1.1 Regulatory Capital

For regulatory and supervisory purposes including various types of reporting as per the directions issued by Reserve Bank of India (RBI) have been considered. Accordingly, regulatory capital consists of Tier 1 capital, which comprises share capital, share premium, retained earnings including current year profit. The other component of regulatory capital is Tier 2 Capital Instruments, which includes upper tier 2 and subordinated bonds. Impairment Reserve of ₹ 297.50 crore (FY 2022- 23 ₹ 297.50 crore) has not been considered as part of Equity

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Tier 1 capital	29,226.51	24,674.97
Tier 2 capital	2,421.80	2,473.52
Total Capital	31,648.31	27,148.49
Risk weighted assets	1,52,277.56	1,48,959.91
Tier 1 capital adequacy ratio	19.19%	16.56%
Tier 2 capital adequacy ratio	1.59%	1.67%
Total capital adequacy ratio	20.78 %	18.23%
Liquidity Coverage Ratio	175 .34%	172.78%

36.2 Categories of Financial Instruments

(₹ in crore)

Particulars	As at March 31, 2024			
	Amortised cost	At Fair Value through profit or loss	At Deemed cost	Total
Financial Assets				
Cash and Cash Equivalents	1,437.49	-	-	1,437.49
Bank Balance other than above	135.14	-	-	135.14
Loans	2,80,589.79	-	-	2,80,589.79
Investments	4,576.87	1,630.55	69.61	6,277.03
Other Financial Assets	20.85	-	-	20.85
Total	**2,86,760.14**	**1,630.55**	**69.61**	**2,88,460.30**
Financial Liabilities				

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(₹ in crore)

Particulars	As at March 31, 2024			
	Amortised cost	At Fair Value through profit or loss	At Deemed cost	Total
Lease Liability	164.72	-	-	164.72
Trade Payables	70.58	-	-	70.58
Debt Securities	1,44,665.32	-	-	1,44,665.32
Borrowings (Other than Debt Securities)	96,136.58	-	-	96,136.58
Deposits	9,898.56	-	-	9,898.56
Subordinated Liabilities	1,796.33	-	-	1,796.33
Other Financial Liabilities	6311.934	-	-	6,311.93
Total	**2,59,044.02**	**-**	**-**	**2,59,044.02**

(₹ in crore)

Particulars	As at March 31, 2023			
	Amortised cost	At Fair Value through profit or loss	At Deemed cost	Total
Financial Assets				
Cash and Cash Equivalents	619.40	-	-	619.40
Bank Balance other than above	122.50	-	-	122.50
Loans	2,67,834.80	-	-	2,67,834.80
Investments	4,623.38	2,305.03	48.00	6,976.41
Other Financial Assets	18.56	-	-	18.56
Total	**2,73,218.64**	**2,305.03**	**48.00**	**2,75,571.67**
Financial Liabilities				
Lease Liability	175.41	-	-	175.41
Trade Payables	38.96	-	-	38.96
Debt Securities	1,36,959.99	-	-	1,36,959.99
Borrowings (Other than Debt Securities)	94,392.25	-	-	94,392.25
Deposits	11,626.21	-	-	11,626.21
Subordinated Liabilities	1,795.77	-	-	1,795.77
Other Financial Liabilities	5,595.60	-	-	5,595.60
Total	**2,50,584.19**	**-**	**-**	**2,50,584.19**

36.3 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The Company evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgement and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Company makes judgements on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments, and the significant valuation judgements in respect of Level 3 instruments.

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Fair Value Hierarchy

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below.

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Company recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

Level 1: Fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Fair value measurements are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable

Level 3: Fair value measurements are those where at least one input which could have a significant effect on the instrument's valuation is not based on observable market data

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

(₹ in crore)

Particulars	Category	Fair Value As at March 31, 2024	Fair Value As at March 31, 2023	Fair Value Hierarchy	Valuation Technique	Key Inputs for Level 2 & Level 3	Significant unobservable input(s) for Level 3
Mutual funds	FVTPL	1,594.05	2,242.03	Level 1	Quoted Market Price for Mutual Funds	NA	NA
Initial Settlers Contribution Under Indenture Trust	FVTPL	0.002	0.002	Level 3	Book Value	Refer Note below	Refer Note below
LICHFL Urban Development Fund	FVTPL	4 .93	8.09	Level 3	NAV as on reporting date declared by The Fund and other factors	Refer Note below	Refer Note below
LICHFL Housing And Infrastructure Fund	FVTPL	31 .56	54.91				
Non-Financial Assets							
Assets Held for Sale	FVTPL	-	238.89	Level 2	Valuation as per independent valuer	Refer Note Below	Refer Note Below

There were no transfers between Level 1, Level 2 and Level 3 during the year

Valuation Techniques

Equity instruments

Units held in funds having quoted market price are fair valued considering Level 1 inputs. Others which are measured based on their net asset value (NAV) as on reporting date, taking into account redemption and/or other restrictions. Such instruments are generally fair valued considering Level 3 inputs.

Equity instruments in non-listed entities including investment in private equity funds are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 3. However, Provision for Diminution in value of Investment has been considered for computing the fair value.

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Interest rate derivatives and Cross Currency Swaps

Interest rate derivatives include interest rate swaps. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position.

The fair value of a cross currency swap is calculated by determining the future cash flows on both legs (i.e. the receiving leg and the paying leg) and discounting these cash flows using an appropriate discount factor curve.

These contracts are generally Level 2 unless adjustments to yield curves or credit spreads are based on significant non-observable inputs, in which case, they are Level 3.

Valuation adjustments and other inputs and considerations

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 financial assets does not have a significant impact in its value.

No valuation adjustments have been made to the prices/yields provided for valuation.

Financial Instruments not measured using Fair Value, i.e. measured using Amortized Cost/Cost

The following table is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair value of non-financial assets and non-financial liabilities.

(₹ in crore)

Particulars	Carrying Value	Fair Value Hierarchy	Fair Value
As at March 31, 2024			
Financial Assets			
Government Securities	4 ,576.87	Level 1	4,449.89
Investment in subsidiaries and associates	69.61	Level 3	69.61
As at March 31, 2023			
Financial Assets			
Government Securities	4,623.38	Level 1	4,411.69
Investment in subsidiaries and associates	48.00	Level 3	48.00

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Government debt securities

Government debt securities are financial instruments issued by sovereign governments and include long term bonds with fixed rate interest payments. These instruments are generally highly liquid and traded in active markets resulting in a Level 1 classification. When active market prices are not available, the Company uses discounted cash flow models with observable market inputs of similar instruments and bond prices to estimate future index levels and extrapolating yields outside the range of active market trading, in which instances the Company classifies those securities as Level 2. The Company does not have Level 3 government securities where valuation inputs would be unobservable.

Investment in subsidiaries and associates

In the opinion of the Company, in case of subsidiaries and associates, the carrying value approximates the fair value.

During the year ended 31st March 2022, the Company had fully impaired its investment in one of its wholly owned subsidiary, LICHFL Care Homes Limited, as per IND AS 36-Impairment of Asset on prudent basis amounting to ₹ 50 crore, since the

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carrying amount of the investment exceeded its value in use. The value in use was determined based on the future cash flows of the subsidiary. The financial statement of the subsidiary is prepared on the going concern basis.

Other Financial Assets and Liabilities

With respect to Bank Balances and Cash and Cash Equivalents, Other Financial Assets, Trade Payables and Other Financial Liabilities, the carrying value approximates the fair value.

36.4 Financial Risk Management

Introduction

The Company has operations in India and representative offices in Dubai. Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement, and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and everyone within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating, regulatory and competition risks.

Risk Management Framework

The Company has a formal risk assessment program to proactively identify the risks and ensure all possible strategies to control & mitigate in pursuit of achieving the Company's objective. Every department is responsible for the identification of their risks and putting it in their Risk Registers. The consolidated Risk Register is analyzed at various Committees.

At present, the risks faced by the Company are broadly categorized as below:-

- Liquidity Risk
- Credit Risk
- Market Risk
- Interest Rate Risk
- Operational Risk
  - A. Compliance Risk
  - B. Legal Risk
  - C. Accounting Risk
  - D. People Risk
  - E. Third Party Risk
- Regulatory Risk
- Strategic Risk

Committees

In order to bring the collective knowledge in decision making, the Company has undertaken a committee approach to deal with the major risks arising in the organization. Committees, their formation, and the roles are provided below.

Top Level Committee

Risk Management Committee of Board (RMCB)

Company has a Risk Management Committee of Board in place which consists of Independent Directors and the MD & CEO of the Company.

The role of the Committee is as follows-:

- Review of Risk Management Policy
- Review of the status on the risk limits in the Risk Management Policy and Report to the Board
- Review the matters on Risk Management
- Review and monitor the risks to which the Company is exposed.
- Review of the ICAAP framework

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Internal Committee

Risk Management Committee and Operational Risk Group (RMC & ORG)

Company has an internal Risk Management Committee and Operational Risk Group whose major function include review of Risk Registers submitted monthly by all departments. It comprises of HODs of Risk Management, Finance, Project Finance, Credit Monitoring, IT, and any other member as nominated by MD & CEO of the Company. A list of functions performed by RMC & ORG is given below -:

- Review of Risk Management Policy
- Review of monthly Risk Register submitted by various depts.
- Review of the current status on the outer limits prescribed in the Risk Policy and submitting the report to RMCB & Board
- Assessment of risks in the Company and suggesting control/mitigation measures thereof

The Company has exposure to following risks arising from the financial instruments.

36.4.1 Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Company has developed internal control processes and contingency plans for managing liquidity risk. In addition, the Company is also maintaining Liquidity Coverage Ratio (LCR) from 01st December, 2021 as prescribed by the regulator. (As per notification no. RBI/2020-21/60 DOR.NBFC (HFC).CC.No.118/03.10.136/2020-21 dated 22nd October, 2020) Housing Finance being the core business, maintaining the liquidity for meeting the growth in the business as also to honor the committed repayments is the fundamental objective of the Asset Liability Management (ALM) framework. Investments, including investments as a part of liquid asset requirement, also forms part of ALM requirement and it is imperative to constantly monitor the liquidity of the investments to achieve the core objective.

Internal Control Process & Liquidity Management

Being in the business of Housing Loans, funds are required to be raised by the Company ahead of loan disbursements so that there is no liquidity crunch. Funds are required to be raised not only for the incremental housing loan assets but also for meeting the committed/due repayments of the earlier borrowings and/or Interest payments on the borrowings. Funds therefore are raised with a reasonable cushion over and above the committed repayments, committed disbursements and unutilized sanctions in pipeline and the expected business targets.

The Company ensures that funds are available from various investor pools and banks. Liquid funds are available in the form of Non-Convertible Debentures and other Market Instruments, Bank Loans and Refinance from NHB. In case of Public Deposits accepted by the Company, a prescribed percentage (as defined by NHB from time to time) is to be invested in approved securities in terms of Liquid Asset Requirement (as per notification no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21). On the assets side, the Company has loan products broadly classified under individual retail loans and project finance loans with varying repayment structures depending upon the nature of product.

The liquidity is managed at the Corporate Office of the Company with Back Offices providing their liquidity requirements. The surplus funds available with the Back Offices are pooled and funds from the market are arranged for the Back Offices having a deficit of funds. Only surplus funds arrived at after deducting the committed/confirmed outflows (including projected disbursements of loans) from the available resources - both from internal accretions as well as borrowed funds, would be considered as Surplus available for Investment in approved instruments on day-to-day basis. The Company can place surplus funds in Fixed Deposits with selected Scheduled / Commercial / Foreign Banks and / or Financial Institutions within overall exposure limit fixed for each Bank / FI from time to time by the Board. Considering the market risk and the mark-to-market requirements of the debt mutual funds, currently Company is making Investments only in liquid and overnight schemes of

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mutual funds. Exposure limits for each Investment instrument is approved by the Board and reviewed from time to time as per the requirements.

ALCO Committee

Roles & Responsibilities

The Asset Liability Management (ALM) Committee presents the Structural and Dynamic Liquidity Report to the Risk Management Committee on a quarterly basis and meetings are held every month. The ALM Committee formulates the ALM Policy which is reviewed at least once a year. If any change is required, then, the revised policy along with desired change and rationale for the same shall be put up to the Risk Management Committee or any Other Committee constituted by the Board. Consequent to the recommendation of the Risk Management Committee, the reviewed policy would be put up to the Board for its approval.

Composition

ALCO Committee is headed by the MD & CEO of the Company. Other members of the Committee comprise the Chiefs of Investment, Credit, Resources Management or Planning, Funds Management/Treasury, International Business & Economic Research, Head of the Technology Division, and other members as nominated by MD & CEO of the Company

Changes from previous period

There are no significant changes in the Financial Policies.

Liquidity Ratios during the year

1) The structural liquidity (as required by regulator) negative gap under 0 to 7 days bucket has not exceeded 10% of the cash outflows during those respective durations.

2) The structural liquidity (as required by regulator) negative gap in over 7 days to 14 days bucket has not exceeded 10% of the cash outflows during those respective durations.

3) The structural liquidity (as required by regulator) negative gap in over 14 days to 1 month bucket has not exceeded 20% of the cash outflows during those respective durations.

4) The structural liquidity (as required by regulator) negative gap up to one year has not exceeded 15% of the cumulative cash outflows up to one year.

Contractual Maturities of Financial Liabilities as at March 31, 2024

(₹ in crore)

Particulars	On demand	Upto 3 months	Above 3 months to 12 months	Above 1 Year - 3 Years	Above 3 Years - 5 Years	Above 5 Years- 10 Years	Above 10 Years	TOTAL
Financial Liabilities								
Lease Liabilities	-	12.91	35.70	70.02	41.51	30.72	3.20	194.06
Trade Payables	70.58	-	-	-	-	-	-	70.58
Debt Securities	-	7,919.00	33,230.00	46,410.10	32,528.40	25,282.30		1,45,369.80
Borrowings (Other than Debt Securities)	-	3,949.26	32,143.90	38,947.92	16,095.26	5,000.24	-	96,136.58
Deposits	-	1,864.96	4,129.91	2,878.68	1,043.62	-	-	9,917.17
Subordinated Liabilities	-	-	-	-	-	1,800.00	-	1,800.00
Other financial liabilities	664.02	2584.43	2758.35	280.05	20.52	-	-	6,307.37
Total	**734.60**	**16330.56**	**72297.86**	**88,586.77**	**49,729.31**	**32,113.26**	**3.20**	**2,59,795.56**

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Contractual Maturities of Financial Liabilities as at March 31, 2023

(₹ in crore)

Particulars	On demand	Upto 3 months	Above 3 months to 12 months	Above 1 Year - 3 Years	Above 3 Years - 5 Years	Above 5 Years- 10 Years	Above 10 Years	TOTAL
Financial Liabilities								
Lease Liabilities	-	12.60	35.14	68.09	43.11	45.95	3.79	208.68
Trade Payables	38.96	-	-	-	-	-	-	38.96
Debt Securities	-	8,525.00	29,741.30	52,191.90	23,513.20	23,597.40		1,37,568.80
Borrowings (Other than Debt Securities)	-	2,752.87	36,862.77	32,321.92	17,957.14	4,497.55	-	94,392.25
Deposits	-	2,564.00	6,068.59	2,555.34	455.43	-	-	11,643.36
Subordinated Liabilities	-	-	-	-	-	1,800.00	-	1,800.00
Other financial liabilities	337.48	2,104.73	2,840.20	302.63	7.33	-	-	5,592.37
Total	**376.44**	**15,959.20**	**75,548.00**	**87,439.88**	**41,976.21**	**29,940.90**	**3.79**	**2,51,244.42**

36.4.2 Credit Risk

Credit Risk refers to the risk arising out of the default by the counterparty on its contractual obligations resulting in financial loss to the Company. The Company has defined Loan selection principles for establishing creditworthiness of the counterparties and criteria for determining the quantum of loan. The Company has adopted a policy of dealing with creditworthy counter parties and obtaining sufficient collateral as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

The carrying amount of loans as at March 31, 2024 is ₹ 2,86,859.87 crore (FY 2022-23 ₹ 2,75,065.09 crore) which best represent the maximum exposure to credit risk, the related Expected credit loss amount to ₹ 6,270.08 crore (FY 2022-23 ₹ 7,230.29 crore). The Company has right to sell the collateral in case borrower defaults. The carrying amount of loans as at March 31, 2024 includes ₹ 15.48 crore towards Loans to Staff, Loans against Public Deposit and Finance Lease Receivables. (FY2022-23 ₹ 17.93 crore).

36.4.2.1 Credit Risk Mitigation measures

Independent internal legal and technical evaluation team in the Company makes credit decisions more robust and in line to manage collateral risk. The in-house Credit team conducts a credit check and verification procedure on each customer, ensuring consistent quality standards to minimize future losses. To review the adherence to laid down policies and quality of appraisal, Company's independent internal audit team conducts a regular review of files on a sample basis. A dedicated collection and recovery team manages lifecycle of transactions and monitors the portfolio quality.

Credit Norms: - Certain credit norms and policies are being followed by the Company to manage credit risk, including a standard credit appraisal policy based on customer credit worthiness. These criteria change between loan products and typically include factors such as profile of applicant, income and certain stability factors such as the employment and dependency detail, other financial obligations of the applicant, Loan to value and the loan-to-cost ratio. Standardized credit approval process including a comprehensive credit risk assessment is in place which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower.

The Credit Policy defines parameters such as Borrower's ability to pay, Reputation of Employer, Nature of employment/ Self-employed, Qualification of Applicants, Stability of Residence, Family size and dependence on Applicants income, Insufficient sales proceeds to pay the dues in case of Project Loans due to project slowdown etc. to ensure consistency of credit quality.

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Retail lending:

For retail lending, credit risk management is achieved by considering various factors like:

- **Assessment of borrower's capability to pay** – a detailed assessment of borrower's capability to pay is conducted. The approach of assessment is laid down in the credit policy of the Company. Various factors considered for assessment are credit information report, analysis of bank account statement and valuation of property.

- **Security cover –** Analysing the value of the property which is offered as security for the loan is essential for the overall underwriting of the loan. It is essential that it is valued before the disbursement of loan to arrive at a clear idea about its cost, valuation, marketability and loan to property ratio.

- **Additional Security –** Additional Security can be by way of pledge of acceptable Additional Collaterals such as LIC Policies, FDs or other immovable properties, etc. is considered. This is taken depending on nature of loan proposal and amount of risk involved.

- **Geographical region –** The Company monitors loan performance in a particular region to assess if there is any stress due to natural calamities etc. impacting the performance of the loan in a particular geographic region.

Project lending:

For project lending, credit risk management is achieved by considering various factors like:

- **Promoter's strength –** a detailed assessment of borrower's capability to pay is conducted. Various factors considered for promoter's assessment are the financial capability, past track record of repayment, management and performance perspective.

- **Credit information report –** It is very essential to check the Creditworthiness of an Applicant & the Credit History of Borrower for Consumer or Commercial Loans. The Company uses this Report for taking a Decision on Credit Sanction by getting details of the Credit History of a Borrower. For Project Loans, reports from independent institutions are referred so as to get the marketability report of the project and its neighbourhood analysis.

- **Security cover –** Analysing the value of the property which is offered as security for the loan is essential for the overall underwriting of the loan. With respect to project loans, the main security taken is underlying land and structure there on. Technical appraisals are conducted to establish the life, soundness, marketability and value of the security.

- **Additional Security –** Additional Security is taken depending on nature of loan proposal and amount of risk involved. In some cases, the hypothecation of receivables from the loan is taken. The Negative lien is marked on the flats in the project to the extent decided by the Competent Authority as per merits of the case. The Company endeavours to maintain the security cover approved by the Competent Authority as per the merit of the case. Personal Guarantee of promoter directors / corporate guarantee of Company is also obtained as Security on case-to-case basis. In some cases, the Additional Collateral in the form of Fixed Deposits are also accepted. In case of Higher Risk, Debt Service Recovery Account is also maintained. The Charge on the security / Additional Collateral security is also registered in Central Registry / ROC.

- **Geographical region –** The Company monitors loan performance in a particular region to assess if there is any stress due to natural calamities etc. impacting the performance of the loan in that geographic region.

  The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

Derivative financial instruments:

Interest rate swaps

The exposure of the Company to Derivatives contracts is in the nature of Interest Rate Swap and Currency Swaps to manage risk associated with interest rate movement and fluctuation in currency exchange rate.

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Derivative policy of the Company specifies the exposure norms with respect to single counterparty and the total underlying amount at the time of entering into the new derivative contract.

The Asset Liability Management Committee (ALCO) of the Company oversees efficient management of risk associated with derivative transactions. Company identifies, measures, monitors the exposure associated with derivative transaction. For effective mitigation of risk it has an internal mechanism to conduct regular review of the outstanding contracts which is reported to the ALCO & Risk Management Committee of the Board which in turn reports to the Board of Directors.

The gain, if any realized on early termination of swap is amortized over the balance tenor of the swap or underlying liability whichever is less. Loss if any on early termination is charged to revenue in the same year. The carry difference, between coupon rate liability and the swap contract rate is accounted quarterly on accrual basis .

36.4.2.2 Collateral and other credit enhancements

With respect to loan cases the main security taken is underlying property mortgaged by the borrower. Apart from the main security additional collaterals are also sought depending upon merits of the case. In some cases, the hypothecation of receivables for the loan is also taken.

The Company after exploring all the possible measures, initiates action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) against the mortgaged properties as a last resort to recover. Company follows the due procedure as laid down in the SARFAESI Act 2002 and accordingly takes the possession of the properties for its logical conclusion.

As the procedure involved under SARFAESI is to be followed in a time-bound manner, different loan accounts will be at various stages of SARFAESI proceedings.

The properties taken under possession through SARFAESI Act by the Company and held such properties for disposal as on 31.03.2024 included in loan portfolio amounting to ₹ 658.31 crore (FY 2022-23 ₹ 743.22 crore). During the year the company has reclassified the repossessed properties from "Assets Held for Sale" to Loans at amortized cost in accordance with opinion issued by expert advisory committee of ICAI.

36.4.2.3 Impairment Assessment

The Company applies general approach to provide for credit losses prescribed by Ind AS 109, which provides to recognise 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognise lifetime expected credit losses for financial instruments for which there has been significant increase in credit risk since initial recognition considering all reasonable present and forward looking information.

Definition of Default

The Company considers a financial instrument as defaulted when the borrower becomes 90 days past due on its contractual payments. Such instruments are considered as Stage 3 (credit-impaired) for ECL calculations.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

Stage wise Categorisation of Loan Assets

The company categorises loan assets into stages based on the Days Past Due status:

- **Stage 1**: [0-30 days Past Due] it represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. The Company uses the same criteria mentioned in the standard and assume that when the days past due exceeds '30 days', the risk of default has increased significantly. Therefore, for those loans for which the days past due is less than 30 days, one year default probability is used.

- **Stage 2:** [31-90 days Past Due] The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset).

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- **Stage 3:** [More than 90 days Past Due] The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. The Company use the same criteria mentioned in the standard and assume that when the days past due exceeds '90 days', the default has occurred.

Loan Portfolio:

Depending on the nature of the financial instruments and the credit risk information available for particular groups of financial instruments, an entity may not be able to identify significant changes in credit risk for individual financial instruments before they become past due. The loans are backed by sufficient margin of underlying security which absorbs the associated risks. Hence, the Company has performed the assessment of significant increases in credit risk on a collective basis by considering information that is indicative of significant increases in credit risk on groups of financial instruments.

For the purpose of determining significant increases in credit risk and recognising loss allowance on a collective basis, the Company has grouped financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increase in credit risk identified on a timely basis. the company has grouped portfolio based on borrower type Individuals (Salaried / Non-Individuals) and based on the purpose of the loan Housing loans / Non-housing loans / Project and Corporate lending.

Accordingly, loans have been identified into different groups as given below:

Credit Quality Analysis – Classification on basis of risk pattern (Collective and Individual Basis)

(₹ in crore)

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Amount	Impairment	Amount	Impairment	Amount	Impairment	Amount	Impairment
As at March 31, 2024	2,65,417.26	625.48	11,959.22	768.34	9,483.39	4,876.26	2,86,859.87	6,270.08
As at March 31, 2023	2,48,857.28	677.76	14,083.07	1,171.31	12,124.74	5,381.22	2,75,065.09	7,230.29

36.4.2.4 ECL Model and Assumptions considered in the ECL model

The Company has through its previous experience estimated the probability of default on loans. Thus it is seen that receivable for an account moves through different delinquency stages every month. For example, an account in the "Regular" state this month will continue to be in the "Regular" state next month if a payment is made by the due date and will be in the "30 days past due" state if no payment is received during that month.

Further, focus is on maintaining the progression and timing of events in the path from "Regular" to "Defaulted". For example, an account in the "Regular" state doesn't suddenly become "Defaulted". Instead, an account must progress monthly from the "Regular" state to the "30 days past due" state to the "60 days past due" state and so on until foreclosure activities are completed and the collateral assets are sold to pay the outstanding debt.

The transition represents the period-by-period movement of receivables between delinquency classifications or states. The transition evaluates loan quality and loan collection practice. The loan portfolio for the past years is analysed to arrive at the transition matrix. Each loan is traced to find out how the loan has performed over such period.

The occurrences of every loan over the past years are considered to arrive at the total transitions happening from different buckets in the previous month to different buckets in the current month.

Probability of Default

Stage 1 – [No significant increase in credit risk]: the monthly transition matrix is converted into a 12-month transition matrix for determining the probability of default for those loan accounts on which the risk has not increased significantly from the time the loan is originated. The Company use the same criteria mentioned in the standard and assume that when the days past due exceeds '30 days', the risk of default has increased significantly. Therefore, for those loans for which the days past due is less than 30 days, one-year default probability is considered.

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Stage 2 – [Significant increase in credit risk]: The credit risk is presumed to have increased significantly for loans that are more than 30 days past due and less than 90 days past due. For such loans, lifetime default probability is considered. Based on the maturity date of the loan, the probability of default is arrived at to determine the quantum of the loan that is likely to move into the buckets '90 days past due' and greater. The monthly transition matrix is used to find out the transition matrix applicable for the loan considering the maturity date of such loan.

Stage 3 – [Defaulted loans]: As per the standard there is a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due unless an entity has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The definition of default used for these purposes shall be applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument. The Company assumed that the default has occurred when a loan moves into '90 days past due' bucket.

When the loan moves from stage 3 to stage 2 / stage 1 or from stage 2 to stage 1, from an ECL computation perspective there is a curing period of one quarter on such loans.

Exposure at default

The borrower's ability to raise its exposure as it nears default as well as potential early repayments are both taken into account in the Exposure at Default (EAD), which represents the gross carrying value of the financial instruments subject to impairment calculation.

Probability of default of the loan that is likely to move into buckets 90 days past due and above over next 12 months. The PD is used to measure quantum of loan that is likely to move buckets 90 days past due and above over the remaining life of the loan.

Loss given default

The loans are secured by adequate collateral. The present value of such collateral property is considered while calculating the Expected Credit Loss. The Company initiates recovery process of Non-Performing accounts within the statutory time limit as per SARFAESI and other applicable laws and accordingly the realizable period has been considered for computing the Present Value of Collateral. The difference between present value of collateral and EAD is loss given default.

Lending Vertical	PD			EAD	LGD
	Stage 1	Stage 2	Stage 3		
Home Loans Loan Against Property Lease Rental Discounting Developer Loans Other Loans	The Historical data is used for computing the probability of default. Forecasted PD is estimated based on multivariate regression methodology.		100%	EAD is the Net Present Value of the Contractual Cash-Flows discounted based on the Effective Interest Rate which would be the Principal Outstanding at the date of exposure. The undrawn loan commitments is considered as part of the EAD.	LGD is computed as (1 - Recovery Rate). The Recovery Rate is present value of collateral divided by the EAD. The value of collateral of each loan is computed separately.

Forward looking information

The assumptions and estimates on the basis of which, the Expected Credit Losses (ECL) of the loan portfolio have been identified, are primarily based on the historical performance of the loan portfolio, updated to reflect current conditions including regulatory interventions.

Write off policy

The Company has over the period has established a well-defined Credit Monitoring Mechanism for follow up of the default / delinquent accounts.

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A multi-faceted approach is adopted in Credit Monitoring activities which involves participation of In-House employees as well as outsourced agencies. Each loan account is analysed based on the causative factors of becoming default and appropriate follow-up activity is undertaken. In spite of adopting an appropriate follow-up activity, some accounts continue to be delinquent. Sufficient time, as per law, is given to the borrowers to regularize their repayments and if still the accounts continue to be under the Non-Performing bracket, legal recourse is adopted.

However, there could be accounts wherein no recovery would be forthcoming despite the best efforts put in by the Company. Such accounts are critically examined on case-to-case basis and if there is no merit of recovery, such accounts are recommended for write-off to/through internal committees as per the policy approved by the Board.

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets written off but are still subjected to enforcement activity	2910.93	934.61

Management Overlay:

Based on the historical experience coupled with reasonably foreseeable factors management overlays is also considered to capture factors that have significant impact on ECL thus provisions are made accordingly.

Movement of Gross Exposures and impairment provision of the Financial Instruments (Collective and Individual Basis)

(₹ in crore)

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Amount	Impairment	Amount	Impairment	Amount	Impairment	Amount	Impairment
Gross Carrying Amount- 31.03.2022	2,31,853.55	579.33	7,665.50	240.11	11,616.40	5,019.68	2,51,135.45	5,839.12
Net change in exposures	25,204.02	209.84	(8.49)	532.64	(507.84)	1,057.32	24,687.69	1,799.80
Transfer to Stage 1	3,947.04	378.04	(3,052.39)	(75.05)	(894.65)	(302.99)	-	-
Transfer to Stage 2	(10,004.97)	(401.21)	10,318.44	498.13	(313.47)	(96.92)	-	-
Transfer to Stage 3	(1,990.80)	(88.24)	(836.09)	(24.52)	2,826.89	112.76	-	-
Changes in contractual cash flows due to modifications not resulting in de-recognition	(151.56)	-	(3.90)	-	(5.42)	-	(160.88)	-
Amounts Written Off / Under Possession Properties	-	-	-	-	(597.17)	(408.63)	(597.17)	(408.63)
Gross Carrying Amount -31.03.2023	2,48,857.28	677.76	14,083.07	1,171.31	12,124.74	5,381.22	2,75,065.09	7,230.29
Net change in exposures	18,163.84	(186.95)	(3,060.72)	(329.92)	(1,328.80)	879.55	13,774.32	362.68
Transfer to Stage 1	4,687.54	241.23	(4,243.18)	(95.33)	(444.36)	(145.90)	-	-
Transfer to Stage 2	(5,715.30)	(51.79)	6,547.82	220.68	(832.52)	(168.89)	-	-
Transfer to Stage 3	(576.10)	(54.77)	(1,367.77)	(198.40)	1,943.87	253.17	-	-
Changes in contractual cash flows due to modifications not resulting in de-recognition	-	-	-	-	-	-	-	-
Amounts Written Off / Under Possession Properties	-	-	-	-	(1,979.54)	(1,322.89)	(1,979.54)	(1,322.89)
Gross Carrying Amount -31.03.2024	2,65,417.26	625.48	11,959.22	768.34	9,483.39	4,876.26	2,86,859.87	6,270.08

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The movement within the tables is a combination of quarterly movements over the year. The credit impairment charge in the Statement of Profit & Loss comprises of the amount in Total column.

Transfers – transfers between stages are deemed to occur at the beginning of a quarter based on prior quarters closing balances.

Net re-measurement from stage changes – the re-measurement of credit impairment provisions arising from a change in stage is reported within the stage that the assets are transferred to.

Net changes in exposures – comprises new disbursements less repayments in the year.

36.4.2.5 Modified Loans

Where the contractual terms of a financial instrument have been modified, and this does not result in the instrument being derecognized, a modification gain or loss is recognized in the Statement of Profit and Loss representing the difference between the original cash flows and the modified cash flows, discounted at the effective interest rate. If the modification is credit-related or where the Company has granted concessions that it would not ordinarily consider, then it will be considered credit-impaired. Modifications that are not credit related will be subject to an assessment of whether the asset's credit risk has increased significantly since origination by comparing the remaining lifetime probability of default (PD) based on the modified terms to that on the original contractual terms.

36.4.3 Market Risk

Market risk is the risk of losses in positions taken by the company which arises from movements in market prices. Any item in the balance sheet which needs re-pricing at frequent intervals and whose pricing is decided by the market forces will be a component of market risk. There are number of items in the Company's balance sheet which exposes it to market risk like Housing loans at floating rate, loans to developers at floating rate, Non-Convertible Debentures (NCDs) with options, bank loans with option, Foreign Currency Bank Loans, Coupon Swaps, etc. The Company is generally exposed to Interest Rate Risk.

36.4.4 Interest Rate Risk

Interest Rate Risk refers to the risk associated with the adverse movement in the interest rates. Adverse movement would imply rising interest rates on liabilities and falling interest yields on the assets. This is the biggest risk which the company faces. It arises because of maturity and re-pricing mismatches of assets and liabilities.

In order to mitigate the impact of this risk, the Company should track the composition and pricing of assets and liabilities on a continuous basis. For the same purpose, the Company has constituted the ALCO Committee which should actively monitor the ALM position and guide appropriately.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are

Particulars	As at March 31, 2024	As at March 31, 2023
Fixed Rate Borrowings	52%	57%
Floating Rate Borrowings	48%	43%
Total Borrowings	100%	100%

The impact of 10 bps change in interest rates on liabilities on the Profit after tax for the year ended 31st March 2024 is ₹ 120.89 crore (FY 2022-23 ₹ 106.17 crore).

36.4.5 Operational Risk

Operational risk is "the risk of a change in value caused by the fact that actual losses, incurred for inadequate or failed internal processes, people and systems, or from external events (including legal risk), differ from the expected losses". It can be subdivided into the following categories:

A. **Compliance risk** is defined as the risk of legal sanctions, material financial loss, or loss to reputation the Company may suffer as a result of its failure to comply with laws, its own regulations, code of conduct, and standards of best/good practice.

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The Company is regulated by RBI and supervised by NHB, registered with SEBI and has listing agreements with stock exchanges, i.e. BSE & NSE and Luxembourg. In order to ensure compliance with applicable laws, the Company has put in place adequate processes.

B. **Legal risk** is the cost of litigation due to cases arising out of lack of legal due diligence. Litigation can also arise out of failure or fraud in the course of business.

The main business is lending money for/against mortgage loans and is therefore exposed to legal risk. For handling the same, there are robust legal systems for title verification and legal appraisal of related documents. The company has standards of customer delivery and the operational mechanism to adhere to such standards aimed at minimum instances of customers' grievances.

C. **Accounting risk** is the risk that an error in accounting practice will necessitate a restatement of earnings, which adversely affects the investors or customers' perception of the firm.

Company should present a fair and transparent view through its financial statements and should disclose the opinion of statutory auditors in the Annual Report as per the format prescribed by SEBI.

D. **People Risk** refers to the potential for negative outcomes arising from the actions or inactions of employees, management or other stakeholders within the organization. It is the risk of not having sufficiently qualified or experienced people within an organization to adequately manage and control the level or type of business.

E. **Third Party Risk** is the risk arising due to Company outsourcing some of the business-related activities to third party service providers. The risk arises because of deviation in the contractual terms and the performance delivered by the vendor.

36.4.6 Regulatory Risk

Regulatory risk is the risk that a change in laws and regulations will materially impact the Company. Changes in law or regulations made by the government or a regulatory body can increase the costs of operating the business, and/or change the competitive landscape.

Regulatory risk can arise due to change in prudential rules/norms by the regulators viz; NHB, SEBI, RBI etc. In order to mitigate the effects of same, the Company keeps a track of all regulatory changes and quickly adapts to the change.

36.4.7 Strategic Risk

Strategic risk is the current and prospective impact on earnings or capital arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to industry changes. It is the risk to the market share and profitability arising due to competition..

36.4.8 Currency Risk and mitigation

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company manages itself against currency risk by taking out foreign currency swaps and converting the exposures into Indian Rupees. The Company applies cash flow hedge accounting to the foreign currency element of its floating rate dollar-denominated External Commercial Borrowings and associated cross currency interest rate swaps. As on 31st March 2024, company do not have any foreign borrowings.

The Company converts ECB into fixed rate Indian Rupee exposures with the floating rate and principal of the hedged item matched by those of the hedging instrument. The Company considers the hedge as a hedge of more than one risk and does not split the interest rate from the principal for hedge accounting purposes.

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Hedge Instrument

Fair Value of Hedging Instrument

(₹ in crore)

31-03-2024	Changes in fair value of hedging instruments used for measuring hedge ineffectiveness						
	Carrying value			In Total	Effective portion	Hedge Ineffectiveness	Reclassified into income statement
	Notional amount	Assets	Liabilities		Recognised in OCI	Recognised in profit & loss account	
Micro cash flow hedges	-	-	-	-	-	-	-
Cross currency interest rate swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(₹ in crore)

31-03-2023	Changes in fair value of hedging instruments used for measuring hedge ineffectiveness						
	Carrying value			In Total	Effective portion	Hedge Ineffectiveness	Reclassified into income statement
	Notional amount	Assets	Liabilities		Recognised in OCI	Recognised in profit & loss account	
Micro cash flow hedges	-	-	-	-	-	-	-
Cross currency interest rate swaps	-	-	-	(79.17)	(79.17)	-	(79.17)
Total	**-**	**-**	**-**	**(79.17)**	**(79.17)**	**-**	**(79.17)**

Fair Value of Hedged Item

(₹ in crore)

31-Mar-24	Change in fair value of hedged item in the year used for ineffectiveness measurement	Cash flow hedge reserve	
		Continuing hedges	Discontinued hedges
Micro cash flow hedges	-	-	-
Floating rate USD notes	-	-	-
Total	**-**	**-**	**-**

(₹ in crore)

31-Mar-23	Change in fair value of hedged item in the year used for ineffectiveness measurement	Cash flow hedge reserve	
		Continuing hedges	Discontinued hedges
Micro cash flow hedges	-	-	-
Floating rate USD notes	(79.17)	-	-
Total	**(79.17)**	**-**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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Movement of Cash Flow Hedge

(₹ in crore)

Movement of cash flow hedges	As at March 31, 2024	As at March 31, 2023
Hedging net gains/(losses) arising during the year	-	(79.17)
Less: Recognised in the income statement	-	79.17
Income tax related to the above	-	-
Movement on cash flow hedges	-	-

Impact of Cash Flow Hedge on Balance Sheet

(₹ in crore)

Impact of cash flow hedge on balance sheet and financial result - hedging instruments	For the year ended March 31, 2024	For the year ended March 31, 2023
Nominal value	-	-
Carrying amount – assets	-	-
Carrying amount – liabilities	-	-
Balance Sheet item in which hedging instrument is reported	-	-
Change in the fair value of the hedging instrument used for estimating hedge ineffectiveness	-	(79.17)
Amount of hedge ineffectiveness recognised in the income statement	-	-
Profit & Loss item in which hedge ineffectiveness is reported	-	NA

(₹ in crore)

Impact of cash flow hedge on balance sheet and financial result - hedged items	For the year ended March 31, 2024	For the year ended March 31, 2023
Amount of change in the fair value of the hypothetical derivative representing the hedged item used for estimating the hedge ineffectiveness in the reporting period	-	(79.17)
Revaluation reserve due to cash flow hedge accounting for relationships for which hedge accounting will be continued after the end of the reporting period	-	-
Revaluation reserve due to cash flow hedge accounting for relationships for which hedge accounting is no longer applied	-	-

Additional Disclosures for Interest Rate Benchmark Reform

For hedging relationships to which an entity applies the temporary exceptions from applying specific hedge accounting requirements exceptions set out in paragraphs 6.8.4-6.8.12		
(a)	the significant interest rate benchmarks to which the entity's hedging relationships are exposed;	NA
(b)	the extent of the risk exposure the entity manages that is directly affected by the interest rate benchmark reform;	NA
(c)	how the entity is managing the process to transition to alternative benchmark rates	NA
(d)	a description of significant assumptions or judgments the entity made in applying these paragraphs (for example, assumptions or judgments about when the uncertainty arising from interest rate the interest rate benchmark-based cash flows); and benchmark reform is no longer present with respect to the timing and the amount of	NA
(e)	the nominal amount of the hedging instruments in those hedging relationships	NA

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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36.5 Maturity Analysis of Assets and Liabilities :

The Table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled:

As at March 31, 2024

(₹ in crore)

Particulars	Upto 12 months	More than 12 months	Total
ASSETS			
Financial Assets			
Cash and Cash Equivalents	1,437.49	-	1,437.49
Bank Balance other than above	135.14	-	135.14
Loans	17,457.93	2,63,131.86	2,80,589.79
Investments	1,779.29	4,497.74	6,277.03
Other Financial Assets	9.89	10.96	20.85
Non-Financial Assets			
Current Tax Assets (Net)	424.28	-	424.28
Deferred Tax Assets (Net)	-	1,639.15	1,639.15
Property, Plant and Equipment	-	171.54	171.54
Capital Work in Progress	-	0.14	0.14
Right of Use Assets	-	157.47	157.47
Other Intangible Assets	-	31.84	31.84
Other Non-Financial Assets	299.23	20.68	319.91
Total Assets	**21,543.25**	**2,69,661.38**	**2,91,204.63**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Lease Liability	3.34	161.38	164.72
Payables			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	0.02	-	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	70.56	-	70.56
Debt Securities	40,678.07	1,03,987.25	1,44,665.32
Borrowings (Other than Debt Securities)	36,093.16	60,043.42	96,136.58
Deposits	5,955.46	3,943.10	9,898.56
Subordinated Liabilities	0.00	1,796.33	1,796.33
Other Financial Liabilities	6,006.80	305.14	6,311.93
Non-Financial Liabilities			
Provisions	195.81	138.32	334.13
Other Non-Financial Liabilities	431.85	-	431.85
Total Liabilities	**89,435.06**	**1,70,374.94**	**2,59,810.00**
NET	**(67,891.81)**	**99,286.44**	**31,394.63**

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As at March 31, 2023

(₹ in crore)

Particulars	Upto 12 months	More than 12 months	Total
ASSETS			
Financial Assets			
Cash and Cash Equivalents	619.40	-	619.40
Bank Balance other than above	122.50	-	122.50
Derivative Financial Instruments	-	-	-
Loans	17,451.70	2,50,383.10	2,67,834.80
Investments	2,354.65	4,621.76	6,976.41
Other Financial Assets	7.66	10.90	18.56
Non-Financial Assets			
Current Tax Assets (Net)	-	-	-
Deferred Tax Assets (Net)	-	1,888.46	1,888.46
Property, Plant and Equipment	-	159.82	159.82
Capital Work in Progress	-	0.74	0.74
Right of Use Assets	-	160.16	160.16
Other Intangible Assets	-	36.23	36.23
Other Non-Financial Assets	356.04	-	356.04
Assets Held for Sale	238.89	-	238.89
Total Assets	**21,150.84**	**2,57,261.17**	**2,78,412.01**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Lease Liability	39.75	135.67	175.41
Payables			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	0.14	-	0.14
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	38.82	-	38.82
Debt Securities	37,696.23	99,263.76	1,36,959.99
Borrowings (Other than Debt Securities)	39,626.35	54,765.90	94,392.25
Deposits	8594.32	3031.89	11,626.21
Subordinated Liabilities	-	1795.77	1,795.77
Other Financial Liabilities	5,282.25	313.35	5,595.60
Non-Financial Liabilities			
Current tax liabilities (Net)	5.99	-	5.99
Provisions	51.72	121.74	173.46
Other Non-Financial Liabilities	548.03	-	548.03
Total Liabilities	**91,883.59**	**1,59,428.08**	**2,51,311.67**
NET	**(70,732.75)**	**97,833.09**	**27,100.34**

37. SEGMENT REPORTING:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

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The Managing Director & CEO is identified as the Chief Operating Decision Maker (CODM) by the management of the Company. CODM has identified only one operating segment of providing loans for purchase, construction, repairs, renovation etc. and has its operations entirely within India. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the Indian Accounting Standard (Ind AS) 108 on Segment Reporting.

38. COMMITMENTS:

a) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 61.85 crore (FY 2022-23 ₹ 23.76 crore).

b) Other Commitments: Uncalled liability of ₹ 1.14 crore (FY 2022-23 ₹ 1.14 crore) in respect of commitment made for contribution to LICHFL Urban Development Fund by subscription of 50,000 units (FY 2022-23 - 50,000 units) of ₹ 10,000 face value each, paid up value being ₹ 2502.79 (FY 2022-23 ₹ 2975.12) each.

The Company had committed a maximum of 10% of aggregate Capital Commitment but not exceeding ₹ 100.00 crore in LICHFL Infrastructure Fund managed by one of the Subsidiary of the Company, namely LICHFL Asset Management Company Limited. The outstanding investment in LICHFL Infrastructure Fund as on 31st March 2024 is ₹ 31.56 crore (FY 2022-23 ₹ 55.60 crore). The Total Capital commitment of the fund is amounting to 765 crore out of which LICHFL has Commitment of 10 % amounting to 76.50 crore.

c) Undisbursed amount of Housing and Non- Housing Loans sanctioned is ₹ 28,169.46 crore.

39. CONTINGENT LIABILITIES IN RESPECT OF:

a) Claims against the Company not acknowledged as debts ₹ 1.06 crore (FY 2022-23 ₹ 0.99 crore).

b) The Company under Direct Tax Vivad Se Vishwas Act, 2020 (3 of 2020) entered into Vivad Se Vishwas Scheme for settling its tax dispute in respect of AY 2004-05 to AY2017-18 and accordingly, received confirmation from Income tax authorities i.e. in Form 5 which is Order for full and final settlement of tax arrears under Section 5(2) read with Section 6 of under Direct Tax Vivad Se Vishwas Act, 2020 (3 of 2020) the Direct Tax Vivad Se Vishwas Rules, 2020 for all those assessment years and thereby the Company has taken conscious and practical call for settling its tax disputes resulting into finality of outcome in the above aforesaid assessment years. However, refunds for the period under VVS is still pending.

c) On completion of income tax assessment, the Company had received a demand of ₹ 10.64 crore for AY 2018-19 and ₹ 30.12 crore (Including interest of ₹ 1.17 crore) for AY 2019-20 respectively. Further, for AY 2020-21, the Company had received demand for ₹ 5.77 crore. The Company had also received demand of ₹ 15,01,43,863/- for AY 2015-16 (including interest of ₹ 4.8 crore).

The aforesaid demands for AY 2018-19, AY 2019-20, AY 2020-21 and AY 2015-16 are disputed and the Company has preferred an appeal at the Appellate Authority.

40. MOVEMENT IN PROVISION FOR CONTINGENCIES AS UNDER:

a. Provision includes provision for doubtful advances and provision for probable loss on account of bank reconciliation

(₹ in crore)

Provision for Doubtful Advances	As at March 31, 2024	As at March 31, 2023
Opening balance	-	3.53
Add: Additional provisional	-	-
Less: Amounts utilized during the year	-	3.53
Less: Reversal of provision	-	-
Closing balance	**-**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

41. Fixed Deposits with Banks includes earmarked deposits created in favour of trustees for depositors towards maintaining Statutory Liquid Ratio amounting to ₹ 100.10 crore (FY 2022-23 ₹ 100 crore). The Company has beneficial interest on the income earned from these deposits.

42. Temporary Book Overdraft of ₹ 428.60 crore (FY 2022-23 ₹ 627.94 crore) represents cheques issued towards disbursements to borrowers for ₹ 425.73 crore (FY 2022-23 ₹ 576.47 crore) and cheques issued for payment of expenses of ₹ 2.87 crore (FY 2022-23 ₹ 51.47 crore), but not encashed as at March 31, 2024.

43. AUDITOR'S REMUNERATION:

(₹ in crore)

Particulars	For the year ended March 31, 2024*	For the year ended March 31, 2023*
Audit fee	0.50	0.50
Tax Audit	0.12	0.11
For Quarterly Limited Reviews	0.26	0.22
In any other manner (Certification work)	0.07	0.21
Reimbursement of Expenses	0.06	0.06
Total	**1.01**	**1.10**

* Including Ineligible GST

44. EXPENDITURE IN FOREIGN CURRENCIES:

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Travelling Expenses	0.07	0.02
Fees for filing returns and Trade License fees	0.10	0.04
Salary to Overseas Staff	0.50	0.48
Rent for Overseas Staff Residence	0.34	0.23
Annual Fees	0.56	0.41
Commission	0.00	0.11
Other Expenses	0.08	0.13
Total	**1.65**	**1.42**

45. PROPOSED DIVIDEND

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividends not recognised at the end of reporting period		
The directors have recommended final dividend of ₹ 9 per fully paid equity share (₹ 8.50 for March 31, 2023). This proposed dividend is subject to approval of shareholders in ensuing Annual General Meeting.	495.06	467.55

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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46. THE COMPANY IS IN THE CONTINUOUS PROCESS OF OBTAINING CONFIRMATION FROM ITS SUPPLIERS REGARDING THEIR STATUS UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006.

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
The principal amount remaining unpaid to any supplier	0.02	0.14
The interest due thereon (above principal amount) remaining unpaid to any supplier	-	-
The amount of interest paid by the buyer in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day for the year ended	-	-
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 this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	-	-

47. DISCLOSURE IN RESPECT OF EMPLOYEE BENEFITS:

In accordance with the Indian Accounting Standard on (Ind AS-19) – “Employee Benefits” the following disclosures have been made:

Provident Fund and Pension Fund Liability

The Company has recognised ₹ 34.04 crore (Previous year ₹ 30.98 crore) in the Statement of Profit and Loss towards contribution to Provident fund in respect of company employees. In respect of LIC employees on deputation who have opted for pension, ₹ 1.08 crore (previous year ₹ 1.00 crore) have been contributed towards LIC of India (Employees) Pension Rules, 1995.

Gratuity Liability

(₹ in crore)

Changes in the Present Value of Defined Benefit Obligation:	2023-24	2022-23
Present Value of Benefit Obligation at the Beginning of the Year	126.28	118.19
Interest Cost	9.45	8.62
Current Service Cost	6.25	6.17
Past Service Cost	23.71	-
Benefit Paid from the Fund	(6.64)	(1.38)
Actuarial Loss/(Gain) on obligations	4.81	(5.32)
Present Value of Benefit Obligation at the End of the Year	163.86	126.28

(₹ in crore)

Fair Value of the Plan Assets:	2023-24	2022-23
Fair Value of Plan Asset at the Beginning of the Year	122.89	107.59
Interest Income	9.20	7.84
Contributions by the Employer	22.77	7.44
Benefit Paid from the Fund	(6.64)	(1.38)
Actuarial Gain / (Loss) on Plan Assets	0.04	1.39
Fair value of Plan Assets at the End of the Year	148.26	122.89
Total Actuarial Loss/(Gain) to be Recognised	4.77	(6.72)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Actual Return on Plan Assets:	2023-24	2022-23
Expected Return on Plan Assets	9.20	7.84
Actuarial Gain / (Loss) on Plan Assets	0.04	1.39
Amount Recognized in the Balance Sheet	9.24	9.23

(₹ in crore)

Liability at the end of the year	2023-24	2022-23
Fair Value of Plan Assets at the end of the year	(163.86)	(126.28)
Funded Status (Surplus/(Deficit))	148.26	122.89
Amount Recognized in the Balance Sheet	(15.60)	(3.39)

(₹ in crore)

Net Interest Cost for Current Year:	2023-24	2022-23
Present Value of Benefit Obligation at the Beginning of the Year	126.28	118.20
Fair value of Plan Assets at the Beginning of the Year	(122.89)	(107.59)
Net Liability/(Asset) at the Beginning of the Year	3.39	10.61
Interest Cost	9.46	8.62
Interest Income	(9.20)	(7.84)
Net Interest Cost for Current Year	0.26	0.77

(₹ in crore)

Expense Recognised in the Statement of Profit and Loss for Current Year:	2023-24	2022-23
Current Service Cost	6.25	6.17
Interest Cost	0.26	0.77
Expected Return on Plan Assets	-	-
Past Service Cost	23.71	-
Expense recognised in the Statement of Profit and Loss under staff expenses	30.22	6.94

(₹ in crore)

Expense Recognised in Other Comprehensive Income (OCI) for Current Year:	2023-24	2022-23
Actuarial Loss/(Gain) on obligations	4.81	(5.32)
Return on Plan Assets, excluding Interest Income	(0.04)	(1.39)
Change in Asset Ceiling	-	-
Net (Income)/Expense for the year recognised in OCI	4.77	(6.72)

(₹ in crore)

Reconciliation of the Liability recognised in the Balance Sheet:	2023-24	2022-23
Opening Net Liability	3.40	10.61
Expenses recognised in the Statement of Profit & Loss	30.22	6.94
Expenses recognised in OCI	4.77	(6.72)
Contribution by the Company	22.77	(7.44)
Amount recognised in the Balance Sheet under "Provision for Retirement Benefits"	15.60	3.40

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Net Interest Cost for Next Year:	2023-24	2022-23
Present Value of Benefit Obligation at the End of the Year	163.86	126.28
Fair value of Plan Assets at the End of the Year	(148.26)	(122.89)
Net Liability/(Asset) at the End of the Year	**15.60**	**3.39**
Interest Cost	11.81	9.46
Interest Income	(10.69)	(9.21)
Net Interest Cost for Current Year	1.12	0.25

(₹ in crore)

Expense Recognised in the Statement of Profit and Loss for Next Year:	2023-24	2022-23
Current Service Cost	12.78	6.25
Net Interest Cost	1.13	0.25
Expense recognised in the Statement of Profit and Loss under staff expenses	13.91	6.50

(₹ in crore)

Expense Recognised in the Statement of Profit and Loss for Next Year:	2023-24	2022-23
Defined Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	11.84	8.58
2nd Following Year	10.88	6.61
3rd Following Year	13.82	12.91
4th Following Year	15.58	11.82
5th Following Year	13.38	12.63
Sum of Years 6 to 10	49.78	39.91
Sum of Years 11 and above	270.41	214.86

(₹ in crore)

Sensitivity Analysis	2023-24	2022-23
Defined Benefit Obligation on Current Assumptions	163.86	126.28
Delta Effect of +1% Change in Rate of Discounting	(13.95)	(10.61)
Delta Effect of -1% Change in Rate of Discounting	16.35	12.46
Delta Effect of +1% Change in Rate of Salary Increase	12.35	4.63
Delta Effect of -1% Change in Rate of Salary Increase	(11.40)	(4.92)
Delta Effect of +1%Change in Rate of Employee Turnover	0.53	2.16
Delta Effect of -1%Change in Rate of Employee Turnover	(0.49)	(2.45)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Assumptions:	31.03.2024	31.03.2023
Discount Rate	7.21%	7.49%
Rate of Return on Plan Assets	7.21%	7.49%
Salary Escalation	8.00%	8.00%
Attrition Rate	2.00%	2.00%

Gratuity Contribution is paid to LIC of India under Gratuity Scheme of LIC.

Actuarial Gains/Losses are recognised in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary Escalation and Attrition Rate are considered as advised to the Company by the Actuary; they are in line with the industry practice considering promotion and demand and supply of the employees.

Maturity Analysis of Benefit payments is undiscounted cash flows considering future salary, attrition and death in respective year for members as mentioned above.

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest Risk: A fall in the discount rate which is linked to the Government Security. Rate will increase the present value of the requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule I0I of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for lifetime and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

The Company’s best estimate of contributions expected to be paid to the plan during the annual period beginning after April 1, 2024, is ₹ 5.50 crore (Previous Year ₹ 3.40 crore).

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Leave Encashment

(₹ in crore)

Changes in the Benefit Obligation:	2023-24	2022-23
Liability at the Beginning of the year	103.43	93.93
Interest Cost	7.75	6.85
Current Service Cost	3.60	3.43
Benefit Paid	(0.55)	(3.23)
Actuarial (Gain) / Loss on obligations	4.60	2.46
Liability at the end of the year	118.83	103.43

(₹ in crore)

Amount Recognised in the Balance Sheet:	2023-24	2022-23
Liability at the end of the year	118.83	103.43
Fair Value of Plan Assets at the end of the year	-	-
Amount recognised in the Balance Sheet*	(118.83)	(103.43)

(₹ in crore)

Expense Recognised in the Statement of Profit and Loss:	2023-24	2022-23
Current Service Cost	3.60	3.43
Interest Cost	7.75	6.85
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) / Loss to be recognised	4.60	2.46
Expense recognised in the Statement of Profit and Loss under staff expenses	15.95	12.74

(₹ in crore)

Reconciliation of the Liability recognised in the Balance Sheet:	2023-24	2022-23
Opening Net Liability	103.43	93.93
Expense recognised	15.95	12.74
Contribution/Benefit Paid by the Company	(0.55)	(3.23)
Amount recognised in the Balance Sheet under "Provision for Retirement Benefits"	118.83	103.43

Assumptions:	2023-24	2022-23
Retirement Age	58 Years	58 Years
Discount Rate	7.21%	7.49%
Salary Escalation	8.00%	8.00%
Attrition Rate	2.00%	2.00%

The estimate of future salary increases, considered in actuarial valuation, include inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The above information is certified by the actuary and relied upon by the Auditors.

*Exclusive of Amount ₹ 0.53 crore (previous year ₹ 0.58 crore) towards additional provision made for LIC employees.

Sick Leave

The Company has recognised ₹ 3.12 crore (Previous year ₹ 2.55 crore) in the Statement of Profit and Loss towards sick leave in respect of company employees.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

48. RELATED PARTY DISCLOSURE:

a. Related Party Policy:

Related Party Policy is uploaded on the website of the Company and annexed to the Director Report.

b. Names of related parties:

(i) Enterprise having Significant Influence on the Company

Life Insurance Corporation of India

(ii) Enterprises over which Control exists

LICHFL Care Homes Limited
LICHFL Financial Services Limited
LICHFL Asset Management Company Limited
LICHFL Trustee Company Private Limited

(iii) Associates of the Company

LIC Mutual Fund Asset Management Limited
LIC Mutual Fund Trustee Private Limited

Key Management Personnel

Key Management Personnel	For the year ended March 31, 2024	For the year ended March 31, 2023
Shri T. Adhikari	MD & CEO (From 03.08.2023)	-
Shri Y. Vishwanatha Gowd	MD & CEO(Upto 31.07.2023)	MD & CEO
Shri Ashwani Ghai	Chief Operating Officer (Upto 14.06.2023)	Chief Operating Officer (From 01.11.2022
Shri Nitin K Jage	-	Company Secretary (Resigned on 31.05.2022)
Smt. Varsha Hardasani	Company Secretary	Company Secretary (From 01.06.2022)
Shri Sudipto Sil	Chief Financial Officer	Chief Financial Officer
Directors (Executive or Otherwise)		
Shri Siddhartha Mohanty	Chairman	-
Shri Jagannath Mukkavilli	Non-Executive Nominee Director	-
Shri M R Kumar	-	Chairman (Resigned on 13.03.2023)
Shri Raj Kumar	-	Non-Executive Nominee Director (Resigned on 09.02.2023)
Shri Jagdish Capoor	-	Independent Director (Resigned on 23.05.2023)
Shri Ravi Krishan Takkar	Independent Director	Independent Director
Shri Dharmendra Bhandari	Independent Director	Independent Director
Shri V. K. Kukreja	Independent Director	Independent Director
Shri Ameet Patel	Independent Director	Independent Director
Shri P Koteswara Rao	Non Independent Director	Non Independent Director
Shri Kashi Prasad Khandelwal	Independent Director	Independent Director
Shri Sanjay Kumar Khemani	Independent Director	Independent Director (Designation change w.e.f. 06.02.2023)
Shri Akshay Rout	Non-Independent Director	Non-Independent Director
Smt. Jagennath Jayanthi	Independent Director	Independent Director
Shri Ramesh Adige	Independent Director (From 01.09.2023)	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

c. Details of transactions and balance at the year end with related parties

(₹ in crore)

Related Party	Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Life Insurance Corporation of India			
	Repayment of non-convertible debentures	2,000.00	1,500.00
	Interest expenses on Secured and Unsecured loans	871.70	1,046.28
	Dividend Payment	211.52	211.52
	Rent Rates and Taxes	12.86	10.10
	Payment of Electricity Expenses	0.46	0.78
	Payment for staff training, Conference, etc	0.06	0.06
	Reimbursement of Gratuity, Mediclaim, Group Saving Linked Insurance (GSLI), Pension and NPS Fund for staff posted from LIC	1.74	1.84
	Contribution to LIC of India, P & GS, for Gratuity premium for employees, renewal of group term Insurance and other payments related to Employees.	22.95	9.05
	Rewriting Fees Income	-	47.69
	Balance as at the year end towards non convertible debentures (Credit)	9,550.00	11,550.00
	Balance as at the year end towards Interest Accrued on non convertible debentures (Credit)	304.05	243.03
	Balance as at the year end-Others (Credit)	-	1.81
LICHFL Care Homes Limited			
	Rent Received	0.41	0.39
	Investment in Public Deposit with the Company	7.25	8.70
	Redemption in Public deposit of LICHFL	8.70	26.52
	Interest Expense on Public Deposit with the Company	0.53	1.30
	Balance as at the year-end towards Public Deposit and Accrued Interest on Public Deposit (Credit)	7.52	8.99
LICHFL Financial Services Limited			
	Dividend Income	2.85	2.85
	Investment in Public Deposit by LICHFL Financial Services Ltd with the Company	5.01	30.00
	Redemption of Public Deposit by LICHFL Financial Services Limited with the Company	-	20.00
	Interest Expense on Public Deposit by LICHFL Financial Services Limited	1.75	0.90
	Commission Expenses on Loan Business	60.57	72.46
	Commission Expenses on Public Deposit	0.10	0.12
	Rent Received	0.70	0.67
	Reimbursement of Expenses	0.19	0.12

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Related Party	Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
	Balance as at the year end towards payment of Commission Expense on Loan Business (Credit)	9.68	6.58
	Balance as at the year end towards payment of Commission Expense on Public Deposit (Credit)	0.01	0.01
	Balance as at the year end towards Public Deposit and Accrued Interest on Public Deposit (Credit)	27.19	20.61
	Balance as at the year end -Others (Debit)	-	0.01
LICHFL Asset Management Co. Ltd.			
	Dividend Income	2.61	2.39
	Investment in Public Deposit by LICHFL Asset Management Co. Ltd with the Company	8.96	7.87
	Redemption of Public Deposit by LICHFL Asset Management Co. Ltd with the Company	8.34	6.70
	Interest Expense on Public Deposit by LICHFL Asset Management Co. Ltd.	1.17	0.95
	Payment of Expenses	-	-
	Reimbursement of Expenses	0.006	0.08
	Balance as at the year end towards Public Deposit and Accrued Interest on Public Deposit (Credit)	18.08	17.09
	Balance as at the year end- Others (Debit)	0.01	0.01
LICHFL Trustee Company Private Ltd			
	Investment in Public Deposit	-	0.70
	Interest Expense on investment in Public Deposit	0.05	0.02
	Balance as at the year-end towards Public Deposit and Accrued Interest on Public Deposit (Credit)	0.76	0.72
LIC Mutual Fund Asset Management Limited			
	Dividend Income	0.43	0.43
Shri Y. Viswanatha Gowd , Managing Director and CEO (Upto 31st July 2023)	*Managerial remuneration-Total	0.48	0.79
	Investment in Public Deposit	-	0.22
	Redemption of Public Deposit	-	0.06
	Interest Expense on investment in Public Deposit by Close Members	0.01	0.02
	Balance as at the year-end towards investment in Public Deposit by Close Members and Accrued Interest on Public Deposit (Credit)	-	0.42

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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(₹ in crore)

Related Party	Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Shri Siddhartha Mohanty Chairman (Non-Executive Nominee Director)	Balance as at year end towards Loan outstanding	1.43	-
Shri Ashwani Ghai (Upto 14th June 2023)	Outstanding Amount of Loan taken from the Company	-	1.30
Shri T. Adhikari Managing Director and CEO (From 03.08.2023)	*Managerial remuneration-Total	0.37	
	Balance as at year end towards Loan outstanding	0.38	-
Mr. Jagannath M (Non-Executive Nominee Director)	Interest Expense on Public Deposit	0.01	-
	Balance as at period end towards Public Deposit and Accrued Interest	0.11	-
	Balance as at year end towards Loan outstanding	0.36	-
Smt.Varsha Hardasani	*Managerial remuneration-Total	0.26	0.18
Shri Sudipto Sil	*Managerial remuneration-Total	0.50	0.48
	Investment in Public Deposit by a Close Member	0.20	-
	Redemption in Public Deposit by a Close Member	0.07	-
	Interest Expense on investment in Public Deposit	0.06	0.05
	Balance as at year end towards investment in Public Deposit by Close Members and Accrued Interest on Public Deposit (Credit)	0.82	0.65
Directors (Executive or Otherwise)	Sitting Fees Paid	0.27	0.34
Shri Raj Kumar Non-Executive Nominee Director	Outstanding Amount of Loan taken from the Company	-	0.06

*As the Provision for Performance Linked Incentive (PLI) and Leave encashment is accrued for the company as a whole and not decided individually, hence not included. However payment made during the FY 2022-23 has been included.

Gratuity payable by the Company to the Company Secretary and CFO as a post-employment benefit is as per the gratuity trust deed of the company. For the MD & CEO, an amount of 5% of Basic Salary plus DA is contributed as a post-employment benefit to LIC.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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49. LEASES:

a. Actual Payment of Rent from 01.04.2023 to 31.03.2024 is ₹ 54.25 crore (Previous Year ₹ 49.98 crore).

b. The following is the breakup of Current and non-current portion of Lease Liability as on 31.03.2024

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current	3.34	39.75
Non-Current	161.39	135.67
Total Lease Liability as of March 31	**164.72**	**175.41**

c. The following is the movement of Lease Liability as on 31.03.2024:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Value of Lease Liability as of April 1	175.41	143.12
Additions	55.87	116.71
Terminated	(23.15)	(43.94)
Interest Expense on Lease Liability	11.10	8.73
Interest Expense on Terminal Lease	(0.26)	0.75
Actual Payment of Rent	(54.25)	(49.98)
Provision on Disposals	-	0.02
Closing Value of Lease Liability as of March 31	**164.72**	**175.41**

d. The Carrying Value of Right of Use Asset as of March 31, 2024:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Value of Right of Use Asset as of April 1	346.31	231.86
Additions	55.99	116.68
Disposals	-	(2.23)
ROU derecognised on subleased asset	-	-
Gross carrying value as of March 31	**402.30**	**346.31**
Accumulated Depreciation as of April 1	**(128.39)**	**(84.67)**
Depreciation	(38.29)	(45.36)
Accumulated Depreciation on Disposals	-	0.99
Reversal of depreciation - sublease	0.65	0.65
Accumulated Depreciation as of March 31	**(166.03)**	**(128.39)**
Terminated Cases	**(78.80)**	**(57.76)**
Carrying Value as of March 31	**157.47**	**160.16**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

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e. The following represents the Contractual Maturity of the Lease Liability on an undiscounted basis:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
On demand	-	-
Upto 3 months	12.91	12.60
Above 3 months to 12 months	35.70	35.14
Above 1 Year -3 Years	70.02	68.09
Above 3 Years-5 Years	41.51	43.11
Above 5 Years-10 Years	30.72	45.95
Above 10 Years	3.20	3.79
Total	**194.06**	**208.68**

As a Lessee:

Amount recognised in Statement of Profit and Loss

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on lease Liabilities	11.38	4.78
Variable payments not included in measurement of lease liability	-	-
Income from subleasing ROU assets	0.13	(0.18)
Expenses relating to short term leases	-	-
Expenses relating to leases of low value assets, excluding short term leases of low value assets	-	-
Total amount recognised in the Statement of Profit and Loss	11.51	4.60

Amount recognised in the Statement of Cash Flow:

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total amount of cash outflows for leases (net of rental inflows)	54.25	49.98

As a Lessor:

Operating Lease

The Company has entered into operating leases on its furniture to its subsidiaries. These leases have a term of three years. All leases include a clause to enable upward revision on rental charge every three years according to the prevailing market conditions. Future minimum lease rentals receivable under non-cancellable operating leases as at 31.03.2024 are, as follows:

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Within one year	0.31	0.17
After one year but not more than five years	0.24	0.55
More than five years	-	-
Total	**0.55**	**0.72**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Finance Lease

The Company has finance leases for furniture leased to its subsidiaries and subleased premises to subsidiaries. The company's obligations under Finance lease are secured by lessor's title to leased assets. Future minimum lease payments under finance lease s together with present value of the net minimum lease payments are, as follows:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Within one year	0.74	0.74
After one year but not more than five years	0.56	1.30
More than five years	-	-
Total minimum lease payments	1.30	2.04
Less: Finance charges	0.06	0.16
Present value of minimum lease payments	1.23	1.88

50. EARNINGS PER SHARE:

Earnings per share is calculated by dividing the profit attributable to the equity (ordinary) shareholders by the weighted average number of equity (ordinary) shares outstanding during the year as under:

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Profit after tax attributable to equity shareholders	(₹ in crore)	4,765.41	2,891.03
Weighted average number of equity shares outstanding during the year	Nos.	55,00,63,000	55,00,63,000
Basic and Diluted Earnings per equity share	₹	86.63	52.56
Face value per equity share	₹	2.00	2.00

51. TAXES ON INCOME:

Movement in Deferred Tax Assets / Liabilities

(₹ in crore)

Particulars	As at April 1, 2023	Profit or Loss	Other Comprehensive Income	Total	As at March 31, 2024
Property, plant, and equipment	(7.07)	(1.64)	-	(1.64)	(8.71)
Expected credit losses	1,848.52	(271.98)	-	(271.98)	1,576.54
Provisions other than those pertaining to Expected credit loss	(28.53)	39.87	-	39.87	11.34
Financial assets at fair value through profit or loss	16.60	2.55	-	2.55	19.15
Re-measurements of employee benefits through OCI	0.07	-	1.20	1.20	1.27
Adjustments pertaining to Income and expense recognition based on Expected Interest rate	(191.70)	(27.66)	-	(27.66)	(219.36)
Income recognition on NPA cases	(5.73)	5.73	-	5.73	-
Others	256.30	2.62	-	2.62	258.92
Total	**1,888.46**	**(250.51)**	**1.20**	**(249.31)**	**1,639.15**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	As at April 1, 2022	Profit or Loss	Other Comprehensive Income	Total	As at March 31, 2023
Property, plant, and equipment	(3.96)	(3.11)	-	(3.11)	(7.07)
Expected credit losses	1,477.27	371.25	-	371.25	1,848.52
Provisions other than those pertaining to Expected credit loss	(112.35)	83.82	-	83.82	(28.53)
Financial assets at fair value through profit or loss	18.52	(1.92)	-	(1.92)	16.60
Re-measurements of employee benefits through OCI	1.76	-	(1.69)	(1.69)	0.07
Adjustments pertaining to Income and expense recognition based on Expected Interest rate	(190.41)	(1.29)	-	(1.29)	(191.70)
Income recognition on NPA cases	(5.73)	-	-	-	(5.73)
Others	182.98	73.32	-	73.32	256.29
Total	**1,368.08**	**522.07**	**(1.69)**	**520.38**	**1,888.46**

Income Tax recognized in Statement of profit and loss:

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax		
In respect of Current Year	1038.00	1,188.05
Deferred Tax		
In respect of Current Year	250.51	(522.08)
Total Income Tax expense recognised in the current year	**1,288.51**	**665.97**

Reconciliation of income tax expense of the year to the accounting profit is as follows:

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Standalone Profit before tax	6,053.92	3,557.00
Income tax expense calculated at 25.168% (Previous Year 25.168%)	1,523.65	895.23
Effect of expenses that are not deductible in determining taxable profit	218.43	619.57
Effect of incomes which are exempt from tax	(1.48)	(1.43)
Effect on deferred tax balances due to the changes in income tax rate	-	-
Deduction under section 36(1)(viii) of the Income tax Act, 1961	(322.88)	(241.55)
Others	(129.21)	(605.85)
Income tax expense recognized in statement of profit and loss	**1,288.51**	**665.97**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

52. CORPORATE SOCIAL RESPONSIBILITY

Establishment and Other expenses includes ₹ 64.58 crore for the year ended March 31, 2024 (Previous year ₹ 63.22 crore) for contribution towards Corporate Social Responsibility (CSR) in accordance with Companies Act, 2013.

Details of CSR expenditure during the financial year

a) Gross amount required to be spent by the company during the year is ₹ 64.79 crore (Previous Year ₹ 63.05 crore).

b) Amount approved by the Board to be spent during the year ₹ 64.85 crore.

c) Amount spent during the year:

(₹ in crore)

Sl. No	Particulars	In cash	Yet to be paid	Total
(i)	Construction/acquisition of any asset	3.65	5.55	9.20
		(3.50)	(11.78)	(15.28)
(ii)	On purposes other than (i) above	10.02	45.62	55.64
		(6.44)	(41.50)	(47.94)

Figures in bracket are in respect of the Previous Year

d) Details of related party transactions, e.g., contribution to a trust / society / section 8 company controlled by the company in relation to CSR expenditure as per INDAS 24, Related Party Disclosures. – Nil

e) Provision of ₹ 51.17 crore has been made for CSR expenditure unspent by the company as on March 31, 2024 (Previous Year ₹ 53.28 crore).

f) Movements is the provision during the year should be shown separately:

Amount to be transferred to special Bank Account:

i) Company have transferred ₹ 51.17 crore unspent amount to a separate bank account within 30 days (transferred on 29th April 2024) of the end of FY 2023-24 and ₹ NIL crore unspent amount to a Fund specified in Schedule VII.

ii) A provision for liability for ₹ 51.17 crore representing the amount to be transferred is recognized in the financial statements for FY 2023-24.

(₹ in crore)

Details of ongoing projects							
	Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
Financial Year	With Company	In Separate CSR Unspent Account		From Company's Bank Account	From Separate CSR Unspent Account	With Company	In Separate CSR Unspent Account
FY 2019-20	7.95	-	7.95	2.01	-	5.94	-
FY 2020-21	0.14	15.39	15.53	0.12	15.37	0.02	0.02
FY 2021-22	0.05	11.40	11.45	0.05	7.22	-	4.18
FY 2022-23	-	53.28	53.28	-	41.80	(0.06)	11.54
FY 2023-24	64.85	-	64.85	13.68	-	-	51.17

iii) (a) Provision created for transferring the unspent amount other than ongoing projects to the Schedule VII Fund within 6 months form the end of the Financial Year: NIL

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Details of ongoing projects							
	Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
Financial Year	With Company	In Separate CSR Unspent Account		From Company's Bank Account	From Separate CSR Unspent Account	With Company	In Separate CSR Unspent Account
FY 2019-20	7.95	-	7.95	2.01	5.94	5.94	-
FY 2020-21	15.53	0.04	15.53	15.49	0.04	0.02	0.02
FY 2021-22	11.45	-	11.45	7.27	4.18	-	4.18
FY 2022-23	53.28	-	53.28	41.80	11.48	(0.06)	11.54
FY 2023-24	64.85	-	64.85	13.68	51.17	-	51.17

g) The Board of Directors of the Company has disclosed the following on its website:

- Composition of CSR Committee

  (https://www.lichousing.com/static-assets/pdf/Committees_Membership_Updated_SEPTEMBER_2023.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true).

  CSR Policy (https://www.lichousing.com/policy-codes).

- https://www.lichousing.com/static-assets/pdf/Corporate_Social_Responsibility_Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

  Projects approved by the Board on their website

- https://www.lichousing.com/static-assets/pdf/CSR_Projects_approved_FY_23_24.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

53. TRANSFER TO SPECIAL RESERVES

Special Reserve has been created over the years in terms of Section 36(1)(viii) of the Income-tax Act, 1961, out of the distributable profits of the Company. Special Reserve No. I relates to the amounts transferred upto the FY 1996-97, whereas Special Reserve No. II relates to the amounts transferred thereafter. In the current financial year ₹ 1,309.99 crore (FY 2022-23 ₹ 984.99 crore) has been transferred to Special Reserve No. II in terms of Section 36(1)(viii) of the Income tax Act, 1961 and an amount of ₹ 0.01 crore (FY 2022-23 ₹ 0.01 crore) to Statutory Reserve under Section 29C the NHB Act as per notification no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21.

As per National Housing Bank's (NHB) circular vide circular NHB(ND)/DRS/Pol. 62/2014 dated 27th May, 2014, the Company has adjusted the opening balance of reserves for creation of Deferred Tax Liability (DTL) on the Special Reserve as at 1st April, 2014 created under Section 36(1)(viii) of the Income tax Act, 1961.

54. DISCLOSURE REQUIRED BY RESERVE BANK OF INDIA

The following disclosures have been given in terms of Notification no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21dated February 17, 2021 issued by Reserve Bank of India.

Summary of Significant Accounting Policies

The accounting policies regarding key areas of operations are disclosed as note 1 to 4 to the Standalone Financial Statement for the year ended March 31, 2024.

1. Advances

Disclosure regarding provisions made for substandard, doubtful and loss assets as per the Prudential Norms contained in the Notification no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021 issued by Reserve Bank of India as amended are as under:

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

a. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

As per RBI Directions Housing Finance Companies shall not lend more than 15% of its owned fund to Single borrower and 25% of its owned fund to any single group of borrowers. The Company has not exceeded prudential exposure limits during the year. The sanctioned limit or entire outstanding, whichever is higher, shall be reckoned for exposure limit.

b. Unsecured Advances

(₹ in crore)

Particulars	Outstanding amount	Tangible Security	Unsecured		Nature of Security
			Intangible Security	Unsecured	
Loan given to HFC's	2,889.97 (1,863.13)	- -	2,889.97 (1,863.13)	- -	Book debt on specific assets
Loan given under Lease Rental Discounting*	0.77 (322.12)	0.46 (220.61)	- -	0.31 (101.33)	Rights over receivables
Loan given to Individuals	1,395.78 (983.70)	748.11 (691.69)	- -	647.67 (292.00)	Immovable Property
Loan Against Deposit	3.33 (5.27)	- -	3.33 (5.27)	- -	Fixed Deposit Receipt
Total	**4,289.85** **(3,174.22)**	**748.57** **(912.30)**	**2,893.30** **(1,868.40)**	**647.98** **(393.33)**	

Figures in bracket are in respect of the Previous Year.

* Loan given under Lease Rental Discounting includes Loan given under Construction Finance.

As per the NHB Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 and RBI notification no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 for determining the amount of unsecured advances the rights, licenses, authorization, etc., charged to the HFCs as collateral in respect of projects (including infrastructure projects) financed by them, should not be reckoned as tangible security. Hence such advances are reckoned as unsecured.

c. Housing Loans and Non-Housing Loans

(₹ in crore)

Asset Classification	Housing		Non-Housing	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Standard Assets				
a) Total Outstanding Amount	2,41,879.55	2,27,136.33	35,062.97	35,804.02
b) Provisions made	850.56	1,016.31	325.07	832.76
Sub-Standard Assets				
a) Total Outstanding Amount	1,560.84	2,013.16	1,000.51	1,509.34
b) Provisions made	415.58	539.61	411.50	508.99
Doubtful Assets – Category-I				
a) Total Outstanding Amount	1,256.79	1,312.57	1,180.24	1,110.36
b) Provisions made	580.08	364.75	594.82	552.97
Doubtful Assets – Category-II				
a) Total Outstanding Amount	1,074.62	2,393.73	1,584.96	1,383.85
b) Provisions made	582.03	1089.07	940.62	702.92
Doubtful Assets – Category-III				
a) Total Outstanding Amount	1,474.62	1,371.32	778.89	803.42
b) Provisions made	1,044.03	898.53	519.82	495.59

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Asset Classification	Housing		Non-Housing	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Loss Assets				
a) Total Outstanding Amount	5.89	190.75	-	36.24
b) Provisions made	5.97	192.51	-	36.27
Total				
a) Total Outstanding Amount	**2,47,252.30**	**2,34,417.86**	**39,607.57**	**40,647.23**
b) Provisions made	**3,478.25**	**4,100.78**	**2,791.83**	**3,129.51**

d. Movement of NPAs

(₹ in crore)

		For the year ended March 31, 2024	For the year ended March 31, 2023
(I)	Net NPAs to Net Advances (%)	**1.63%**	**2.50%**
(II)	Movement of NPAs (Gross)		
	a) Opening balance	**12124.74**	**11,616.40**
	b) Additions during the year	2127.74	3,140.92
	c) Reductions during the year	4769.09	2,632.57
	d) Closing balance	**9483.39**	**12,124.74**
(III)	Movement of Net NPAs		
	a) Opening balance	**6743.52**	**6,596.72**
	b) Additions during the year	683.47	2,034.76
	c) Reductions during the year	2819.86	1,887.96
	d) Closing balance	**4,607.13**	**6,743.52**
(IV)	Movement of Provisions for NPAs (excluding provisions on standard assets)		
	a) Opening balance	**5,381.22**	**5,019.68**
	b) Provisions made during the year	1,982.28	1,786.84
	c) Write-off/write-back of excess provisions	2,487.24	1,425.30
	d) Closing balance	**4,876.26**	**5,381.22**

2. There were no loans given against collateral of gold jewellery.

3. Exposure to group companies engaged in real estate business.

Sl. No.	Description	Amount (₹ in crore)	% of owned fund
(i)	Exposure to any single entity in a group engaged in real estate business	-	-
(ii)	Exposure to all entities in a group engaged in real estate business	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

4. Investments

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
A. Value of Investments		
i) Gross value of Investments	**6,353.12**	**7,042.37**
(a) In India	6,353.12	7,042.37
(b) Outside India	-	-
ii) Impairment Loss	**76.09**	**65.96**
(a) In India	76.09	65.96
(b) Outside India	**-**	**-**
iii) Net value of Investments	**6,277.03**	**6,976.41**
(a) In India	6,277.03	6,976.41
(b) Outside India	-	-
B. Movement of provisions held towards Impairment Loss on investments		
(i) Opening balance	65.96	73.58
(ii) Add: Provisions made during the year	10.13	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-	7.62
(iv) Closing Balances	**76.09**	**65.96**

5. Derivative Instruments:

During the current year there are no transactions in Derivative Instruments.

6. Break up of 'Provisions and Contingencies' pursuant to RBI norms as per notification no. RBI/2020-21/73 DOR.FIN. HFC.CC.No.120/03.10.136/2020-21 dated 17th February 2021 (As amended)

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1. Provisions for depreciation on Investment	12.13	(7.62)
2. Provision made towards Income tax	1,038.00	1,188.05
3. Provision towards NPA/Impairment loss allowance on stage 3 assets	2,078.13	906.23
4. Provision for Standard Assets / impairment loss allowance on stage 1 and 2*	(455.25)	1,029.64
5. Other Provision and Contingencies	(18.21)	12.68
*** Breakup of provision for Standard Assets / impairment loss allowance on stage 1 and 2**		
Individual Housing Loan	(47.65)	437.82
Commercial Real Estate	(280.78)	457.90
Commercial Real Estate-Residential Housing	100.08	67.18
Others	(226.90)	66.74
Total	**(455.25)**	**1,029.64**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

7. **The following disclosures have been given in terms of Notification no. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22. 10.106/2019-20 dated March 13, 2020 issued by the RBI on Implementation of Indian Accounting Standards.**

As at March 31, 2024

(₹ in crore)

	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	**(2)**	**(3)**	**(4)**	**(5)=(3)-(4)**	**(6)**	**(7) = (4)-(6)**
Performing Assets						
Standard	Stage 1	2,65,417.26	625.48	2,64,791.78	831.48	(206.00)
	Stage 2	11,959.22	768.34	11,190.88	159.18	609.17
Subtotal		**2,77,376.48**	**1,393.82**	**2,75,982.66**	**990.65**	**403.17**
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,541.97	820.62	1,721.35	422.01	398.61
Doubtful - up to 1 year	Stage 3	2,022.46	963.17	1,059.29	572.44	390.73
1 to 3 years	Stage 3	2,659.57	1,522.65	1,136.92	1,275.79	246.86
More than 3 years	Stage 3	2,253.64	1,563.49	690.15	2,297.34	(733.85)
Subtotal for doubtful		**6,935.67**	**4,049.31**	**2,886.36**	**4,145.57**	**(96.25)**
Loss	Stage 3	5.75	6.33	(0.58)	6.33	-
Subtotal for NPA		**9,483.39**	**4,876.26**	**4,607.13**	**4,573.91**	**302.35**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**2,65,417.26**	**625.48**	**2,64,791.78**	**831.48**	**(206.00)**
	Stage 2	**11,959.22**	**768.34**	**11,190.88**	**159.18**	**609.17**
	Stage 3	**9,483.39**	**4,876.26**	**4,607.13**	**4,573.91**	**302.35**
	Total	**2,86,859.87**	**6,270.08**	**2,80,589.79**	**5,564.56**	**705.52**

As at March 31, 2023

(₹ in crore)

	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	**(2)**	**(3)**	**(4)**	**(5)=(3)-(4)**	**(6)**	**(7) = (4)-(6)**
Performing Assets						
Standard	Stage 1	2,48,857.29	677.76	2,48,179.53	734.22	(56.46)
	Stage 2	14,083.07	1,171.31	12,911.76	295.49	875.82
Subtotal		**2,62,940.36**	**1,849.07**	**2,61,091.29**	**1,029.71**	**819.36**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	**(2)**	**(3)**	**(4)**	**(5)=(3)-(4)**	**(6)**	**(7) = (4)-(6)**
Non-Performing Assets (NPA)						
Substandard	Stage 3	3,522.48	1,048.60	2,473.88	534.36	514.24
Doubtful - up to 1 year	Stage 3	2,422.94	917.72	1,505.22	797.94	119.78
1 to 3 years	Stage 3	3,777.58	1,792.00	1,985.58	1,502.70	289.29
More than 3 years	Stage 3	2,174.74	1,394.13	780.61	1,974.57	(580.44)
Subtotal for doubtful		8,375.26	4,103.85	4,271.41	4,275.21	(171.36)
Loss	Stage 3	226.99	228.77	(1.78)	226.92	1.85
Subtotal for NPA		**12,124.73**	**5,381.21**	**6,743.51**	**5,036.49**	**344.73**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**2,48,857.29**	**677.76**	**2,48,179.53**	**734.22**	**(56.46)**
	Stage 2	**14,083.07**	**1,171.31**	**12,911.76**	**295.49**	**875.82**
	Stage 3	**12,124.73**	**5,381.21**	**6,743.51**	**5,036.49**	**344.73**
	Total	**2,75,065.09**	**7,230.29**	**2,67,834.80**	**6,066.20**	**1,164.09**

8. The following disclosures have been given by Reserve Bank of India vide circular DOR.no. BP.BC/3/21.04.048/2020-21 dated August 6, 2020 and circular RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 on Resolution Framework - 2.0: Resolution of Covid-19 related Stress of Individuals and Small Businesses.

(₹ in crore)

Type of borrower	Exposure to Accounts classified as Standard consequent to implementation of resolution plan - Position as at September 30, 2023 (A)	Of (A), aggregate debt that slipped into NPA during the current half year	Of (A), amount written off during the current half year	Of (A), amount paid by the borrowers during the current half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 31st March 2024.
Personal Loans	2,233.08	78.35	-	161.80	1,992.93
Corporate persons*	1,595.83	2.91	-	1,086.42	506.50
Of which, MSMEs	-	-	-	-	-
Others					
Total	**3,828.91**	**81.26**	**-**	**1,248.22**	**2,499.43**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Actual repayment in project during the second half year was ₹ 2,655.95 crore whereas ₹ 779.81 crore arrived by net off disbursement of ₹ 1,876.15 crore.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

9. Concentration of Public Deposits, Advances, Exposures and NPAs

9.1.1 Concentration of Public Deposits

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Deposits of twenty largest Public depositors	1,152.11	3,505.28
Percentage of Deposits of twenty largest Public depositors to Total Deposits of the Company	11.64%	29.73%

9.1.2. Funding Concentration based on significant counterparty (both deposits and borrowings)

(₹ in crore)

Sr No.	Particulars	Number of Significant Counterparties	Amount	% of Total deposits	% of Total Liabilities
1.	Deposits	NIL	NIL	NIL	NIL
2.	Borrowings	22	1,43,405.57	NA	55.20%

9.1.3. Top 20 Large Deposits:

(₹ in crore)

Particulars	Amount	Percentage of Total Deposits
Total of top 20 large deposits	3980.66	40.21%

Top 10 borrowings:

(₹ in crore)

Particulars	Amount	Percentage of Total Borrowings*
Total of top 10 borrowings	1,00,369.30	41.37%

*Excludes Deposit

9.1.4. Funding Concentration based on significant instrument/product.

(₹ in crore)

Sr No.	Name of the instrument/product	Amount	% of Total Liabilities
1	Banks & Other Financial Institutions	87,272.11	33.59%
2	NHB Refinance	8,864.47	3.41%
3	NCD outstanding	1,32,808.62	51.12%
4	Tier II bond	1,796.33	0.69%
5	Commercial Paper	11,856.70	4.56%
6	Deposits	9,898.56	3.81%
Total Borrowings		**2,52,496.79**	**97.19%**
Total Liabilities		**2,59,810.00**	

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

9.1.5. Stock Ratios

Sl. No.	Particulars	As at March 31, 2024
a	Commercial Paper as a % of Total Public Fund	4.70%
b	Commercial Paper as a % of Total Liabilities	4.56%
c	Commercial Paper as a % of Total Assets	4.07%
d	Non-Convertible Debentures (Original maturity of less than one year) as a % of Public Funds	Nil
e	Non-Convertible Debentures (Original maturity of less than one year) as a % of Total Liabilities	Nil
f	Non-Convertible Debentures (Original maturity of less than one year) as a % of Total Assets	Nil
g	Other short team liabilities as a % of Total Public Fund	2.83%
h	Other short team liabilities as a % of Total Liabilities	2.75%
i	Other short team liabilities as a % of Total Assets	2.45%

Note : Total Public funds consist of NCD, CP, Bank Loan, LOC & Subordinate Debt.

Institutional set-up for liquidity risk management

Measuring and managing liquidity needs are vital for effective operation of the Company. By assuring Company's ability to meet its liabilities as they become due, liquidity management can reduce the probability of an adverse situation developing. The importance of liquidity transcends individual institutions, as liquidity shortfall in one institution can have repercussions on the entire system.

Liquidity Risk implies the risk of not having sufficient funds to discharge the liabilities. Various situations can give rise to liquidity risk such as higher than estimated disbursements, stress on systemic liquidity due to CRR hikes, higher government borrowing program, advance tax outflows, etc. Therefore, it is imperative to anticipate the net cash outflows correctly, as well as to have a contingency plan in case of any unforeseen outgo of funds. Another aspect of liquidity management is avoiding retention of too much of excess liquidity than what may be required, as the same would result in sub-optimal returns on investment. So, the Company has to strike a balance between the above two factors and manage the liquidity position actively / effectively.

The liquidity risk management framework of the Company includes the Risk Management Committee (RMC) of the board which has been constituted by the Board of Directors of the Company. The Risk Management Committee (RMC), which is a committee of the Board, is responsible for evaluating and monitoring the integrated risk management system of the Company including liquidity risk The RMC reviews the liquidity risk position in line with policies and procedures to manage liquidity risk in accordance with limits approved by the Board of Directors. The ALCO is entrusted with ensuring adherence to the board approved Asset Liability Management (ALM) policy and other regulatory guidelines, including Structural Liquidity, Dynamic Liquidity, Interest Rate Sensitivity, etc,. The ALM Policy is reviewed periodically in accordance with regulatory guidelines.

9.2 Concentration of Loans & Advances

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Loans & Advances to twenty largest borrowers	7,535.51	8,190.77
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the Company	2.63%	2.98%

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

9.3 Concentration of all Exposure (including off-balance sheet exposure)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to twenty largest borrowers / customers	7,961.06	8,308.06
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the Company on borrowers / customers	2.53%	3.02%

9.4 Concentration of NPAs

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to top ten NPA accounts	3,275.27	3,418.29

9.5 Sector-wise NPAs

Sr. No	Sector	Percentage of NPAs to Total Advances in that sector	
		As at March 31, 2024	As at March 31, 2023
A.	**Housing Loans:**		
1	Individuals	1.46%	1.63%
2	Builders/Project Loans	0.13%	0.17%
3	Corporates	0.41%	1.13%
4	Others (specify)	-	-
B.	**Non-Housing Loans:**		
1	Individuals	3.94%	4.69%
2	Builders/Project Loans	0.14%	0.14%
3	Corporates	7.40%	7.09%
4	Others (Commercial)	-	-

*Housing and non-housing loans are considered as sector

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

10. Disclosure pursuant to Reserve Bank of India (Scale Based Regulation) /2022-23/26 DOR.ACC.REC.No. 20 /21. 04.018 /2022-23 dated April 19, 2022

10.1 Exposure to Real Estate Sector

(₹ in crore)

Category				Percentage of NPAs to Total Advances in that sector	
				As at March 31, 2024	**As at March 31, 2023**
a)	**Direct exposure**				
	(i)	Residential Mortgages –			
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented ; Individual Housing Loans upto ₹ 15 lakh : ₹41,473.99 crore (FY 2022-23 ₹42,671.89 crore)		2,62,332.18	2,52,396.90
	(ii)	Commercia Real Estate – I			
		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		21,622.24	20,787.13
	(iii)	Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –			
		(a)	Residential	-	-
		(b)	Commercial Real Estate	-	-
b)	**Indirect Exposure**				
		Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		2,889.97	1,863.13
		Total Exposure to Real Estate Sector		**2,86,844.39**	**2,75,047.16**

10.2 Exposure to Capital Market

(₹ in crore)

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; *	69.61	48.00
(ii)	advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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(₹ in crore)

Particulars		As at March 31, 2024	As at March 31, 2023
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	bridge loans to companies against expected equity flows / issues;	**-**	**-**
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	36.50	62.99
Total Exposure to Capital Market		**106.11**	**110.99**

* includes Investment in Subsidiary Companies and Investment in Associate Companies

10.3 Intra-group exposures

There are no intra-group exposures as at 31st March 2024 (March 31, 2023 : Nil)

10.4 Unhedged foreign currency exposure

The below table indicates the Unhedged Foreign currency exposure as required by RBI Scale based regulations.

(₹ in crore)

	Unhedged Exposure		
	</=1 year	**> 1 year**	**Total**
FCY Receivables	-	0.11	0.11
FCY Payables	0.45	-	0.45
Total	**0.45**	**0.11**	**0.56**

10.5 Sectoral exposure

Sectors		Current Year			Previous Year		
		Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
1.	**Industry**						
i.	Retail Loans	3,03,681.96	7,046.89	2.32%	2,97,121.29	7,226.61	2.43%
ii	Real Estate sector	7,476.92	2,436.50	32.59%	10,982.59	4,898.13	44.60%
Total of Industry		3,11,158.88	9,483.39	3.05%	3,08,103.88	12,124.74	3.94%
2.	**Others, if any (please specify)**	3,854.97	-	-	1,942.63	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Note:

i. The disclosures as above shall be based on the sector-wise and industry-wise bank credit (SIBC) return submitted by scheduled commercial banks to the Reserve Bank and published by Reserve Bank as 'Sectoral Deployment of Bank Credit'.

ii. In the disclosures as above, if within a sector, exposure to a specific sub-sector/industry is more than 10 per cent of Tier I Capital of a NBFC, the same shall be disclosed separately within that sector. Further, within a sector, if exposure to specific sub-sector/industry is less than 10 per cent of Tier I Capital, such exposures shall be clubbed and disclosed as "Others" within that sector.

10.6 Related Party Disclosure as per RBI Circular No. DOR.ACC.REC.No. 20/21.04.01/2022-23 dated April 19, 2022.

The Following are the details of transactions & Balances as at 31st March 2024 with related parties.

(₹ in crore)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Enterprise having significant Influence		Total	
Items	**CY**	**PY**	**CY**	**PY**	**CY**	**PY**	**CY**	**PY**	**CY**	**PY**	**CY**	**PY**	**CY**	**PY**
Transactions During the Year														
Redemption of Debt Securities	-	-	-	-	-	-	-	-	-	-	2,000.00	1,500.00	2,000.00	1,500.00
Loan Given	-	-	-	-	-	-	-	1.30	-	-	-	-	-	1.30
Issue of Deposits	-	-	21.22	47.27	-	-	-	-	0.20	0.22	-	-	21.42	47.49
Proceeds from Redemption of PD	-	-	17.04	53.22	-	-	-	-	0.07	0.06	-	-	17.11	53.28
Issue of Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Securities Premium on Issue of Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	3.50	3.17	-	-	0.01	-	0.07	0.07	871.70	1,046.28	875.20	1,049.52
Dividend Income	-	-	5.46	5.24	0.43	0.43	-	-	-	-	-	-	5.89	5.67
Commission Expense	-	-	60.67	72.58	-	-	-	-	-	-	-	-	60.67	72.58
Dividend Paid	-	-	-	-	-	-	-	-	-	-	211.52	211.52	211.52	211.52
Others*	-	-	1.31	1.26	-	-	1.88	2.11	-	-	38.07	69.52	42.27	72.89
Outstanding during the year														
Debt Securities	-	-	-	-	-	-	-	-	-	-	9,550.00	11,550.00	9,550.00	11,550.00
Accrued Interest on Debt Securities	-	-	-	-	-	-	-	-	-	-	304.05	243.03	304.05	243.03
Deposits	-	-	53.55	47.41	-	-	0.11	-	0.82	1.07	-	-	53.55	48.48
Outstanding Loan Balance	-	-	-	-	-	-	2.17	1.36	-	-	-	-	2.17	1.36
Commission Expense Payable	-	-	9.69	6.59	-	-	-	-	-	-	-	-	9.69	6.59
Others*	-	-	0.01	0.02	-	-	-	-	-	-	-	1.81	0.01	1.83

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Enterprise having significant Influence		Total	
Items	**CY**	**PY**	**CY**	**PY**	**CY**	**PY**	**CY**	**PY**	**CY**	**PY**	**CY**	**PY**	**CY**	**PY**
Maximum outstanding during the year														
Debt Securities	-	-	-	-	-	-	-	-	-	-	11,550.00	13,050.00	11,550.00	13,050.00
Accrued Interest on Debt Securities	-	-	-	-	-	-	-	-	-	-	640.91	702.81	640.91	702.81
Deposits	-	-	55.02	67.07	-	-	0.11	-	1.25	1.07	-	-	56.38	68.14
Outstanding Loan Balance	-	-	-	-	-	-	2.25	1.36	-	-	-	-	2.25	1.36

*CY – Current Year, PY – Previous Year

Others in transactions include payments related to Rent, electricity charges, Contribution towards Post-employment benefits etc.

10.7 Disclosure of Complaints

10.7.1 Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No		Particulars	As at March 31, 2024	As at March 31, 2023
	Complaints received by the NBFC from its customers			
1.		Number of complaints pending at beginning of the year	-	2
2.		Number of complaints received during the year	13,486	11,046
3.		Number of complaints disposed during the year	13,486	11,048
	3.1	Of which, number of complaints rejected by the NBFC	-	-
4.		Number of complaints pending at the end of the year	-	-

Maintainable complaints received by the NBFC from Office of Ombudsman

Sr. No		Particulars	Current Year	Previous Year
1.		Number of maintainable complaints received by the NBFC from Office of Ombudsman	NA	NA
	1.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	NA	NA
	1.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	NA	NA
	1.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NA	NA
2.		Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme. * It shall only be applicable to NBFCS which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

10.7.2 Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year (Internal Portals)	Number of complaints received during the year (External Portals)	% increase/ |(decrease) in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3		4	5	6
Current Year (FY 2023-24)						
HIGH ROI/ Rewriting	-	2302	188	34.02%	-	-
NACH related / E-NACH/ Change of EMI/ EMI Related	-	1754	82	18.75%	-	-
Emi related issue /Prepayment procedure /Repayment related issue.	-	2607	185	117.44%	-	-
ROD /LOD/ Non return of original documents	-	1481	353	48.86%	-	-
Delay or refusal of first/final/subsequent disbursement/ Sanction	-	1612	145	85.53%	-	-
Others/ Recovery/ Fees/ CIBIL	-	2195	582	(33.54%)	-	-
Total		**11951**	**1535**			
Previous Year (FY 2022-23)						
HIGH ROI/ Rewriting	-	1770	88	99.78%	-	-
NACH related / E-NACH/ Change of EMI/ EMI Related	-	1521	25	234.63%	-	-
Prepayment procedure/ Foreclosure	-	1227	57	146.45%	-	-
ROD /LOD/ Non return of original documents	-	1118	114	(38.80%)	-	-
Delay or refusal of first/final/subsequent disbursement/ Sanction	-	865	82	(53.67%)	-	-
PMAY Subsidy/ Ex- Gratia/ Moratorium	-	497	275	54.71%	-	-
Others/ Recovery/ Fees/ CIBIL	2	3006	401	149.60%	-	-
Total	**2**	**10004**	**1042**		**-**	**-**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

10.8 DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING - DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA (SCALE BASED REGULATION) RBI/2022-23/26 DOR.ACC.REC.NO.20 /21.04.018 /2022-23 DATED APRIL 19, 2022

10.8.1 The additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5% of the reported profits before tax and impairment loss on financial instruments for the reference period

Not Applicable

10.8.2 Additional Gross NPAs identified by RBI exceeds 5 per cent of the reported Gross NPAs for the reference period

Not Applicable

(₹ in crore)

Sl. No.	Particulars	Amount
1.	Gross NPAs as on March 31, 2023 as reported by the NBFC	Not Applicable
2.	Gross NPAs as on March 31, 2023 as assessed by the Reserve Bank of India/ NHB	
3.	Divergence in Gross NPAs (2-1)	
4.	Net NPAs as on March 31, 2023 as reported by the NBFC	
5.	Net NPAs as on March 31, 2023 as assessed by Reserve Bank of India/ NHB	
6.	Divergence in Net NPAs (5-4)	
7.	Provisions for NPAs as on March 31, 2023 as reported by the NBFC	
8.	Provisions for NPAs as on March 31, 2023 as assessed by Reserve Bank of India/ NHB	
9.	Divergence in provisioning (8-7)	
10.	Reported Profit before tax and impairment loss on financial instruments for the year ended March 31, 2023	
11.	Reported Net Profit after Tax (PAT) for the year ended March 31, 2023	
12.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2023 after considering the divergence in provisioning	

10.9 Breach of covenant

There is no breach in terms of covenants in respect of loans availed or debt securities issued by us including incidence of default.

10.10 RBI has also issued notification regarding corporate governance, which is disclosed in report of corporate governance under the statutory report.

11. Asset Liability Management

Maturity pattern of certain items of assets and liabilities is as under

(₹ in crore)

Items/Time buckets	1 to 7 days	8 to 14 days	over 14 days to one month	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Total
Liabilities													
Deposits	27.86	70.74	552.10	809.03	646.30	2,195.14	2,467.41	2,104.97	1,043.63	-	-	-	9,917.18
Borrowings from banks	-	62.50	330.00	688.35	2,868.41	5,065.23	27,078.67	38,947.92	16,095.26	4,621.05	379.21	-	96,136.60
Market Borrowing ***	-	-	350.00	4,229.00	3,340.00	8,640.00	24,590.00	46,410.10	32,528.40	5,420.00	21,662.30	-	1,47,169.80
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Assets													
Advances*	637.45	1,782.61	311.00	3,098.80	3,353.41	12,925.54	24,225.61	27,240.21	26,850.31	25,890.69	40,779.79	1,07,898.93	2,74,994.35
Investments**	2,210.00	0.00	1,592.00	0.00	116.00	0.00	111.18	35.93	374.50	266.56	848.28	794.91	6,349.36
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-	-	-

* Net of NPA.

** Net of Investment diminutions, G-Sec taken at face value and includes investment in liquid/overnight scheme of mutual fund for cash management.

*** Commercial Paper & Zero Coupon Bond taken at face value.

12. Disclosure regarding penalty or adverse comments as per Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2022 during the current year:

a) There is NIL penalty imposed by NHB/RBI during the FY 2023-24.

b) The observation from NHB Inspection Report with reference to company's position as on 31/03/2022 received on 11/07/2023 have been suitably replied on 14/08/2023

c) The observation from NHB Inspection Report with reference to company's position as on 31/03/2023 received on 22/03/2024 have been suitably replied on 23/04/2024

d) During the FY 2023-24, the Company has reported frauds in 7 loan accounts with outstanding amount of ₹ 441.41 lakh in accordance with Master Directions, 2021 dated February 17, 2021 issued by the Reserve Bank of India read with EBI Circular No RBI/DNBS/2016-17/49 Master Direction DNBS.PPD.01/66.15.001/2016-17 on Monitoring of Frauds in NBFCs.

13. Indian Accounting Standard 24 - Related Party Transactions

Details of all material transactions with related parties are disclosed in Note 48.

14. Indian Accounting Standard 110- Consolidated Financial Statements

Refer to the Consolidated Financial Statements for the relevant disclosures.

15. Draw Down from Reserves

The Company has not drawn any amount from Reserves created in terms of Section 36(1) (viii) of the Income Tax Act, 1961 and Statutory Reserve under Section 29C of the NHB Act.

16. Overseas Assets

(₹ in crore)

Asset Description	As at March 31, 2024	As at March 31, 2023
Total Tangible Assets	0.01	0.01
Balance in Bank Account in Dubai	0.11	0.13

17. Miscellaneous

17.1 Registration obtained from other financial sector regulators

The Company was incorporated under the Companies Act, 1956 on 19th June, 1989 and is governed by Companies Act, 2013. It is regulated by NHB and registered under section 29A of the NHB Act, 1987. Apart from this, the Company is not registered under any other financial regulators. The regulators of Housing Finance Companies is transferred to RBI from August 2019. No fresh registration is required to be obtained from RBI.

17.2 Rating assigned by Credit Rating Agencies and migration of rating during the year

"CRISIL AAA/ Stable" by CRISIL, "CARE AAA/Stable" by CARE Edge & "ICRA A1+" by ICRA. This rating indicates the highest degree of safety regarding timely payment of interest and principal. There is no change in rating during the year.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
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Serial No.	Particulars	CRISIL Ratings
1	Non-Convertible Debentures	CRISIL AAA/STABLE
2	Tier II Bond	CRISIL AAA/STABLE
3	Commercial Paper	CRISIL A1+
4	Fixed Deposits Programme	CRISIL AAA/STABLE
5	Bank Loan Facilities(Long Term)	CRISIL AAA/STABLE
6	Bank Loan Facilities(Short Term)	CRISIL A1+

Serial No.	Particulars	CARE Ratings
1	Non-Convertible Debentures	CARE AAA/STABLE
2	Tier II Bonds	CARE AAA/STABLE

Serial No.	Particulars	ICRA Ratings
1	Commercial Paper	ICRA A1+

17.3 Remuneration of Directors

The Independent Directors of the Company receive only sitting fees for attending the Board / Committee meetings and they do not have any other material or pecuniary relationships or transaction with the Company, its Promoters, its Directors, Management, Subsidiaries or Associate.

The details of sitting fees paid to Non-Executive Directors (other than LIC Nominee Directors) has been mentioned in Corporate Governance Report forming part of the Annual Report.

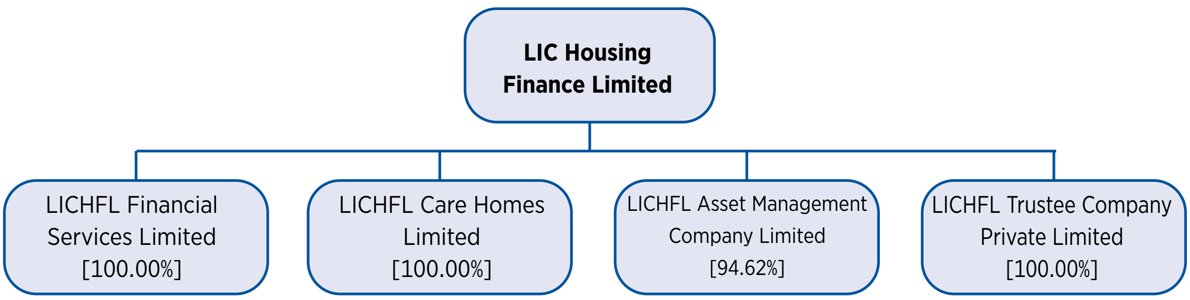
17.4 Management Discussion and Analysis

Management Discussion and Analysis report containing Industry structure and developments, opportunities and threats, segment-wise or product-wise performance, outlook, risks and concerns, internal control systems and their adequacy, discussion on financial performance with respect to operational performance, material developments in HR/Industrial Relations including number of people employed, etc., forming part of a separate section of the Annual Report.

17.5 Revenue Recognition

Revenue recognition is as per the Accounting Policy mentioned under Material Accounting Policies. Refer Note 2.3

18. Group Structure



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

19. Reserve Fund u/s 29C of NHB Act, 1987

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act,1987	0.19	0.18
b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	8,529.30	7,544.31
Total	**8,529.49**	**7,544.49**
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	0.01	0.01
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	1,309.99	984.99
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987.	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	0.20	0.19
b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	9,839.29	8,529.30
Total	**9,839.49**	**8,529.49**

20. Exchange Traded Interest Rate (IR) Derivative

The Company has not entered into any exchange traded derivative

21. Securitisation

The company has not entered into any Securitisation transactions.

22. Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items that have impact on the current year's profit and loss.

23. The Company is not a subsidiary of any Company, hence there are no details of financing of parent company products.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

24. Disclosures as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2022 dated February 17, 2021 issued by the Reserve Bank of India

(₹ in crore)

	Particulars	Amount outstanding	
	Liabilities	**As at March 31, 2024**	**As at March 31, 2023**
1.	**Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:**		
(a)	Debentures: Secured	1,37,388.10	1,27,303.88
	: Unsecured	-	-
	(Other than falling within the meaning of public deposits*)		
(b)	Deferred Credits	-	-
(c)	Term Loans	80,040.27	73,534.07
(d)	Inter-corporate loans and borrowing	-	-
(e)	Commercial Paper	11,856.70	13,513.59
(f)	Public Deposits	4,183.27	3,803.28
(g)	Other Loans		-
	- Corporate Deposits	6,218.54	8,536.35
	- Loans repayable on demand	16,211.00	20,956.00
	- Subordinate Bonds	1,818.23	1,817.47
2.	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**		
(a)	In the form of Unsecured debentures		-
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		-
(c)	Other public deposits	4,183.27	3,803.28

3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:

(₹ in crore)

		As at March 31, 2024	As at March 31, 2023
	(a) Secured	**2,86,210.15**	**2,74,669.08**
	(b) Unsecured	647.98	393.33
4	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**		
(i)	Lease assets including lease rentals under sundry debtors	-	-
(a)	Financial lease	1.74	2.68
(b)	Operating lease	-	-
(ii)	Stock on hire including hire charges under sundry debtors	-	-
(a)	Assets on hire	-	-
(b)	Repossessed Assets	-	-
(iii)	Other loans counting towards asset financing activities	-	-
(a)	Loans where assets have been repossessed	-	-
(b)	Loans other than (a) above	-	-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

5	**Break-up of Investments**		
	Current Investments		
1	Quoted		
(i)	Shares		
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds		
(iii)	Units of mutual funds	1,594.05	2,242.03
(iv)	Government Securities	-	-
(v)	Real Estate Venture Fund	-	-
2	Unquoted		
(i)	Shares		
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government Securities	-	-
(v)	Others	-	-
	Long Term investments		
1	Quoted		
(i)	Shares		
	(a) Equity	-	-
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government Securities	4,576.87	4,623.38
(v)	Others	-	-
2	Unquoted		
(i)	Shares		
	(a) Equity	69.61	48.00
	(b) Preference	-	-
(ii)	Debentures and Bonds	-	-
(iii)	Units of mutual funds	-	-
(iv)	Government Securities	-	-
(v)	Real Estate Venture Fund	36.50	62.99

6 Break-up of Loans and Advances including bills receivables:

(₹ in crore)

	Category	As at March 31, 2024			As at March 31, 2023		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1	Related Parties						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	0.74	-	0.74	1.36	-	1.36
2	Other than related parties	2,79,941.16	647.98	2,80,589.05	2,67,440.11	393.33	2,67,833.44
	Total	**2,79,941.90**	**647.98**	**2,80,589.79**	**2,67,441.47**	**393.33**	**2,67,834.80**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

(₹ in crore)

	Category	Breakup Value	As at March 31, 2024	As at March 31, 2023
1	**Related Parties**			
(a)	Subsidiaries	-	18.29	18.29
(b)	Companies in the same group	-	51.32	29.71
(c)	Other Related Parties	-	-	-
2	**Other than Related Parties**	**Fair Value**	**Total**	**Total**
(a)	LICHFL Urban Development Fund	-	4.94	8.09
(b)	Mutual Fund	-	1,594.05	2,242.03

8 Other Information:

(₹ in crore)

	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	**Gross Non-Performing Assets**		
(a)	Related Parties	-	-
(b)	Other than Related Parties	9,483.39	12,124.74
(ii)	**Net Non-Performing Assets**		
(a)	Related Parties	-	-
(b)	Other than Related Parties	4,607.13	6,743.52
(iii)	**Assets acquired in satisfaction of Debt**	**-**	**-**

25. Relationship with Struck off Companies

(₹ In crore)

Name of the struck off company	Nature of transactions with struck off company	Transactions during the year F.Y 2023-24	Balance Outstanding as at 31.03.2024	Relationship with the struck off company, if any, to be disclosed
Payal Financial Services		*	*	
Farmassist Solutions Private Limited		-	*	
Dhanush Financial Advisors Private Limited		0.06	-	
Just Loans Sales & Distribution Private Limited		-	*	
GRAR Homes Solution Private Limited	Purchase of Services	*	-	NA
Subhagya Consultancy Services Private Limited		*	-	
Tempworks Services Private Limited		-	*	
SVR Financial Solutions Private Limited		*	-	
Relay Financial Consultants(P)Ltd		-	*	
	Total	**0.06**	*****	

* Less than ₹ 50,000/-

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

26. Capital Adequacy Ratio

The Company's capital adequacy ratio, calculated in accordance with the Reserve Bank of India guidelines and disclosed using Ind-AS terminology, is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
CRAR%	20.78%	18.23%
CRAR –Tier I Capital %	19.19%	16.56%
CRAR-Tier II Capital %	1.59%	1.66%
Amount of Subordinated Debt raised as Tier-II capital	-	-
Amount Raised by the issue of Perpetual Debt Instruments	-	-

There were ₹ Nil crore (PY - ₹ Nil crore) interest outstanding to pay Perpetual Debt Instruments holder.

27. Disclosure in terms of RBI Master Directions-Principal Business Criteria-Housing Finance Company-Para 4.1.17 of NBFC-HFC (Reserve Bank) Directions, 2021.

The RBI vide its circular number RBI/2020-21/60/DOR.NBFC (HFC) CC.NO 118/03.10.136/2020-21 dated October 22, 2020 defined the principal business criteria for HFCs. In compliance with the above circular, Principal Business Criteria for the Company registered as "Housing Finance Company" as per the paragraph 4.1.17 of the Master Direction is given below:

Particulars	% for FY 2023-24	% for FY 2022-23	Limit
Percentage of total assets towards housing finance	84.25%	83.36%	>= 60%
Percentage of total assets towards housing finance for individuals	83.51%	81.83%	>= 50%

55. THE DISCLOSURE ON THE FOLLOWING MATTERS REQUIRED UNDER SCHEDULE III AS AMENDED NOT BEING RELEVANT OR APPLICABLE IN CASE OF THE COMPANY, SAME ARE NOT COVERED SUCH AS

a. The Company has not traded or invested in crypto currency or virtual currency during the financial year.

b. There is no undisclosed transaction which have not been recorded in the books that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961.

c. No proceedings have been initiated or pending against the company as the Company does not hold any Benami Property under the Benami Transactions (Prohibition) Act, 1988.

d. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

e. The Company has not entered any scheme of arrangement, which have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

f. No Registration or satisfaction of charges are pending to be filed with ROC.

g. No revaluation of any class of asset is carried out during the year.

h. Fair valuation of Investment property is not applicable to the company, as company doesn't hold any investment property.

i. Company doesn't hold any immovable property in the name of third party.

j. Clause (87) of section 2 of the act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable to company.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

k. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

l. No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

56. LIQUIDITY COVERAGE RATIO (LCR)

Disclosure pursuant to Reserve Bank of India Circular ref. - RBI/2020-21/60 DOR. NBFC (HFC). CC.NO.118/03.10.136/2020-21 dated 22nd October, 2020 pertaining to Liquidity Risk Management Framework for Housing Finance Companies.

I. The Liquidity Coverage Ratio (LCR) framework under Liquidity risk management of the Company is managed by Asset Liability Committee in accordance with Board approved policies.

As per the RBI Circular ref. - RBI/2020-21/60 DOR. NBFC (HFC). CC.NO.118/03.10.136/2020-21 dated 22nd October, 2020 all non-deposit taking HFCs with asset size of ₹10,000 crore & above, and all deposit taking HFCs irrespective of their asset size, shall maintain prescribed limits to adhere the LCR norms given below:-

From	December 01, 2021	December 01, 2022	December 01, 2023	December 01, 2024	December 01, 2025
Minimum LCR	50%	60%	70%	85%	100%

II. The purpose of LCR is to maintain strong liquidity buffer which will promote resilience of HFC's to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for 30 calendar days. This will reduce the risk of spill over from any financial stress scenario.

III. LCR = Stock of High-Quality Liquid Assets (HQLAs)/Total Net Cash Outflows over the next 30 calendar days.

Total net cash outflows arrived at after deducting total expected cash inflows (stressed inflows) from total expected cash outflow (stressed outflows) for the subsequent 30 calendar days. To compute expected cash outflow (stressed outflows), all expected and contracted cash outflows are considered by applying a stress of 15% and for expected cash inflows (stressed inflows) of the company is arrived at by considering all expected and contracted inflows by applying an under-flow of 25%.

The HQLA maintained by company comprises of Government securities held for LCR purpose, Government securities held for the purpose of Statutory Liquid Ratio (SLR) with a hair-cut of 20% and balances maintained in current accounts.

The Company derived LCR as per guidelines prescribed by RBI. The average LCR maintained for the quarter ended Mar-24 is 175.34%. For the year ended 31 March 2024, the Company has disclosed the LCR as a simple average calculated on the basis of daily observations for each quarters of FY 23-24.

Detailed LCR template is presented below according to the format given in RBI circular mentioned

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

LIC HOUSING FINANCE LIMITED

(₹ in crore)

LCR Disclosure		Q4 FY 2023-24		Q3 FY 2023-24		Q2 FY 2023-24		Q1 FY 2023-24	
Sr. No.	**Particulars**	**Total Unweighted Value (average)**	**Total Weighted Value (average)**	**Total Unweighted Value (average)**	**Total Weighted Value (average)**	**Total Unweighted Value (average)**	**Total Weighted Value (average)**	**Total Unweighted Value (average)**	**Total Weighted Value (average)**
	High Quality Liquid Assets								
1	**Total HQLA***	**4,976.43**	**4,498.36**	**4,925.17**	**4,465.46**	**5,016.67**	**4,549.90**	**4,975.67**	**4,506.58**
	Cash Outflows								
2	Deposits	606.54	697.52	768.58	883.87	650.34	747.89	908.47	1,044.74
3	Unsecured Wholesale Funding	1,678.15	1,929.87	1,148.88	1,321.21	1,283.32	1,475.82	1,205.49	1,386.31
4	Secured wholesale funding	5,489.24	6,312.63	5,805.48	6,676.30	5,523.19	6,351.67	3,454.37	3,972.53
5	Additional requirements, of which	-	-	-	-	-		-	-
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	1,019.82	1,172.79	886.15	1,019.07	886.43	1,019.39	1,201.36	1,381.56
7	Other contingent funding obligation	129.63	149.07	122.39	140.75	155.87	179.25	121.21	139.39
8	**Total Cash Outflows**	**8,923.38**	**10,261.89**	**8,731.48**	**10,041.20**	**8,499.15**	**9,774.02**	**6,890.90**	**7,924.54**
	Cash Inflows								
9	Secured Lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	5,138.24	3,853.68	5,106.73	3,830.05	5,112.88	3,834.66	5,181.58	3,886.19
11	Other cash inflows**	8,870.68	6,653.01	16,086.37	12,064.78	17,007.22	12,755.42	13,944.86	10,458.65
12	**Total Cash Inflows**	**14,008.92**	**10,506.69**	**21,193.10**	**15,894.83**	**22,120.10**	**16,590.08**	**19,126.44**	**14,344.83**
13	**Total HQLA**	**4,976.43**	**4,498.36**	**4,925.17**	**4,465.46**	**5,016.67**	**4,549.90**	**4,975.67**	**4,506.58**
14	**Total Net Cash Outflows**	**2,230.85**	**2,565.47**	**2,182.87**	**2,510.30**	**2,124.79**	**2,443.51**	**1,722.73**	**1,981.13**
15	**Liquidity Coverage Ratio**		**175.34%**		**177.89%**		**186.20%**		**227.47%**

* HQLA includes G-Secs held for LCR purpose, G-Secs held for Statutory Liquid Ratio (SLR) with a hair-cut of 20% and Balance maintained in current accounts.

** Other cash inflows include undrawn borrowing facility and Mutual Fund placements

57. PREVIOUS YEAR NUMBERS HAVE BEEN REGROUPED / RECLASSIFIED, WHEREVER CONSIDERED NECESSARY, TO CORRESPOND WITH CURRENT YEAR PRESENTATION. THERE ARE NO SIGNIFICANT REGROUPING / RECLASSIFICATIONS DURING THE YEAR UNDER REPORT

As per our report of even date attached

For and on behalf of the Board of Directors

For SGCO & Co. LLP
Chartered Accountants
FRN 112081W / W100184

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

Siddhartha Mohanty
Chairman
DIN : 08058830

Kashi Prasad Khandelwal
Director
DIN : 00748523

T. Adhikari
Managing Director & Chief Executive Officer
DIN : 10229197

Suresh Murarka
Partner
M. No. 044739

Shailesh Shah
Partner
M.No. 033632

Varsha Hardasani
Company Secretary
FCS No: ACS50448

Sudipto Sil
CFO

H. J. Panchariya
General Manager (Accounts)

Place: Mumbai
Date : May 15, 2024

INDEPENDENT AUDITORS' REPORT

To,
The Members of
LIC Housing Finance Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the Consolidated Financial Statements of LIC Housing Finance Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Cash Flow statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements")

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 Companies Act, 2013 ("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 consolidated state of affairs of the Group as at March 31, 2024, of consolidated profit, total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing specified under sub-section (10) of section 143 of the Act ("the SAs"). Our responsibilities under those SAs are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidate Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement and based on the consideration of reports of other auditors on separate financial statements of subsidiaries audited by them, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditors' responsibilities for the audit of the Consolidated Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

KEY AUDIT MATTERS FOR HOLDING COMPANY

Key Audit Matters	How the matter was addressed in our audit
Expected Credit Loss – Impairment of carrying value of loans and advances. Assessment of impairment loss allowance on Expected Credit loss (ECL) on Loans Under Ind AS 109, Expected Credit Loss (ECL) is required to be determined for recognising impairment loss on financial assets which are stated at amortised cost i.e., the loan portfolio of the Holding Company. The calculation of impairment loss or ECL is based on significant management judgement which includes estimation of probability-weighted loss on financial instruments over their life and considers the reasonable and supportable information about historical default and loss ratios,	**We performed audit procedures set out below.** • We understood and assessed the Holding Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines. • We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the management judgements and estimates, related assumptions including factors that affect the PD, LGD and EAD and the Holding Company's process on timely

Key Audit Matters	How the matter was addressed in our audit
current conditions and, to the extent possible, forward-looking analysis which could impact the credit quality of the Holding Company's loans and advances. The significant areas in the calculation of ECL where management estimates and judgements are required as under: Judgements about credit risk characteristics, taking into account class of borrowers, credit risk ratings, date of initial recognition, remaining term to maturity, property valuations, time taken for recovery of stressed loans, industry scenario and other relevant factors for collective evaluation of impairment under various stages of ECL. 1. Loan staging criteria. 2. Calculation of probability of default and loss given default. 3. Consideration of probability weighted scenarios and forward looking macro-economic factors impacting credit quality of receivables. 4. For Project loans, assessment based on a borrower's financial performance, solvency, liquidity, industry outlook etc. The Holding Company has also recorded a management overlay as part of its ECL, Management overlay is based on various uncertain variables, which could result in actual credit loss being different than that being estimated. In view of the high degree of management's judgement involved in estimation of ECL and the overall significance of the impairment loss allowance to the standalone financial statements, it is considered as a key audit matter.	recognition of impairment in the loan portfolios which included assessing the accuracy of the system generated reports on defaults and ageing. • We tested the completeness of loans and advances included in the Expected Credit Loss calculations as of March 31, 2024, by reconciling it with the balances as per loan balance register and loan commitment report as on that date. • We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under higher stages. • Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records. • We performed an overall assessment of the ECL provision levels at each stage including management's assessment and provision on account of Holding Company's portfolio, risk profile, credit risk management practices. • Management's controls over authorization and calculation of management overlays. • Assessed disclosures included in the standalone financial statements in respect of expected credit losses.
IT Systems and controls The Holding Company is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Any gaps in the IT control environment could result in a material misstatement of the financial accounting and reporting records. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a Key Audit Matter.	With the assistance of IT specialist, we have obtained- (a) an understanding of the Holding Company's information processing systems, IT General Controls and automated IT controls for applications, databases and operating systems relevant to our audit. (b) Also, obtained an understanding of the changes that were made to the IT applications during the audit period; (c) Also, performed following procedures: (i) tested the IT General Controls around user access management, changes to IT environment and segregation of duties around program maintenance and security administration relating to key financial accounting and reporting processes. (ii) Tested the Holding Company's periodic review of access rights. We also tested requests of changes to systems for approval and authorization; and (iii) Tested the automated controls like interfaces, configurations and information generated by the entity's information processing systems for loans, borrowings, deposits, interest income, interest expense and other significant financial statement items.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the annual report but does not include the Consolidated Financial Statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditors' report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidation financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors and management are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each 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 Consolidated 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 Management and Board of Directors of the companies in the Group and of its associates are responsible for assessing the ability of the Group and of its associates 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 but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates

AUDITORS' 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 auditors' 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.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under the section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

4. Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

1. We did not audit the financial statements and other financial information in respect of four subsidiaries, whose financial statements, before consolidation adjustments, reflect total assets of Rs. 285.07 crores as at March 31, 2024, total revenues of Rs. 83.34 crores and net cash outflows amounting to Rs. 26.95 crores for the year ended on that date, respectively as considered in the Consolidated Financial Statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the 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 sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

2. The Consolidated Financial Statements also include the Group's share of total net profit after tax of Rs. 4.01 crores for year ended March 31, 2024, as considered in the Consolidated Financial Statements, in respect of two associates, whose financial statements have not been audited by us. These financial statements are audited and have been furnished to us by the 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 associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, to be included in the Auditors' report, according to the information and explanations given to us, and based on our audit and on the consideration of the audit reports of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate companies, we report, to the extent applicable, that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the companies incorporated in India and included in the consolidated financial statements.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the issued by its subsidiary companies and associate companies we report, to the extent applicable, that:

    i. 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.

ii. 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, except for the matters stated in paragraph 2(x) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

iii. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

iv. in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

v. on the basis of written representations received from the directors of the Holding Company as on March 31, 2024 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 companies, none of the directors of the Group companies and its associates incorporated in India is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.

vi. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(ii) above on reporting under Section 143(3)(b) of the Act and paragraph 2(x) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

vii. with respect to the adequacy of the internal financial with reference to Consolidated Financial Statements of the Holding Company and its subsidiary companies and its associate companies, incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.

viii. with respect to the other matters to be included in the Auditors' 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 and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries and associates:

a. the Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates – Refer Note 42 to the Consolidated Financial Statements.

b. the Group and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary and its associate companies incorporated in India.

d. (i) The respective Management of the Holding Company, its subsidiary companies and associates companies, which are incorporated in India, whose Financial Statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary companies and associate companies that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies and associate companies to or in any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Holding Company or any of such subsidiary companies and associates or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective Management of the Holding Company, its subsidiary companies and associates companies, which are incorporated in India, whose Financial Statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary companies and associate companies that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiary companies and associate companies from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies and associate companies shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiary) by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the Auditors of the subsidiary companies and associate companies, which are incorporated in India, whose Financial Statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under Sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

ix. (a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with section 123 of the Act, as applicable.

(b) As stated in Note No. 45 to the Standalone financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

x. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 01, 2023.

Based on our examination which included test checks, and as communicated by the respective auditor of four subsidiaries, except for the instances mentioned below, the Holding Company and its subsidiary companies incorporated in India, have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares at application level:

a) In case of the Holding Company, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for maintaining the books of account relating to a) financial accounting and controlling, b) Borrowings and c) Payroll throughout the year and relating to loan lending software for the period April 01, 2023 to September 09, 2023.

b) In case of LIC Care Homes Limited, a subsidiary incorporated in India, we refer to paragraph 6 of Report on other legal and regulatory requirements section of the Independent Auditor's Report dated April 12, 2024 issued in respect of the financial statements, and is reproduced hereunder:

"On the basis of our examination of the accounting software maintained by the Company for its books of account, does not have a feature of recording audit trail facility and the same has not operated throughout the year for the transactions recorded in the software and the audit trial has not been preserved as per the statutory requirements for record retention."

Further, where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

xi. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associates, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company, its subsidiaries and associates, incorporated in India, to their directors in accordance with the provisions of Section 197 read with Schedule V of the Act.

For SGCO & Co. LLP
Chartered Accountants
Firm Registration Number: 112081W/W100184

Suresh Murarka
Partner
Membership Number: 044739
UDIN: 24044739BKARKT9389

Mumbai, May 15, 2024

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105 049W

S. S. Shah
Partner
Membership Number: 033632
UDIN: 24033632BKFHWF3438

Mumbai, May 15, 2024

ANNEXURE A
TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(vii) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of LIC Housing Finance Limited of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION (3) OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE 'ACT')

In conjunction with our audit of the Consolidated Financial Statements of the LIC Housing Finance Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates which are companies incorporated in India as of March 31, 2024.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Management and Board of Directors of the companies included in the Group and its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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, 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to the audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to these Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, 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 auditors' judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls to these Consolidated Financial Statements of the Holding Company, its subsidiaries and associates which are incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements 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 WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to these Consolidated Financial Statements, 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 with reference to these Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to these Consolidated Financial Statements 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, to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph below, the Holding Company, its subsidiaries and associates, which are companies incorporated in India have, maintained in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the internal financial controls over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTER

Our report under clause (i) of sub-section 3 of Section 143 of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company, in so far as it relates to separate financial statements of four subsidiary companies and 2 associate companies, which are companies incorporated in India, is based on the respective reports of the auditors of such subsidiary companies and associates companies.

For SGCO & Co. LLP
Chartered Accountants
Firm Registration Number: 112081W/W100184

Suresh Murarka
Partner
Membership Number: 044739
UDIN: 24044739BKARKT9389

Mumbai, May 15, 2024

For Khandelwal Jain & Co.
Chartered Accountants
Firm Registration Number: 105 049W

S. S. Shah
Partner
Membership Number: 033632
UDIN: 24033632BKFHWF3438

Mumbai, May 15, 2024

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

(₹ in crore)

		Note	As at March 31, 2024	As at March 31, 2023
	ASSETS			
(1)	**Financial Assets**			
	(a) Cash and Cash Equivalents	5	1,422.82	641.38
	(b) Bank Balance other than (a) above	6	232.36	180.18
	(c) Receivables	7		
	(I) Trade Receivables		9.94	0.72
	(II) Other Receivables		-	-
	(d) Loans	8	2,80,532.06	2,67,775.85
	(e) Investments	9	6,337.43	7,049.71
	(f) Other Financial Assets	10	31.33	30.09
	Total Financial Assets		**2,88,565.94**	**2,75,677.93**
(2)	**Non-Financial Assets**			
	(a) Current Tax Assets (Net)	11	425.15	-
	(b) Deferred Tax Assets (Net)	12	1,638.41	1,895.87
	(c) Property, Plant and Equipment	13.1	163.39	180.91
	(d) Capital Work in Progress	13.2	0.20	0.84
	(e) Investment Property	13.3	29.17	-
	(f) Right of Use Assets	13.4	164.14	171.12
	(g) Goodwill on Consolidation		0.21	0.21
	(h) Other Intangible Assets	13.5	31.88	36.24
	(i) Other Non - Financial Assets	14	315.17	356.96
	(j) Assets Held for Sale		-	238.89
	Total Non-Financial Assets		**2,767.72**	**2,881.04**
	Total Assets		**2,91,333.66**	**2,78,558.97**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
	(a) Lease Liabilities		170.75	184.09
	(b) Payables	15		
	(A) Trade Payables			
	(i) Total outstanding dues of micro enterprises and small enterprises		0.02	0.14
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		70.56	33.58
	(B) Other Payables			
	(i) Total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(c) Debt Securities	16	1,44,665.32	1,36,960.00
	(d) Borrowings (Other than Debt Securities)	17	96,136.58	94,392.26
	(e) Deposits	18	9,849.42	11,580.76
	(f) Subordinated Liabilities	19	1,796.33	1,795.77
	(g) Other Financial Liabilities	20	6,364.90	5,654.93
	Total Financial Liabilities		**2,59,053.88**	**2,50,601.53**
(2)	**Non-Financial Liabilities**			
	(a) Current tax liabilities (Net)	21	-	3.87
	(b) Deferred Tax liabilities (Net)	22	-	0.12
	(c) Provisions	23	238.19	176.97
	(d) Other Non-Financial Liabilities	24	561.53	588.62
	Total Non-Financial Liabilities		**799.72**	**769.58**
(3)	**EQUITY**			
	(a) Equity Share Capital	25	110.08	110.08
	(b) Other Equity	26	31,366.58	27,074.59
	(c) Non Controlling Interest		3.40	3.19
	Total Equity		**31,480.06**	**27,187.86**
	Total Liabilities and Equity		**2,91,333.66**	**2,78,558.97**

See accompanying notes forming part of the Standalone Financial Statement 1-58

As per our report of even date attached

For and on behalf of the Board of Directors

For SGCO & Co. LLP
Chartered Accountants
FRN 112081W / W100184

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

Siddhartha Mohanty
Chairman
DIN : 08058830

Kashi Prasad Khandelwal
Director
DIN : 00748523

T. Adhikari
Managing Director & Chief Executive Officer
DIN : 10229197

Suresh Murarka
Partner
M. No. 044739

Shailesh Shah
Partner
M.No. 033632

Varsha Hardasani
Company Secretary
FCS No: ACS50448

Sudipto Sil
CFO

H. J. Panchariya
General Manager (Accounts)

Place: Mumbai
Date : May 15, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

		Note	Year ended as at March 31, 2024	Year ended as at March 31, 2023
(1)	**REVENUE FROM OPERATIONS**			
	(i) Interest Income	27	27,067.31	22,546.01
	(ii) Fees and Commission Income	28	66.57	66.97
	(iii) Net gain on Fair Value Changes	29	60.57	53.71
	(iv) Net gain on Derecognition of Financial Instruments under amortised cost category	30	26.72	21.05
	(v) Others	31	55.80	26.15
Total Revenue from Operations (1)			**27,276.97**	**22,713.89**
(2)	**Other Income (Includes Dividend of ₹ 0.43 crore)**	32	0.83	14.32
(3)	**Total Income (1+2)**		**27,277.80**	**22,728.21**
(4)	**Expenses**			
	(i) Finance Costs	33	18,385.09	16,134.75
	(ii) Fees and Commission Expense	34	136.26	182.59
	(iii) Impairment on Financial Instruments (Expected Credit Loss)	35	1,643.72	1,942.96
	(iv) Employee Benefits Expense	36	649.63	516.41
	(v) Depreciation, Amortization and Impairment	13.1, 13.4 & 13.5	69.23	69.04
	(vi) Others Expenses	37	329.50	321.69
Total Expenses (4)			**21,213.43**	**19,167.44**
(5)	**Profit Before Tax (3-4)**		**6,064.37**	**3,560.77**
(6)	**Tax Expense:**			
	- Current Tax		1,046.09	1,195.89
	- Tax Expense for Earlier Years		0.06	0.05
	- Deferred Tax Charge / (Credit)		258.66	(526.34)
Total Tax Expenses (6)			**1,304.81**	**669.60**
(7)	**Profit after Tax (5-6)**		**4,759.56**	**2,891.17**
(8)	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to Statement of Profit or Loss		(4.64)	6.69
	(ii) Income Tax relating to items that will not be reclassified to statement of Profit or Loss		1.23	(1.71)
Other Comprehensive Income			**(3.41)**	**4.98**
(9)	**Total Comprehensive Income for the year**		**4,756.15**	**2,896.15**
(10)	Share of Profit / (Loss) of Associates		3.76	0.24
(11)	Share of Profit / (Loss) of Non-Controlling Interest		(0.35)	(0.41)
	Total Comprehensive Income for the year (Comprising Profit / (Loss) and other Comprehensive Income for the year) (9+10+11)		**4,759.56**	**2,895.98**
	Profit for the year attributable to:			
	Shareholders of the Company		4,759.21	2,890.77
	Non-Controlling Interests		0.35	0.41
	Total Comprehensive Income for the year attributable to:			
	Shareholders of the Company		4,759.21	2,895.57
	Non-Controlling Interests		0.35	0.41
(12)	**Earnings per Equity Share**			
	Basic (₹)		86.53	52.56
	Diluted (₹)		86.53	52.56
	Nominal value per Share (₹)		2.00	2.00

See accompanying notes forming part of the Standalone Financial Statement 1-58

As per our report of even date attached

For and on behalf of the Board of Directors

For SGCO & Co. LLP
Chartered Accountants
FRN 112081W / W100184

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

Siddhartha Mohanty
Chairman
DIN : 08058830

Kashi Prasad Khandelwal
Director
DIN : 00748523

T. Adhikari
Managing Director &
Chief Executive Officer
DIN : 10229197

Suresh Murarka
Partner
M. No. 044739

Shailesh Shah
Partner
M.No. 033632

Varsha Hardasani
Company Secretary
FCS No: ACS50448

Sudipto Sil
CFO

H. J. Panchariya
General Manager
(Accounts)

Place: Mumbai
Date : May 15, 2024

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

A. EQUITY SHARE CAPITAL

(₹ In crore)

Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the year	Balance as at March 31, 2023
110.08	-	-	-	110.08

(₹ In crore)

Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting year	Changes in equity share capital during the year	Balance as at March 31, 2024
110.08	-	-	-	110.08

	Shares held by promoters at March 31, 2023		% Change during the year
Promoter Name	No. of Shares	% of total shares	
Life Insurance Corporation of India	24,88,42,495	45.24	0.00%

	Shares held by promoters at March 31, 2024		% Change during the year
Promoter Name	No. of Shares	% of total shares	
Life Insurance Corporation of India	24,88,42,495	45.24	0.00%

B. OTHER EQUITY

(₹ In crore)

	Reserve and Surplus								Other Comprehensive Income		Total Equity		
	Statutory Reserves	Capital Reserve	Securities Premium	General Reserve	Special Reserve I	Special Reserve II	Impairment Reserve	Retained Earnings	Other items (Acturial Gain/ (Loss)	Cash Flow Hedge Reserve	Equity attributable to shareholders of the Company	Non controlling Interests	
Balance as at April 1, 2022	**0.18**	**28.36**	**4,047.52**	**7,852.72**	**38.98**	**7,544.31**	**297.50**	**4,843.58**	**(12.40)**	**-**	**24,640.74**	**2.92**	**24,643.66**
Add: Total Comprehensive Income for the year	-	-	-	-	-	-	-	2,891.17	4.98	-	2,896.15	-	2,896.15
Add: Share of Profit of Associates	-	-	-	-	-	-	-	0.24	-	-	0.24	-	0.24
Less : Share of Non-Controlling Interests	-	-	-	-	-	-	-	(0.41)	-	-	(0.41)	0.41	-
Less: Dividend of ₹ 8.50/- per equity share of ₹ 2 /- each	-	-	-	-	-	-	-	(462.15)	-	-	(462.15)	(0.14)	(462.28)

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2024

(₹ In crore)

	Reserve and Surplus								Other Comprehensive Income		Total Equity		
	Statutory Reserves	Capital Reserve	Securities Premium	General Reserve	Special Reserve I	Special Reserve II	Impairment Reserve	Retained Earnings	Other items (Acturial Gain/ (Loss)	Cash Flow Hedge Reserve	Equity attributable to shareholders of the Company	Non controlling Interests	
Transfer to Statutory Reserves	0.01	-	-	-	-	-	-	(0.01)	-	-	-	-	-
Transfer to General Reserves	-	-	-	850.00	-	-	-	(850.00)	-	-	-	-	-
Transfer to Special Reserve II	-	-	-	-	-	984.99	-	(984.99)	-	-	-	-	-
Balance as at March 31, 2023	**0.19**	**28.36**	**4,047.52**	**8,702.72**	**38.98**	**8,529.30**	**297.50**	**5,437.45**	**(7.42)**	**-**	**27,074.59**	**3.19**	**27,077.77**
Balance as at April 1, 2023	**0.19**	**28.36**	**4,047.52**	**8,702.72**	**38.98**	**8,529.30**	**297.50**	**5,437.45**	**(7.42)**	**-**	**27,074.59**	**3.19**	**27,077.77**
Add: Total Comprehensive Income for the year	-	-	-	-	-	-	-	4,759.56	(3.41)	-	4,756.15	-	4,756.15
Add: Share of Profit of Associates	-	-	-	-	-	-	-	3.76	-	-	3.76	-	3.76
Less : Share of Non-Controlling Interests	-	-	-	-	-	-	-	(0.35)	-	-	(0.35)	0.35	-
Less: Dividend of ₹ 8.50/- per equity share of ₹ 2 /- each	-	-	-	-	-	-	-	(467.55)	-	-	(467.55)	(0.15)	(467.70)
Transfer to Statutory Reserves	0.01	-	-	-	-	-	-	(0.01)	-	-	-	-	-
Transfer to General Reserves	-	-	-	1,000.00	-	-	-	(1,000.00)	-	-	-	-	-
Transfer to Special Reserve II	-	-	-	-	-	1,309.99	-	(1,309.99)	-	-	-	-	-
Balance as at March 31, 2024	**0.20**	**28.36**	**4,047.52**	**9,702.72**	**38.98**	**9,839.29**	**297.50**	**7,422.86**	**(10.83)**	**-**	**31,366.58**	**3.40**	**31,369.98**

See accompanying notes forming part of the Standalone Financial Statement 1-58

As per our report of even date attached

For and on behalf of the Board of Directors

For SGCO & Co. LLP
Chartered Accountants
FRN 112081W / W100184

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

Siddhartha Mohanty
Chairman
DIN : 08058830

Kashi Prasad Khandelwal
Director
DIN : 00748523

T. Adhikari
Managing Director &
Chief Executive Officer
DIN : 10229197

Suresh Murarka
Partner
M. No. 044739

Shailesh Shah
Partner
M.No. 033632

Varsha Hardasani
Company Secretary
FCS No: ACS50448

Sudipto Sil
CFO

H. J. Panchariya
General Manager
(Accounts)

Place: Mumbai
Date : May 15, 2024

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars		Year ended Mar 31, 2024	Year ended Mar 31, 2023
A.	**Cash Flow from Operating Activities**		
	Profit Before Tax	6,064.37	3,560.77
	Adjustments for		
	Depreciation, Amortization and Impairment (other than Financial Instruments)	69.23	69.04
	Share Issue Expenses	-	-
	Exchange differences on translation of assets and liabilities (Net)	0.01	(0.01)
	Impairment on Financial Instruments (Expected Credit Loss)	1,643.72	1,396.21
	Loss/(Gain) on disposal of Property, Plant and Equipment	0.04	(0.16)
	Dividend and Interest Income classified as Investing Cash Flows	-	
	Unwinding of discount	180.92	338.20
	Interest Expense	18,385.09	16,134.76
	Interest Income	(27,067.32)	(22,222.00)
	Share of Associates	3.76	0.24
	Share of Minority	(0.35)	(0.41)
	Adjustments for		
	Movements in Provisions and Gratuity	(4.64)	6.69
	Decrease in Other Financial Assets and Other Non Financial Assets	(18.89)	(247.12)
	Increase in Other Financial Liabilities and Other Non Financial Liabilities	200.36	463.64
	Cash (used in) operations before adjustments for interest received and paid	**(543.70)**	**(500.15)**
	Interest Paid	(18,022.42)	(15,972.87)
	Interest Received	27,254.32	21,828.87
	Income Tax paid	(1,475.13)	(1,053.83)
	Net Cash used in Operations	**7,213.07**	**4,302.02**
	Loans Disbursed (Net of repayments)	(14,621.14)	(23,790.29)
	Asset held for sale	257.09	(143.73)
	Net Cash (Used in) Operating Activities (A)	**(7,150.98)**	**(19,632.00)**
B.	**Cash Flow from Investing Activities**		
	Payments for Purchase of Property, Plant and Equipment	(37.45)	(64.10)
	Proceeds from Sale of Property, Plant and Equipment	0.80	23.56
	Payments for Purchase of Investments	(88.43)	(785.61)
	Proceeds from Sale of Investments	711.59	26.21
	Dividends Received	-	
	Interest Received	-	-
	Increase in Minority	0.35	0.27
	Net Cash Inflow/ (used in) Investing Activities (B)	**586.86**	**(799.67)**

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
C. Cash Flow from Financing Activities		
Proceeds from Borrowings	1,46,420.20	1,82,150.64
Repayment of Borrowings	(1,36,952.63)	(1,54,564.59)
Proceeds from issuing shares (net of issue expense)	-	-
Deposits (Net of repayments)	(1,599.68)	(6,821.78)
Payments towards Lease Liability	(53.42)	(51.16)
Transfer to Investor Protection Fund	(1.20)	(2.22)
Dividends paid to Company's Shareholders	(467.55)	(462.20)
Dividends paid to Non Controlling Interest	(0.15)	0
Net Cash generated from Financing Activities (C)	**7,345.57**	**20,248.69**
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(0.01)	0.01
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	**781.45**	**(182.98)**
Cash and Cash Equivalents at the beginning of the Year	641.38	824.35
Cash and Cash Equivalents at the end of the Year	**1,422.82**	**641.38**
Cash and Cash Equivalents as per above comprise of the following		
(i) Cash on hand	12.03	4.44
(ii) Balances with Banks (of the nature of cash and cash equivalents)	125.06	560.72
(iii) Cheques and demand drafts on hand	1,285.73	76.22
Balances as per Statement of Cash Flows	**1,422.82**	**641.38**

As per our report of even date attached

For and on behalf of the Board of Directors

For SGCO & Co. LLP
Chartered Accountants
FRN 112081W / W100184

For Khandelwal Jain & Co.
Chartered Accountants
FRN 105049W

Siddhartha Mohanty
Chairman
DIN : 08058830

Kashi Prasad Khandelwal
Director
DIN : 00748523

T. Adhikari
Managing Director &
Chief Executive Officer
DIN : 10229197

Suresh Murarka
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M. No. 044739

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Partner
M.No. 033632

Varsha Hardasani
Company Secretary
FCS No: ACS50448

Sudipto Sil
CFO

H. J. Panchariya
General Manager
(Accounts)

Place: Mumbai
Date : May 15, 2024

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

1 STATEMENT OF COMPLIANCE

Consolidated Financial Statements of the Group have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards ("the Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Group presents its Balance Sheet in the order of liquidity.

2 BASIS OF PREPARATION AND PRESENTATION

The Group has prepared these Consolidated Financial Statements, which comprises the Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity and accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements" or "Financial Statements"), on the historical cost basis except for certain financial instruments and certain employee benefit assets, which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized within the fair value hierarchy into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest crore except when otherwise stated.

a. Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company, its subsidiaries (together referred to as 'the Group') and associates. Control is achieved where the Company:

- has power over the investee.
- is exposed to, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary. The Company reassesses whether or not it controls an investee if fact and circumstances indicates that there are changes to one or more of the three elements of control. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that member's financial statements in preparing the consolidated financial statements to ensure conformity with the Company's accounting policies.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES INFORMATION:

3.1 Revenue Recognition

The Group has recognised revenue pursuant to a contract (other than a contract listed in paragraph 5 of Ind AS 115) only if the counterparty to the contract is a customer. A customer is a party that has contracted with an entity to obtain services that are an output of the entity's ordinary activities in exchange for consideration.

i. Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a timely basis, by reference to the principal outstanding and at applicable effective interest rate (EIR). The effective interest method is a method of calculating the amortised cost of a financial assets and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial assets, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

ii. Dividend Income:

Dividend income from investment is recognised when the Company's right to receive the payment has been established provided that it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably.

iii. Fees and Commission Income:

Fees and commission income includes fees other than those that are an integral part of EIR. The Company recognises the fees and commission income in accordance with the terms of the relevant contracts / agreements and when it is probable that the Company will collect the consideration.

Revenue from investment management services is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue from contracts with customers and supersedes current revenue recognition guidance found within Ind AS. Revenue from Investment management services is recognized in accordance with the Investment Management Agreement read with Contribution Agreement entered by the Fund with its investors.

iv. Revenue from Property Development/ Construction Projects:

Revenue is recognized based on nature of activity when consideration can be reasonably measured and there exists reasonable certainty of its recovery.

a) Income from services is recognized on completion of the works/contract.

b) Revenue from property development / construction projects activity is recognized by applying percentage of completion method of the contract value basis when reasonable expectation of collection of the sale consideration from the customers exists. Percentage of completion is determined as a proportion of the cost of work performed to date to the total estimated contract costs and the project so determined has been accounted for proportionate to the percentage of the actual work done.

c) Interest on delayed payment by customers are accounted when reasonable certainty of collection is established.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

v. Other Income:

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.2 Borrowing Costs

Borrowing costs include interest, commission/brokerage on deposits and exchange differences arising from foreign currency borrowings to the extent they are regarded as adjustment to interest cost. Interest expenses are accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable. The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3.3 Employee Benefits Expenses

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting date. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the year of a plan amendment or when the Group recognises corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits to employees in respect of wages and salaries, annual leave, sick leave and short-term employee benefits in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

3.4 Taxes

Income tax expense represents the sum of current tax and deferred tax.

Current Taxes

Current income tax is the amount of expected tax payable based on taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of Income Tax Act, 1961.

Deferred Taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which give future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Group.

Current and Deferred Tax for the year

Current and Deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in the other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

3.5 Financial Instruments

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value through Profit or Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at Fair Value Through Profit or Loss are recognised immediately in Statement of Profit and Loss.

A. Financial Assets

a) Recognition and initial measurement

The Group initially recognises loans and advances, deposits and debt securities purchased on the date on which they originate. Purchases and sale of financial assets are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

All financial assets are recognised initially at fair value except investment in subsidiaries and associates. In the case of financial assets not recorded at FVTPL, transaction costs that are directly attributable to its acquisition of financial assets are included therein.

b) Classification of Financial Assets and Subsequent Measurement

On initial recognition, a financial asset is classified to be measured at –

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) – debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on re-measurement recognised in Statement of Profit And Loss. The net gain or loss recognised in Statement of Profit And Loss incorporates any dividend or interest earned on the financial asset and is included in 'other income'. Dividend on financial assets at FVTPL is recognised when:

- The Group 's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the Group,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

c) Business Model Test

The Group determines its business model at the level that best reflects how it manages a group of financial assets to achieve its business objective.

The Group’s business model is not assessed on instrument to instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group’s key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed.

At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect a new business model.

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d) Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding

The Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount)

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgment and considers relevant factors.

Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI.

e) Derecognition of Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Modification of contractual cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified, and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset and shall recognise a modification gain or loss in profit or loss. The gross carrying amount of the financial asset shall be recalculated at the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets) or, when applicable, the revised effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

f) Impairment of Financial Assets

The Group applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. The Group applies a three-stage approach for measuring ECL for the following

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categories of financial assets that are not measured at Fair Value Through Profit or Loss:

- debt instruments measured at amortised cost and Fair Value through Other Comprehensive Income; and
- financial guarantee contracts.

No ECL is recognised on equity investments, classified as FVTPL.

Expected credit losses is the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

Financial assets migrate through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL
The Group assesses ECL on exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. For these exposures, the Group recognises as a collective provision the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months. The Group does not conduct an individual assessment of exposures in Stage 1 as there is no evidence of one or more events occurring that would have a detrimental impact on estimated future cash flows.

Stage 2: Lifetime ECL – not credit impaired
The Group collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Group recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset). Similar to Stage 1, the Group does not conduct an individual assessment on Stage 2 exposures as the increase in credit risk is not, of itself, an event that could have a detrimental impact on future cash flows.

Stage 3: Lifetime ECL – credit impaired
The Group identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised as a collective or specific provision, and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

Determining the stage for impairment
At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the provision for impairment losses reverts from lifetime ECL to 12-months ECL. Exposures that have not deteriorated significantly since origination are considered to have a low credit risk. The provision for impairment losses for these financial assets is based on a 12-months ECL. When an asset is uncollectible, it is written off against the related provision. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the expense in the income statement.

The Group assesses whether the credit risk on an exposure has increased significantly on an

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individual or collective basis. For the purposes of a collective evaluation of impairment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account instrument type, class of borrowers, credit risk ratings, date of initial recognition, remaining term to maturity, industry and other relevant factors.

Measurement of ECL

ECL are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses is a portion of the life-time expected credit losses and represents the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.

For further details on how the Group calculates ECL including the use of forward looking information, refer to the Credit quality of financial assets in Note 38.4 Financial risk management.

ECL is recognised using a provision for impairment losses in Statement of Profit and Loss. In the case of debt instruments measured at Fair Value through Other Comprehensive Income, the measurement of ECL is based on the three-stage approach as applied to financial assets at amortised cost. The Group recognises the provision charge in profit and loss, with the corresponding amount recognised in other comprehensive income, with no reduction in the carrying amount of the asset in the Balance Sheet.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

g) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL and Interest income is recognised in Statement of Profit and Loss.

h) Reclassification of Financial Assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations.

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If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

B. Financial Liabilities and Equity Instruments

a) Classification as Debt or Equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of a Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of directly attributable transaction costs.

c) Financial Liabilities

Financial liabilities are classified as measured at amortised cost or 'FVTPL'.

A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

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Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

d) Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

e) Derecognition of Financial Liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.6 Cash and Cash Equivalent

Cash and cash equivalent in Balance Sheet comprise of cash at bank, cash and cheques on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

3.7 Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities are segregated based on the activities of the Group.

3.8 Segment Reporting

The Group is in the business of providing loans for purchase, construction, repairs renovation etc. having similar economic characteristics, primarily with operations in India and regularly reviewed for assessment of Group's performance and resource allocation.

3.9 Key Estimates and Judgements:

The preparation of the financial statements in conformity with Indian Accounting Standards ("Ind AS") requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Accounting estimates could change from period to period. Actual results could differ from those estimates. Revisions to accounting estimates are recognised prospectively. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

i) Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Group's historical experience and collateral values when determining impairment losses along with the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- Group's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs / assumptions used.

The various inputs used and process followed by the Group in measurement of ECL has been detailed in Note - Credit Risk Mitigation measures.

ii) Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the Group uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However in certain cases, the Group adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Group has applied

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appropriate valuation techniques and inputs to the valuation model.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Information about the valuation techniques and inputs used in determining the fair value of Investments are disclosed in Note 38.3.

iii) Income Taxes

The Group's tax jurisdiction is in India. Significant judgements are involved in determining the provision for direct and indirect taxes, including amount expected to be paid/ recovered for certain tax positions.

iv) Evaluation of Business Model

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Group determines the business model at a level that reflects how the Group's financial instruments are managed together to achieve a particular business objective.

The Group monitors financial assets measured at amortised cost or Fair Value through Other Comprehensive Income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

v) Provisions and Liabilities

Provisions and liabilities are recognised in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

3.10 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. The weighted average number of equity shares outstanding during the year are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares divided by weighted average no of equity shares year which are adjusted for the effects of all dilutive potential equity shares.

3.11 Commitments

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

i) The estimated amount of contracts remaining to be executed on capital account and not provided for; and

ii) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

Summary of Immaterial Accounting Policies Information:

4.1 Leases

As Lessee

The Group, as lessee has recognised lease liabilities and right-of-use assets, has applied the following approach to all of its leases (a) measured the lease liability at the date of transition to Ind AS by measuring lease liability at the present value of the remaining lease payments and discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS 116. Lease arrangements entered during the year are measured at incremental borrowing rate computed at the beginning of the accounting year. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if there is change to its assessment whether it will exercise an extension or a termination option. (b) Right Of Use assets are recognized and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of restoration costs and any initial direct costs incurred by lessee. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right of Use Assets are depreciated from the commencement date on a straight- line basis over the shorter of the lease term

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or useful life of the underlying asset. They are evaluated for recoverability whenever events or changes indicate that their carrying amounts may not be recoverable.

The Group has not applied Ind AS 116 to Short Term Leases, which are defined as leases with a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

As a Lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

4.2 Functional Currency and Foreign Exchange Transactions

The functional currency of the Group is determined on the basis of the primary economic environment in which it operates. The Group has accordingly assessed INR as its functional currency.

The transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing at the date when the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the dates when fair value was determined. Non-monetary items measured at historical cost are not translated.

Exchange difference arising on monetary items is recognised in the Statement of Profit And Loss in the year in which they arise.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The expense relating to a provision is presented in the Statement of Profit And Loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognised but are disclosed in the notes. A contingent asset is disclosed in the Financial Statements, where an inflow of economic benefits is probable.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

4.3 Property, Plant and Equipment

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

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An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Property, plant and equipment except freehold land held for use for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight - line method as per the useful life prescribed in the Schedule II to the Companies Act, 2013, except in respect of Vehicles (Motor cars) where useful life is estimated as 5 years based on estimated usage of the assets.

Type of Asset	Useful Lives (in years)
Building	60
Furniture & Fixture	10
Vehicles	5
Office Equipment	5
Computers	3
Servers And Networks Equipment	6

Depreciation on additions to Fixed Assets is provided on pro-rata basis from the date of acquisition or installation. Depreciation on assets whose cost individually does not exceed ₹5,000/- is fully provided in the year of purchase. Depreciation on Assets sold, discarded, demolished or scrapped, is provided upto the date on which the said Asset is sold, discarded, demolished or scrapped.

The Group has applied depreciation requirements as per Ind AS 116 in depreciating the right of use assets. The Right of Use Asset is depreciated for the life of the lease term.

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

4.4 Intangible Assets and amortisation thereof

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis based on their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Computer software is amortised over the period of three to five years on a straight-line basis.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Capital Work in Progress

Capital Work in Progress includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses, less accumulated impairment losses, if any.

4.5 Impairment of Property, Plant & Equipment and Intangible Assets

At the end of each reporting year, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The Group has applied Ind AS 36, Impairment of Assets, to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present

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value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

4.6 Provisions and Contingent Liabilities

Provisions involving substantial degree of estimation in measurement are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

4.7 Investment in Subsidiaries and Associates

Investment in subsidiaries and associates are recognized and carried at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

4.8 Assets held for sale

To mitigate the credit risk on financial assets, the Company seeks to use collateral, where possible as per the powers conferred on the HFC under SARFAESI act.

In the normal course of business, the Company does not physically repossess properties but

engages external agents to recover funds, generally at auction, to settle outstanding debt. Any

surplus fundsare returned to the customers.

As a result of this practice, the properties under legal repossession processes are not recorded on

the balance sheet and not treated as non-current assets held for sale.

4.9 Hedge Accounting

The Company uses derivative instruments to manage exposures to interest rate and foreign currency Risk.

The hedging transactions entered into by the Company is within the overall scope of the Derivative Policy and within the Risk Management framework of the Company as approved by the Board from time to time and for the risks identified to be hedged in accordance with the same policies. All derivative contracts are recognised on the Balance Sheet and measured at fair value. Hedge accounting is applied to all the derivative instruments as per Ind AS 109. Hedge effectiveness is ascertained periodically on a forward looking basis and is reviewed at each reporting period. Hedge effectiveness is measured by the degree to which changes in the fair value or cash flows of the hedged item that are attributed to the hedged risk are offset by changes in the fair value or cashflows of the hedging instrument.

Hedges that meet the criteria for hedge accounting are accounted for, as described below:

Fair Value Hedges

Fair value hedge is a hedge of the exposure to changes in fair value of a recognized asset or liability or unrecognized commitment, or a component of any such item, that is attributable to a particular risk and could affect profit or loss. The cumulative change in the fair value of a hedging derivative is recognised in the Statement of Profit and Loss in net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item is recorded as part of the carrying value of the hedged item in the Balance Sheet and is also recognized as net gain on fair value changes in the Statement of Profit and Loss. The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationship is fixed rate debt issued and other borrowed funds. If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the Statement of Profit and Loss.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Cash Flow Hedges

Cash flow hedge is a hedge of the exposure to variability in the cash flows of a specific asset or liability, or of a forecasted transaction, that is attributable to a particular risk. It is possible to only hedge the risks associated with a portion of an asset, liability, or forecasted transaction, as long as the effectiveness of the related hedge can be measured. The accounting for a cash flow hedge will be to recognize the effective portion of any gain or loss in Other Comprehensive Income (OCI), and recognize the ineffective portion of any gain or loss in Finance cost in the Statement of Profit and Loss. When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the Statement of Profit and Loss.

Interest rate benchmark reforms:

Hedging relationships that are directly affected by interest rate benchmark reform gives rise to uncertainties about:

a) the interest rate benchmark (contractually or non-contractually specified) designated as a hedged risk; and/or

b) the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instrument.

This may adversely affect the existing hedging relationships so long as the uncertainties exist. In order to provide relief to such hedging relationships the accounting standard Ind AS 109 provides for some relief measures which should be mandatorily applied for such cases.

Accordingly, the Company applies the relief by assuming the following:

1. that the interest rate benchmark on which the hedged cash flows are based is not altered as a result of the reform.

2. when performing prospective assessments, the Company assumes that the interest rate benchmark on which the hedged item, hedged risk and/or hedging instrument are based is not altered as a result of the interest rate benchmark reform.

3. for hedges of a non-contractually specified benchmark component of interest rate risk, the Company applies the separately identifiable requirement only at the inception of such hedging relationships.

As per the requirements of IND AS, the Company shall cease applying the aforesaid exceptions when:

a) the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows; or

b) the hedging relationship is discontinued, whichever is earlier.

RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2024

Whenever there are any regulatory or statutory changes applicable in respect of the above policy, the same would automatically be effective and would become part of this policy with immediate effect..

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 5: CASH AND CASH EQUIVALENTS

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Cash on hand	12.03	4.44
(ii) Balances with Banks*	1,285.73	560.72
(iii) Cheques, drafts on hand	125.06	76.22
Total	**1,422.82**	**641.38**

*Balances with Banks includes Earnest Money Deposits amount of ₹ 61.45 crore (FY 2022-23 ₹ 2.42 crore)

NOTE 6: BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Earmarked balances with banks*	10.26	9.52
(ii) Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments**	222.10	170.66
Total	**232.36**	**180.18**

*Balance with Banks includes unclaimed dividend of ₹ 9.39 crore (FY 2020-21 ₹ 9.52 crore)

**Fixed Deposits with Banks includes earmarked deposits created in favour of trustees for depositors towards maintaining Statutory Liquid Ratio amounting to ₹ 100 crore (FY 2022-23 ₹ 100 crore); ₹ 10.08 crore (FY 2022-23 ₹ 9.97 crore) created for excess sale proceeds recovered under SARFAESI Act 2002. Fixed deposit placed with banks earns interest at fixed rate.

NOTE 7: RECEIVABLES

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Trade Receivables		
(a) Trade Receivables considered good – Secured	-	0.00
(b) Trade Receivables considered good – Unsecured	9.94	0.72
(c) Trade Receivables which have significant increase in Credit Risk	0.65	0.96
(d) Trade Receivables – credit impaired	-	-
Total	**10.59**	**1.68**
Less: Allowance for Impairment Loss	0.65	0.96
Total	**9.94**	**0.72**

(₹ in crore)

Trade Receivable Ageing Schedule Particulars	Outstanding as on 31.03.2024 from due date of payment#					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	9.81	0.11	0.01	0.01	-	9.94
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.04	0.24	0.25	0.12	0.65
(iii) Undisputed Trade Receivables – credit impaired	-	(0.04)	(0.24)	(0.25)	(0.12)	(0.65)
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

#There is no unbilled due pending for FY 2023-24

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Trade Receivable Ageing Schedule	Outstanding as on 31.03.2023 from due date of payment#					
Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	0.71	0.01	-	0.00	-	0.72
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.23	0.25	0.48	-	0.96
(iii) Undisputed Trade Receivables – credit impaired	-	(0.23)	(0.25)	(0.48)	-	(0.96)
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

#There is no unbilled due pending for FY 2022-23

NOTE 8 : LOANS - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(A)		
(i) Term Loans *		
- Individual	2,69,030.15	2,52,505.39
- Others	9,722.10	10,748.14
- Corporate Bodies/ Builders	8,036.05	11,738.01
(ii) Others		
- Loans to staff	10.16	9.44
- Loans against Public Deposit	3.59	5.81
- Finance Lease Receivables	0.09	(0.64)
Total - Gross (A)	**2,86,802.14**	**2,75,006.14**
Less: Impairment Loss Allowance (Expected Credit Loss)	6,270.08	7,230.29
Total - Net (A)	**2,80,532.06**	**2,67,775.85**
(B)		
(i) Secured by tangible assets	2,82,744.82	2,71,971.32
(ii) Secured by intangible assets	2,893.30	1,863.13
(iii) Secured by government guarantee	516.04	778.36
(iv) Unsecured	647.98	393.33
Total - Gross (B)	**2,86,802.14**	**2,75,006.14**
Less: Impairment Loss Allowance (Expected Credit Loss)	6,270.08	7,230.29
Total - Net (B)	**2,80,532.06**	**2,67,775.85**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(C)		
(i) Loans in India		
Individual	2,69,043.99	2,52,519.99
Commercial Real Estate Sector	8,777.14	9,681.64
Commercial Real Estate Sector- Others	944.96	1,066.50
Builder Loans	748.68	1,059.46
Corporate Loans	4,397.40	8,815.42
Other Housing Finance Companies	2,889.97	1,863.13
Total - Gross (C) (i)	**2,86,802.14**	**2,75,006.14**
Less: Impairment Loss Allowance (Expected Credit Loss)	6,270.08	7,230.29
Total - Net (C) (i)	**2,80,532.06**	**2,67,775.85**
(ii) Loans outside India	-	-
Less: Impairment Loss Allowance (Expected Credit Loss)	-	-
Total - Net (C) (ii)	**-**	**-**
Total (C) (i+ii)	**2,80,532.06**	**2,67,775.85**

* Loans including interest and installment outstanding due from directors amounts to ₹ 0.74 crore (FY 2022-23 ₹ 1.36 crore) and other related parties ₹ 4.21 crore (FY 2022-23 ₹ 6.62 crore)

* Retail / Project Loans are secured by any or all of the following as applicable, based on their categorisation :

a) Equitable / Registered Mortgage of Property.
b) Assignment of Life Insurance Policies and FD of Nationalized Bank.
c) Assignment of Lease Rent Receivables.
d) Company Guarantees or Personal Guarantees.
e) Negative lien on unsold inventory.
f) Undertaking to create a security.
g) Loans to employees other than for Housing are secured by lien over Provident Fund balances and / or Hypothecation of Vehicles.

For detail disclosures relating to Credit Risk, Impairment Losses, Movement of Impairment Losses refer Note No 36.4.2 of Standalone Financial Statements.

There are no loans or advances granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 9 : INVESTMENTS

(₹ in crore)

Particulars	As at March 31, 2024				As at March 31, 2023			
	Amortised cost	Deemed Cost	At Fair Value Through profit or loss	Total	Amortised cost	Deemed Cost	At Fair Value Through profit or loss	Total
Mutual Funds	-	-	1,636.99	1,636.99	-	-	2,291.08	2,291.08
Government Securities *	4,576.87	-	-	4,576.87	4,623.38	-	-	4,623.38
"Equity Instruments"	-	-	-	-	-	-	0.01	0.01
Subsidiaries *		0.00	-	0.00		-	-	-
Associates *	-	81.32	-	81.32	-	55.96	-	55.96
Real Estate Venture Fund	-	-	4.96	4.96	-	-	8.11	8.11
Alternative Investment Fund	-	-	37.29	37.29	-	-	71.18	71.18
Total - Gross (A)	**4,576.87**	**81.32**	**1,679.24**	**6,337.43**	**4,623.38**	**55.96**	**2,370.37**	**7,049.71**
(i) Investments outside India	-	-	-	-	-	-	-	-
(ii) Investments in India	4,576.87	81.32	1,679.24	6,337.43	4,623.38	55.96	2,370.37	7,049.71
Total (B)	**4,576.87**	**81.32**	**1,679.24**	**6,337.43**	**4,623.38**	**55.96**	**2,370.37**	**7,049.71**

* The Company has not recognised any provision under Expected Credit Loss on Investments made in Government Securities, Subsidiaries & Associates.

* Impairment on Financial Instruments includes ₹ 50 crore being the amount representing full impairment of the Company's investment in one of its wholly owned subsidiary, LICHFL Care Homes Limited, as per IND AS 36-Impairment of Asset on prudent basis, since the carrying amount of the investment exceeded its recoverable amount. The recoverable amount was determined based on the future cash flows of the subsidiary. The impairment loss has been allocated to reduce the carrying amount of the Property, Plant and Equipment and Finance Lease Receivable classified under Loans in Consolidated Financial Statement of the Company. The financial statements of the subsidiary is prepared on going concern basis.

The Company has not traded or invested in Crypto currency or virtual currency during the FY 2023-24

Investment in Associates	(₹ in crore)
Opening Carrying amount of Investment (LIC MF Asset Management) as on 01.04.2023	**55.83**
Add: Carrying amount of additional share of Investments	21.60
Add: Share of profit during the year	3.68
Add: Goodwill on acquisition of shares of Associates	-
Closing Carrying amount of Investment (LIC MF Asset Management) as on 31.03.2024	**81.11**
Opening Carrying amount of Investment (LIC MF Trustee) as on 01.04.2023	**0.13**
Add: Carrying amount of additional share of Investments	-
Add: Share of profit during the year	0.09
Less: Capital Reserve on acquisition of shares of Associates	-
Closing Carrying amount of Investment (LIC MF Trustee) as on 31.03.2024	**0.21**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Investments carried at Fair value through Profit & Loss Account	No. of Units March 31, 2024	No. of Units March 31, 2023	As at March 31, 2024	As at March 31, 2023
Other investments-Unquoted, Fully paid up				
(i) Real Estate Venture Fund:**				
CIG Realty Fund - 1 (Face Value ₹ 10/- each)	91,71,429	91,71,429	9.17	9.17
Less: Impairment Loss Allowance			9.17	9.17
			-	-
Other investments-Unquoted, Partly paid up				
(i) Real Estate Venture Fund:**				
LICHFL Urban Development Fund (Face Value ₹ 10,000/- each)	50,000	50,000	12.51	14.90
LICHFL Urban Development Fund - B Units (Face Value ₹ 1/- each)	5,29,300	5,29,300	0.02	0.03
Less: Impairment Loss Allowance			7.58	6.79
			4.96	**8.11**
Other investments-Unquoted, Fully paid up				
(i) Alternative Investment Fund:**				
LICHFL Housing and Infrastructure Fund (Face Value ₹ 100/- each)	44,76,085	57,14,783	46.63	71.18
Less: Impairment Loss Allowance			9.34	-
			37.29	**71.18**

**These are close ended schemes subject to lock in till the closure of the Scheme

NOTE 10 : OTHER FINANCIAL ASSETS

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Interest Accured But not due on Fixed Deposits with Banks	0.16	0.00
(ii) Security Deposits	15.78	14.55
(iii) Other Deposits	8.59	7.66
(iv) Dues from Subsidiaries/Associates	0.03	1.00
(v) Other dues from Staff	2.95	2.87
(vi) Fees Receivable	2.87	0.77
(vii) Unbilled Revenue	0.95	3.23
Total	**31.33**	**30.09**

NOTE 11 :CURRENT TAX ASSETS (NET)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision under Income Tax	425.15	-
Total	**425.15**	**-**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 12 : DEFERRED TAX ASSETS (NET)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Deferred Tax Assets	1,638.41	1,895.87
Total	**1,638.41**	**1,895.87**

NOTE 13.1 : PROPERTY, PLANT & EQUIPMENT

The changes in carrying value of the Property, Plant & Equipment for the year ended March 31, 2024 are as follows:-

(₹ in crore)

Particulars	Freehold Land	Building	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross carrying value as of April 1, 2023	18.69	118.46	22.41	14.65	0.82	9.50	54.76	239.29
Additions	-	-	3.68	1.20	-	1.18	27.69	33.75
(Deductions)		-	(4.22)	(1.48)	-	(2.95)	(5.92)	(14.58)
Transfer to investment property	(11.96)	(17.26)	-	-	-	-	-	(29.22)
Changes due to Revaluation	-	-	-	-	-	-	-	-
Transfer in	-	-	0.97	-	-	0.03	-	1.00
Gross carrying value as of March 31, 2024	**6.73**	**101.20**	**22.84**	**14.37**	**0.82**	**7.75**	**76.53**	**230.24**
Accumulated Depreciation as of April 1, 2023	-	10.48	11.32	7.47	0.30	6.37	22.45	58.38
Depreciation	-	1.87	3.01	1.62	0.14	1.26	14.11	22.01
(Accumulated Depreciation on Deductions)	-	-	(4.17)	(1.48)	-	(2.95)	(5.91)	(14.52)
Transfer Out	-	(0.03)	0.97	-	-	0.03	-	0.97
Accumulated Depreciation as of March 31, 2024	**-**	**12.32**	**11.13**	**7.60**	**0.44**	**4.71**	**30.64**	**66.85**
Carrying Value as of March 31, 2024	**6.73**	**88.88**	**11.71**	**6.76**	**0.38**	**3.04**	**45.89**	**163.39**

The Debentures are secured by mortgage on an immovable Property Owned by the Company valuing approx ₹ 4.43 crore (Book Value ₹ 0.36 crore).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

The changes in carrying value of the Property, Plant & Equipment for the year ended March 31, 2023 are as follows:-

(₹ in crore)

Particulars	Freehold Land	Building	Leasehold Improvements	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total
Gross carrying value as of April 1, 2022	16.86	117.66	15.69	11.66	0.64	8.14	34.28	204.93
Additions	1.83	0.80	6.88	3.12	0.45	1.63	26.19	40.90
(Deductions)	-	-	(0.16)	(0.14)	(0.27)	(0.27)	(5.71)	(6.55)
Changes due to Revaluation	-	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2023	**18.69**	**118.46**	**22.41**	**14.65**	**0.82**	**9.50**	**54.76**	**239.29**
Accumulated Depreciation as of April 1, 2022	-	8.49	9.42	5.94	0.40	5.29	21.00	50.54
Depreciation	-	1.99	2.06	1.66	0.11	1.34	7.14	14.30
(Accumulated Depreciation on Deductions)	-	-	(0.16)	(0.12)	(0.22)	(0.26)	(5.70)	(6.47)
Accumulated Depreciation as of March 31, 2023	**-**	**10.48**	**11.32**	**7.47**	**0.30**	**6.37**	**22.45**	**58.38**
Carrying Value as of March 31, 2023	**18.69**	**107.98**	**11.09**	**7.18**	**0.52**	**3.13**	**32.31**	**180.91**

The Debentures are secured by mortgage on an immovable Property Owned by the Company valuing approx ₹ 4.43 crore (Book Value ₹ 0.37 crore).

NOTE 13.2 : CAPITAL WORK IN PROGRESS

The changes in carrying value of Capital Work in Progress for the year ended March 31, 2024 are as follows :-

(₹ in crore)

Particulars	Capital Work in Progress	Intangible WIP(software under development)	Total
Gross Carrying Value as of April 1, 2023	2.85	0.00	2.85
Additions	0.14	0.06	0.20
(Deductions)	(2.85)	-	(2.85)
Gross Carrying Value as of March 31, 2024	**0.14**	**0.06**	**0.20**
Accumulated Depreciation as of April 1, 2023	-	-	-
Depreciation for the year	-	-	-
(Accumulated Depreciation on Deductions)	-	-	-
Accumulated Depreciation as of March 31, 2024	**-**	**-**	**-**
Carrying Value as of March 31, 2024	**0.14**	**0.06**	**0.20**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

The changes in carrying value of Capital Work in Progress for the year ended March 31, 2023 are as follows :-

(₹ in crore)

Particulars	Capital Work in Progress	Intangible WIP(software under development)	Total
Gross Carrying Value as of April 1, 2022	2.85	1.45	4.30
Additions	2.33	3.20	5.53
(Deductions)	(4.34)	(4.65)	(8.99)
Gross Carrying Value as of March 31, 2023	**2.85**	**0.00**	**0.84**
Accumulated Depreciation as of April 1, 2022	-	-	-
Depreciation for the year	-	-	-
(Accumulated Depreciation on Deductions)	-	-	-
Accumulated Depreciation as of March 31, 2023	**-**	**-**	**-**
Carrying Value as of March 31, 2023	**2.85**	**0.00**	**0.84**

NOTE 13.3 : INTANGIBLE ASSETS UNDER DEVELOPMENT

The changes in carrying value of Investment Property for the year ended March 31, 2024 are as follows :-

(₹ in crore)

Particulars	Land	Building	Total
Gross Carrying Value as of April 1, 2023	**-**	**-**	**-**
Transfer from PPE	28.42	0.80	29.22
Additions	-	-	-
(Deductions)	-	-	-
Gross Carrying Value as of March 31, 2024	**28.42**	**0.80**	**29.22**
Accumulated Depreciation as of April 1, 2023	**-**	**-**	**-**
Transfer from PPE	-	0.03	0.03
Depreciation for the year	-	0.02	0.02
(Accumulated Depreciation on Deductions)	-	-	-
Accumulated Depreciation as of March 31, 2024	**-**	**0.05**	**0.05**
Carrying Value as of March 31, 2024	**28.42**	**0.74**	**29.17**

The changes in carrying value of Investment Property for the year ended March 31, 2023 are as follows :-

(₹ in crore)

Particulars	Land	Building	Total
Gross Carrying Value as of April 1, 2022			
Transfer from PPE	-	-	-
Additions	-	-	-
(Deductions)	-	-	-
Gross Carrying Value as of March 31, 2023	**-**	**-**	**-**
Accumulated Depreciation as of April 1, 2022	**-**	**-**	**-**
Transfer from PPE	-	-	-
Depreciation for the year	-	-	-
(Accumulated Depreciation on Deductions)	-	-	-
Accumulated Depreciation as of March 31, 2023	**-**	**-**	**-**
Carrying Value as of March 31, 2023	**-**	**-**	**-**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 13.4

The changes in carrying value of the Right of Use Assets for the year ended March 31, 2024 :-

(₹ in crore)

Particulars	Right of Use Asset	Total
Gross Carrying Value as of April 1, 2023	**365.19**	**365.19**
Additions	56.87	56.87
(Disposals)	(2.91)	(2.91)
ROU derecognised on subleased asset	-	-
Gross Carrying Value as of March 31, 2024	**419.15**	**419.15**
Accumulated Depreciation as of April 1,2023	**136.31**	**136.31**
Depreciation for the year	42.64	42.64
(Accumulated Depreciation on Disposals)	(2.75)	(2.75)
Reversal of depreciation - sublease	-	-
Accumulated Depreciation as of March 31,2024	**176.20**	**176.20**
Terminated Leases	**78.80**	**78.80**
Carrying Value as of March 31, 2024	**164.14**	**164.14**

The changes in carrying value of the Right of Use Assets for the year ended March 31, 2023 :-

(₹ in crore)

Particulars	Right of Use Asset	Total
Opening Value of Right of Use Asset as of April 1, 2022	**249.08**	**249.08**
Additions	127.01	127.01
(Disposals)	(10.91)	(10.91)
ROU derecognised on subleased asset	-	-
Gross Carrying Value as of March 31,2023	**365.19**	**365.19**
Accumulated Depreciation as of April 1,2022	**92.08**	**92.08**
Depreciation for the year	49.44	49.44
(Accumulated Depreciation on Disposals)	(4.56)	(4.56)
Reversal of depreciation - sublease	(0.65)	(0.65)
Accumulated Depreciation as of March 31,2023	**136.31**	**136.31**
Terminated Leases	**57.76**	**57.76**
Carrying Value as of March 31, 2023	**171.12**	**171.12**

NOTE 13.5 : OTHER INTANGIBLE ASSETS

The changes in carrying value of the Intangible Assets for the year ended March 31, 2024 are as follows :-

(₹ in crore)

Particulars	Software License	Total
Gross Carrying Value as of April 1, 2023	**49.54**	**49.54**
Additions	4.50	4.50
Deletions	(3.37)	(3.37)
Gross Carrying Value as of March 31,2024	**50.68**	**50.68**
Accumulated Depreciation as of April 1,2023	**13.30**	**13.30**
Depreciation for the year	8.87	8.87
Accumulated Depreciation on Deletions	(3.37)	(3.37)
Accumulated Depreciation as of March 31,2024	**18.80**	**18.80**
Carrying Value as of March 31, 2024	**31.88**	**31.88**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

The changes in carrying value of the Intangible Assets for the year ended March 31, 2023 are as follows :-

(₹ in crore)

Particulars	Software License	Total
Gross Carrying Value as of April 1, 2022	**29.41**	**29.41**
Additions	20.13	20.13
(Deductions)	-	-
Gross Carrying Value as of March 31, 2023	**49.54**	**49.54**
Accumulated Depreciation as of April 1, 2022	**7.65**	**7.65**
Depreciation for the year	5.65	5.65
(Accumulated Depreciation on Deductions)	-	-
Accumulated Depreciation as of March 31, 2023	**13.30**	**13.30**
Carrying Value as of March 31, 2023	**36.24**	**36.24**

NOTE 14 : OTHER NON - FINANCIAL ASSETS

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Capital Advances	3.35	20.75
(ii) Statutory Dues	149.02	97.75
(iii) Prepaid Expenses	41.30	39.60
(iv) Sundry Advances	4.69	2.06
(v) Others	116.80	196.80
Total	**315.17**	**356.96**

NOTE 15 : PAYABLES

(₹ in crore)

Trade Payables	As at March 31, 2024	As at March 31, 2023
(i) Total outstanding dues of micro enterprises and small enterprises	0.02	0.14
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises *	70.56	33.58
Total	**70.58**	**33.72**

The Company had requested its suppliers to confirm the status as to whether they are covered under the Micro, Small & Medium Enterprises Development Act, 2006 and is in the continuous process of obtaining such confirmation from its suppliers. The disclosure relating to unpaid amount as at the year - end together with interest paid / payable as required under the said Act have been given to the extent such parties could be identified on the basis of the information available with the company regarding the status of suppliers under MSMED Act, 2006.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Trade Payable Ageing Schedule	Outstanding as on 31.03.2024 from due date of payment#				
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.02	-	-	-	0.02
(ii) Others	70.56	-	-	-	70.56
(iii) Disputed dues –MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

There are no unbilled dues pending for FY 2023-24

(₹ in crore)

Trade Payable Ageing Schedule	Outstanding as on 31.03.2023 from due date of payment#				
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.14	-	-	-	0.14
(ii) Others	33.58	-	-	-	33.58
(iii) Disputed dues –MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

There are no unbilled dues pending for FY 2022-23

(₹ in crore)

Other Payables	As at March 31, 2024	As at March 31, 2023
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	**-**	**-**

NOTE 16 : DEBT SECURITIES - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(1) SECURED:		
Non Convertible Debentures (Refer Note 16.1)	1,31,402.70	1,22,040.48
Zero Coupon Debentures (Refer Note 16.2)	1,405.92	1,405.92
(2) UNSECURED:		
Commercial Paper	11,856.70	13,513.60
Total (A) (1+2)	**1,44,665.32**	**1,36,960.00**
Debt securities in India	1,44,665.32	1,36,960.00
Debt securities outside India	-	-
Total (B)	**1,44,665.32**	**1,36,960.00**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 16.1

Secured by a negative lien on the assets of the Company (excluding the company's current and future receivables and book-debt of whatsoever nature of the Company on which a first pari-pasu floating charge by way of hypothecation to secure the borrowings of the company outstanding as on 31st March 2015 and the unavailed sanctions of the term loans, cash credit and refinance as on 31st March 2015), with a minimum asset cover of 100%. Further the Company shall be entitled to dispose of, transact or otherwise deal, in the ordinary course of business upto 5% of the Specific Assets, including by way of a securitization transaction and as may be required under any law, regulations, guidelines or rules. Subject to maintenance of Asset Cover, as may be applicable and in the normal course of business, the Company may without the consent/approval of the Trustee/Debenture Holder(s)/Beneficial Owner(s)/creditors be entitled to make further issue(s) of Debentures, raise further loans and advances and/or avail further deferred payment guarantees or other financial facilities from time to time from any persons/bank/financial institution/body corporate/ any other agency.

Secured by way of Negative Lien on the Assets, to the extent of Asset Cover, without any encumbrance in favour of the Debenture Trustee except to the extent of the charge created in favour of its depositors of the Company pursuant to the regulatory requirement under Section 29B of the NHB Act.

However, the Company shall, from time to time, be entitled to create any charge, mortgage, pledge, security interest, encumber or create lien on its Assets, subject to maintenance of Asset Cover, except to the extent of charge created in favour of its depositors pursuant to the regulatory requirement under Section 29B of the NHB Act or as may be required under any law, regulation, guidelines or rules.

NOTE 16.2

Secured by a negative lien on the assets of the Company (excluding the company's current and future receivables and book-debt of whatsoever nature of the Company on which a first pari-pasu floating charge by way of hypothecation to secure the borrowings of the company outstanding as on 31st March 2015 and the unavailed sanctions of the term loans, cash credit and refinance as on 31st March 2015), with a minimum asset cover of 100%. Further the Company shall be entitled to dispose of, transact or otherwise deal, in the ordinary course of business upto 5% of the Specific Assets, including by way of a securitization transaction and as may be required under any law, regulations, guidelines or rules. Subject to maintenance of Asset Cover, as may be applicable and in the normal course of business, the Company may without the consent/approval of the Trustee/Debenture Holder(s)/Beneficial Owner(s)/creditors be entitled to make further issue(s) of Debentures, raise further loans and advances and/or avail further deferred payment guarantees or other financial facilities from time to time from any persons/bank/financial institution/body corporate/ any other agency.

Secured by way of Negative Lien on the Assets, to the extent of Asset Cover, without any encumbrance in favour of the Debenture Trustee except to the extent of the charge created in favour of its depositors of the Company pursuant to the regulatory requirement under Section 29B of the NHB Act.

However, the Company shall, from time to time, be entitled to create any charge, mortgage, pledge, security interest, encumber or create lien on its Assets, subject to maintenance of Asset Cover, except to the extent of charge created in favour of its depositors pursuant to the regulatory requirement under Section 29B of the NHB Act or as may be required under any law, regulation, guidelines or rules.

The details of Zero Coupon Debentures are as under:

(₹ in crore)

Description	Date of Redemption	Earliest Put/ Call Option Date	As at March 31, 2024
6750 ZCD's of ₹ 1000000/- each	25-04-2025 *	-	674.67
7250 ZCD's of ₹ 1000000/- each	25-04-2025 *	-	731.25
TOTAL			**1,405.92**

Note - Reissue premium (₹ 6.52 crore)

* Maturity Value of ₹ 13,05,675/- per Debenture including premium.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Description	Date of Redemption	Earliest Put/ Call Option Date	As at March 31, 2023
6750 ZCD's of ₹ 1000000/- each	25-04-2025 *	-	674.67
7250 ZCD's of ₹ 1000000/- each	25-04-2025 *	-	731.25
TOTAL			**1,405.92**

Note - Reissue premium (₹ 6.52 crore)

* Maturity Value of ₹ 13,05,675/- per Debenture including premium.

NOTE 17 : BORROWINGS (OTHER THAN DEBT SECURITIES) - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
SECURED (Refer Note 17.1)		
(a) Term Loans		
(i) from Banks (Rupee Term Loans)	71,061.11	62,133.07
(ii) National Housing Bank (Refinance)	8,864.47	11,303.19
(iii) Other Financial Institutions	-	-
(b) Loans repayable on demand from Banks (Rupee Term Loans)	16,211.00	20,956.00
Total (A) Borrowings in India	**96,136.58**	**94,392.26**
(a) Term Loans		
(i) from Banks (ECB)	-	-
Total (B) Borrowings out side India	**-**	**-**
Total Borrowings (A) + (B)	**96,136.58**	**94,392.26**

NOTE 17.1

Secured by a negative lien on the assets of the Company (excluding the company's current and future receivables and book-debt of whatsoever nature of the Company on which a first pari-pasu floating charge by way of hypothecation to secure the borrowings of the company outstanding as on 31st March 2015 and the unavailed sanctions of the term loans, cash credit and refinance as on 31st March 2015), with a minimum asset cover of 100%. Further the Company shall be entitled to dispose of, transact or otherwise deal, in the ordinary course of business upto 5% of the Specific Assets, including by way of a securitization transaction and as may be required under any law, regulations, guidelines or rules. Subject to maintenance of Asset Cover, as may be applicable and in the normal course of business, the Company may without the consent/approval of the Trustee/Debenture Holder(s)/Beneficial Owner(s)/creditors be entitled to make further issue(s) of Debentures, raise further loans and advances and/or avail further deferred payment guarantees or other financial facilities from time to time from any persons/bank/financial institution/body corporate/ any other agency.

Secured by way of Negative Lien on the Assets, to the extent of Asset Cover, without any encumbrance in favour of the Debenture Trustee except to the extent of the charge created in favour of its depositors of the Company pursuant to the regulatory requirement under Section 29B of the NHB Act.

However, the Company shall, from time to time, be entitled to create any charge, mortgage, pledge, security interest, encumber or create lien on its Assets, subject to maintenance of Asset Cover, except to the extent of charge created in favour of its depositors pursuant to the regulatory requirement under Section 29B of the NHB Act or as may be required under any law, regulation, guidelines or rules.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 18 : DEPOSITS - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
UNSECURED:		
(i) Public Deposits	3,950.30	3,505.43
(ii) Corporate Deposits	5,899.12	8,075.33
Total	**9,849.42**	**11,580.76**

The Company has designated liquid assets for the purpose of maintaining Statutory Liquid Ratio and Floating Charge on Fixed Deposits with banks has been created in favour of the Trustees for Depositors.

NOTE 19 : SUBORDINATED LIABILITIES - AT AMORTISED COST

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
UNSECURED:		
(i) Subordinated Bonds	1,796.33	1,795.77
Total (A)	**1,796.33**	**1,795.77**
Subordinated Liabilities in India	1,796.33	1,795.77
Subordinated Liabilities outside India	-	-
Total (B)	**1,796.33**	**1,795.77**

The details of Subordinated Bonds are as under:

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option Date	As at March 31, 2024
3000 Bonds of ₹ 1,000,000 each	19-Mar-31	7.70%	-	303.43
5000 Bonds of ₹ 1,000,000 each	19-Mar-31	7.70%	-	499.03
10000 Bonds of ₹ 1,000,000 each	21-Dec-30	7.05%	-	993.87
Total				**1,796.33**

Note:- Reissue premium (₹ 4.41 crore)

These Bonds are subordinated to present and future senior indebtedness of the Company and qualify as Tier II capital under National Housing Bank (NHB) guidelines for assessing capital adequacy. Based on the balance term to maturity as at March 31, 2024, 100% (FY 2022-23 - 100 %) of the book value of the subordinated debt is considered as Tier II capital for the purpose of capital adequacy computation.

The details of Subordinated Bonds are as under:

(₹ in crore)

Description	Date of Redemption	Rate of Interest	Earliest Put/ Call Option Date	As at March 31, 2023
3000 Bonds of ₹ 1,000,000 each	19-Mar-31	7.70%	-	303.73
5000 Bonds of ₹ 1,000,000 each	19-Mar-31	7.70%	-	498.85
10000 Bonds of ₹ 1,000,000 each	21-Dec-30	7.05%	-	993.19
Total				**1,795.77**

Note:- Reissue premium (₹ 4.41 crore)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

These Bonds are subordinated to present and future senior indebtedness of the Company and qualify as Tier II capital under National Housing Bank (NHB) guidelines for assessing capital adequacy. Based on the balance term to maturity as at March 31, 2023, 100% (FY 2021-22 - 100 %) of the book value of the subordinated debt is considered as Tier II capital for the purpose of capital adequacy computation.

The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the at the balance sheet date.

All quarterly statements filed by the company with banks or Financial institutions are in agreement with books of accounts.

NOTE 20 : OTHER FINANCIAL LIABILITIES

(₹ in crore)

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	Interest accrued		
	- Non-Convertible Debentures	4,207.60	3,693.74
	- Zero Coupon Debentures	196.57	107.16
	- Term Loan	114.69	97.83
	- Subordinated Bonds	21.90	21.70
	- Deposits	500.14	651.59
(ii)	Unclaimed Dividends *	10.26	9.52
(iii)	Unpaid Matured Deposits	87.54	60.25
(iv)	Book Overdraft [Refer Note 44]	428.60	627.94
(v)	Pre-received Interest Liability on NCD Reissuance	175.31	56.59
(vi)	Miscellaneous Liabilities	622.29	328.61
Total		**6,364.90**	**5,654.93**

* As required under Section 125 of the Companies Act 2013, the Company has transferred ₹ 1.20 crore (FY 2022-23 ₹ 1.30 crore) to the Investor Education and Protection Fund (IEPF) during the year.

NOTE 21 : CURRENT TAX LIABILITIES (NET)

(₹ in crore)

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	Provision under Income Tax	-	3.87
Total		**-**	**3.87**

NOTE 22 : DEFERRED TAX LIABILITIES (NET)

(₹ in crore)

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	Deferred Tax Liabilities	-	0.12
Total		**-**	**0.12**

NOTE 23 : PROVISIONS

(₹ in crore)

Particulars		As at March 31, 2024	As at March 31, 2023
(i)	Provision for Employee Benefits	238.19	176.97
(ii)	Other Provisions	0.00	-
Total		**238.19**	**176.97**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 24 : OTHER NON-FINANCIAL LIABILITIES

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Outstanding Expenses	211.71	171.71
(ii) Statutory Dues	117.57	66.08
(iii) Earnest Money Deposit	61.45	2.42
(iv) Others	170.80	348.41
Total	**561.53**	**588.62**

NOTE 25

(₹ in crore)

SHARE CAPITAL	As at March 31, 2024	As at March 31, 2023
AUTHORISED		
750,000,000 Equity Shares of ₹ 2/- each (Previous year 750,000,000 Equity Shares of ₹ 2/- each)	150.00	150.00
ISSUED, SUBSCRIBED AND PAID-UP		
550,063,000 Equity Shares of ₹ 2/- each (Previous Year 550,663,000 Equity Shares of ₹ 2/- each) fully paid up	110.01	110.01
Add: Forfeited shares as per Note.26(d) below	0.06	0.06
	110.08	**110.08**

Note.25 (a) : Reconciliation of number of shares outstanding and amount of Share Capital at the beginning and at the end of the reporting period

(₹ in crore)

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	(₹ in crore)	No. of Shares	(₹ in crore)
Equity Shares outstanding as at the beginning of the year	55,00,63,000	110.01	55,00,63,000	110.01
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Add: Issued during the year	-	-	-	-
Equity Shares outstanding as at the end of the year	**55,00,63,000**	**110.01**	**55,00,63,000**	**110.01**

Note.25 (b) : Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each shareholder is eligible for one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion to their shareholdings.

Note.25 (c) : Detail of Shareholders holding more than 5% share in the company are given below

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Life Insurance Corporation of India	24,88,42,495	45.24	24,88,42,495	45.24

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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Note.25 (d) : Forfeited Shares

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Amount received on forfeited shares	0.06	0.06
	0.06	**0.06**

Note.25 (e) : Shareholding of Promoters

Shares held by the Promoter at the end of the year	As at March 31, 2024		
	No. of Shares held	% of Holding	% Change during the year
Life Insurance Corporation of India	24,88,42,495	45.24	-

Name of Shareholder	As at March 31, 2023		
	No. of Shares held	% of Holding	% Change during the year
Life Insurance Corporation of India	24,88,42,495	45.24	-

NOTE 26

(₹ in crore)

OTHER EQUITY	As at March 31, 2024	As at March 31, 2023
(i) (a) Capital Reserve		
As per last Balance Sheet	0.48	0.48
(b) Capital Reserve on acquisition of shares in LICHFL Care Homes	27.88	27.88
(ii) Securities Premium Account		
As per last Balance Sheet	4,047.52	4,047.52
(iii) Cash Flow Hedge Reserve		
Opening Balance	-	-
Add: Gain on ECB Cross Currency Swap	-	(79.17)
Less : Loss due to Exchange Rate Fluctuation on ECB	-	(79.17)
Closing Balance	**-**	**-**
(iv) Special Reserve - I		
In terms of Section 36(1)(viii) of Income-Tax, 1961 and Section 29C of National Housing Bank (NHB) Act,1987 (Upto FY 1996-97)		
As per last Balance Sheet	38.98	38.98
(v) Other Statutory Reserves including Special Reserve- II		
Balance at the beginning of the year		
(i) Statutory Reserve u/s 29C of the NHB Act, 1987	0.19	0.18
(ii) Amount of Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account for purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	8,529.30	7,544.31
Total	**8,529.49**	**7,544.49**
Addition / Appropriation / Withdrawal during the year		
Add :		
(i) Amount transferred u/s 29C of the NHB Act, 1987	0.01	0.01
(ii) Amount of Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account for purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	1,309.99	984.99
Less :		
(i) Amount appropriated from Statutory Reserve u/s 29C of the NHB Act, 1987	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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(₹ in crore)

OTHER EQUITY	As at March 31, 2024	As at March 31, 2023
(ii) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account which has been taken into account for purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
(i) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	0.20	0.19
(ii) Amount of Special Reserve u/s 36(1)(viii) of Income-Tax Act, 1961 taken into account for purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	9,839.29	8,529.30
Total	**9,839.49**	**8,529.49**
(vi) General Reserve		
Opening Balance	8,702.72	7,852.72
Add: Transferred during the year	1,000.00	850.00
Closing Balance	**9,702.72**	**8,702.72**
(vii) Impairment Reserve		
Opening Balance	297.50	297.50
Add: Transferred during the year	-	-
Closing Balance	**297.50**	**297.50**
(viii) Retained Earnings		
Opening balance	5,430.02	4,831.18
Add: Total Comprehensive Income for the year	4,756.15	2,896.15
Add: Share of Profits from Associate	3.76	0.24
Less: Appropriations		
Dividend Paid and Tax on Dividend Paid	467.55	462.15
Transfer to General Reserve	1,000.00	850.00
Transfer to Special Reserve - II	1,309.99	984.99
Transfer to Statutory Reserve u/s 29C of the NHB Act, 1987	0.01	0.01
Share of profit of Non-controlling interest	0.35	0.41
Closing Balance	**7,412.03**	**5,430.02**
	31,366.58	**27,074.59**

Nature and purpose of each reserve

Securities Premium Reserve

"Securities Premium Reserve" is used to denote the Share premium received on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Cash Flow Hedge Reserve

It represents the effective portion of cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.

Special Reserve – I:

Special Reserve – I has been created over the years in terms of Section 36(1)(viii) of the Income-tax Act, 1961, out of the distributable profits of the Company. The amounts of Special Reserve account represent, the reserve created in terms of the provision of Section 36(1)(viii) read together with the proviso thereof, from time to time. Special Reserve No. I relates to the amounts transferred up to the FY 1996-97 (Assessment Year 1997-98) when the word 'created' only was used in the said section and not 'created and maintained'. Admittedly, the position has changed after the amendment made in Section 36(1)(viii) by the Finance Act 1997 with effect from Assessment year 1998-99, when the mandatory requirement of 'maintaining' the special reserve created was inserted. Accordingly, it was interpreted that the Special Reserve created up to Assessment Year 1997-98 need not be 'maintained'. As a

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

logical corollary, it is construed that up to Assessment Year 1997-98, the amounts carried to special reserve ought to be understood as amounts created by transferring to the credit of Special Reserve from time to time.

Special Reserve – II:

Special Reserve – II has been created over the years in terms of Section 36(1)(viii) of the Income-tax Act, 1961, out of the distributable profits of the Company transferred from FY 1997-98 (Assessment Year 1998-99). In the F.Y. 2023-24 ₹1,309.99 crore (F.Y. 2022-23 ₹984.99 crore) has been transferred to Special Reserve No. II in terms of Section 36(1)(viii) of the Income tax Act, 1961.

Statutory Reserves under Section 29C (Regulatory Capital) of NHB:

As per Section 29C of the National Housing Bank Act, 1987 (the 'NHB Act'), the Company is required to transfer atleast 20% of its net profits every year to a reserve before any dividend is declared and no appropriation from the statutory reserves except for the purpose as may be specified by NHB from time to time and every such appropriation shall be reported to the NHB. For this purpose, any Special Reserve created by the Company under Section 36(1)(viii) of the Income tax Act, 1961 is considered to be an eligible transfer under Section 29C of the NHB Act, 1987 also. The Company has transferred a sum of ₹1,309.99 crore for FY 2023-24 (FY 2022-23 ₹984.99 crore) to Special Reserve No. II in terms of Section 36(1)(viii) of the Income tax Act, 1961 and ₹1.00 lakh for FY 2023-24 (FY 2022-23 ₹1.00 lakh) to Statutory Reserve under section 29C of the NHB Act, 1987.

General Reserve:

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013. However, since the Company utilises the deduction available to Housing Finance Companies registered with National Housing Bank as provided in Section 36(1)(viii) of the Income tax Act, 1961, wherein the proviso of the Section stipulates that the amount Carried to such reserve account from time to time exceeds twice the amount of the paid up share capital and general reserves of the Company, the rebate is restricted to the twice of the aggregate of paid up capital and the general reserve. Therefore, the Company transfers funds to General Reserve in order to avail the full benefit of Section 36(1)(viii). For the year, the Company has transferred an amount of ₹1,000 crore to General Reserve (FY 2022-23 ₹ 850 crore).

Impairment Reserve:

The Reserve Bank of India (RBI) issued a notification on 13 March 2020 stating that NBFCs should simultaneously maintain asset classification and compute provisions as per extant prudential norms on income recognition, asset classification and provisioning (IRACP), including borrower-/beneficiary-wise classification, provisioning for standard and restructured assets, and NPA ageing. In case where impairment allowance under Ind AS 109 is lower than the provisions required as per IRACP, the difference should be appropriated from net profit or loss after tax to a separate 'impairment reserve'. The balance in the 'impairment reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI. The requirement for 'impairment reserve' shall be reviewed, going forward.

Retained Earnings:

Retained earnings represents the surplus in Profit and Loss Account and appropriations.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 27 : INTEREST INCOME

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Interest on Loans	26,733.09	22,218.14
ii) Interest Income from Investments	320.69	320.82
iii) Interest on Deposits with Banks	12.81	6.91
iv) Other Interest Income (Net)	0.72	0.15
Total	**27,067.31**	**22,546.01**

NOTE 28 : FEES & COMMISSION INCOME

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Fees and Commission Income	66.57	66.97
Total	**66.57**	**66.97**

NOTE 29 : NET GAIN ON FAIR VALUE CHANGES

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Net Gain on Financial Instruments at Fair Value through Profit or (Loss)	60.57	53.71
Total	**60.57**	**53.71**

NOTE 30 : NET GAIN ON DERECOGNITION OF FINANCIAL INSTRUMENTS - UNDER AMORTISED COST CATEGORY

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Gain on Derecognition of Financial Instruments	26.72	21.05
Total	**26.72**	**21.05**

NOTE 31 : OTHERS

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Miscellaneous Income	55.80	26.15
Total	**55.80**	**26.15**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

NOTE 32 : OTHER INCOME

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Dividend Income from Associates	0.43	0.43
ii) Interest from Fixed Deposits	-	2.49
iii) Income from subleasing right-of-use assets	0.00	0.00
iv) Net gain on derecognition of property, plant and equipment	0.40	0.16
v) Net gain on foreign currency translation	-	11.24
Total	**0.83**	**14.32**

NOTE 33 : FINANCE COSTS

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Interest on deposits	769.67	959.90
ii) Interest on borrowings	6,992.91	5,565.29
iii) Interest on debt securities	10,477.85	9,471.88
iv) Interest on subordinated liabilities	132.86	132.42
v) Interest on Lease Liability	11.80	5.27
Total	**18,385.09**	**16,134.75**

NOTE 34 : FEES AND COMMISSION EXPENSE

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Fees and Commisssion	136.26	182.59
Total	**136.26**	**182.59**

NOTE 35 : IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Loans	1,622.88	1,935.87
ii) Others	20.84	7.09
Total	**1,643.72**	**1,942.96**

The details relating to movement in Impairment on Loans (Expected Credit Loss) is disclosed in Note 38.4.2.4

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

NOTE 36 : EMPLOYEE BENEFITS EXPENSES

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Salaries and Wages	497.43	402.98
ii) Contribution to Provident and Other Funds [Refer Note 48]	78.29	49.84
iii) Staff Welfare Expenses	53.90	50.12
iv) Provision for Sick Leave and Earned Leave	18.46	12.22
v) Notional Expense on Staff Loan	1.55	1.25
Total	**649.63**	**516.41**

NOTE 37 : OTHER EXPENSES

(₹ in crore)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
i) Rent, Rates and Taxes	12.82	27.18
ii) Repairs and Maintenance - Building	2.88	2.15
iii) Repairs and Maintenance - Others	39.06	21.76
iv) Communication Costs	33.65	17.70
v) Printing and Stationery	8.48	9.50
vi) Advertisement & Publicity Expenses	33.85	43.76
vii) Director's fees, allowances and expenses	1.94	1.62
viii) Auditor's fees and expenses [Refer Note 45]	1.12	1.20
ix) Legal and Professional charges	23.10	10.15
x) Insurance Charges	0.12	0.18
xi) Travelling and Conveyance	22.98	20.08
xii) Competition Prizes & Conference Expenses	31.09	20.04
xiii) Electricity Expenses	6.51	6.07
xiv) Service Charges for Safe Custody of Documents	18.17	23.96
xv) Contribution towards CSR activites [Refer Note 53]	65.20	63.80
xvi) Miscellaneous Expenses	28.53	26.12
xvii) Compensation to allotee	-	26.45
Total	**329.50**	**321.69**

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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

CORPORATE SOCIAL RESPONSIBILITY

(₹ in crore)

	Particulars	31.03.2024				31.03.2023			
		LICHFL	AMC	FSL	TOTAL	LICHFL	AMC	FSL	TOTAL
(a)	Amount required to be spent by the company during the year	64.79	0.20	0.42	65.41	63.05	0.21	0.37	63.63
(b)	Amount of expenditure incurred	13.68	0.20	0.42	14.30	9.95	0.21	0.37	10.53
(c)	Shortfall at the end of the year	51.11	-	-	51.11	53.10	-	-	53.10
(d)	Total of previous years shortfall	21.64	NIL	NIL	21.64	34.94	NIL	NIL	NIL
(e)	Reason for shortfall,	LIC Housing Finance Limited's Corporate Social Responsibility (CSR) initiatives are implemented through a systematic disbursement process that involves monitoring and verification of the efficient utilization of funds by the implementation partners. As a result of this tranche-based disbursement system, only part payments have been released to the implementation partners, and the remaining funds are scheduled to be released in accordance with the approved work plan. This approach ensures that the CSR projects sanctioned by LIC HFL CSR are effectively executed, contributing to the sustainable development of communities, and aligning with the organization's core values.	NA	NA		LIC Housing Finance Limited's Corporate Social Responsibility (CSR) initiatives are implemented through a systematic disbursement process that involves monitoring and verification of the efficient utilization of funds by the implementation partners. As a result of this tranche-based disbursement system, only part payments have been released to the implementation partners, and the remaining funds are scheduled to be released in accordance with the approved work plan. This approach ensures that the CSR projects sanctioned by LIC HFL CSR are effectively executed, contributing to the sustainable development of communities, and aligning with the organization's core values.	NA	NA	

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

	Particulars	31.03.2024				31.03.2023			
		LICHFL	AMC	FSL	TOTAL	LICHFL	AMC	FSL	TOTAL
(f)	Nature of CSR activities,	The CSR activities carried out by the company during FY23-24 are: i) Promoting education including special education: (a) Contributions to public-funded Universities (b) Imparting employment enhancing vocational skills. ii) Promoting Healthcare: (a) Including preventive health care. (b) Through assisting in curative treatment (c) Through scientific research iii) Promoting sanitation and hygiene. (a) Construction of a sanitation complex in the school (b) Promotion of personal hygiene among students and rural villages. (c) Promotion of menstrual health among young girls in rural villages iv) Through vocational training and entrepreneurship development (a) Formation of Self-Help Group for marginal farmers and women (b) Introducing innovative methods of cultivation. (c) Creating market linkages. (d) Soft skill training on enterprises/ income generation v) Measures for the benefit of armed forces veterans, war widows, and dependents vi) Disaster relief	Amount expended to National Defence Fund during the FY 2023-24 ₹ in crores	Paid ₹ 0.21Cr. to Tata Memorial centre for the purpose of promoting health care including preventive health care Paid ₹ 0.21Cr. to PM CARES fund		The CSR activities carried out by the company during FY22-23 are: i) Promoting education including special education: (a) Contributions to public-funded Universities (b) Imparting employment enhancing vocational skills. ii) Promoting Healthcare: (a) Including preventive health care. (b) Through assisting in curative treatment (c) Through scientific research iii) Promoting sanitation and hygiene. (a) Construction of a sanitation complex in the school (b) Promotion of personal hygiene among students and rural villages. (c) Promotion of menstrual health among young girls in rural villages iv) Through vocational training and entrepreneurship development (a) Formation of Self-Help Group for marginal farmers and women (b) Introducing innovative methods of cultivation. (c) Creating market linkages. (d) Soft skill training on enterprises/ income generation v) Measures for the benefit of armed forces veterans, war widows, and dependents	Amount expended to PM Care Fund	Paid to Tata Memorial centre for the purpose of promoting health care including preventive health care	

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	31.03.2024				31.03.2023			
	LICHFL	AMC	FSL	TOTAL	LICHFL	AMC	FSL	TOTAL
	(a) Providing humanitarian assistance for COVID-19 relief and management. vii) Rural development activities (a) Promoting gender equality, and empowering women. (b) reducing inequalities faced by socially and economically backward groups. viii) Ensuring environmental sustainability. (a) promoting solid waste management. (b) conservation of natural resources and maintaining the quality of soil, air, and water. (c) Promotion of renewable sources of energy				vi) Disaster relief (a) Providing humanitarian assistance for COVID-19 relief and management. vii) Rural development activities (a) Promoting gender equality, and empowering women. (b) reducing inequalities faced by socially and economically backward groups. viii) Ensuring environmental sustainability. (a) promoting solid waste management. (b) conservation of natural resources and maintaining the quality of soil, air, and water. (c) Promotion of renewable sources of energy ix) Contributions to public-funded Universities (a) Contribution to incubators or research & development projects in the field of science, technology, engineering, and medicine.			
(g) Details of related party transactions	NA	NA	NA		NA			
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Refer Note 53							

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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38. FINANCIAL INSTRUMENTS
38.1. Capital Management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements as per the directions issued by Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the guidelines issued by NHB.

The Group's objective, when managing Capital, is to safeguard the ability of the Group to continue as a going concern, maintain strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder's value.

The Group's capital management strategy is to effectively determine, raise and deploy capital so as to maximize the shareholder's value. The capital of the Group comprises of Equity Share Capital and subordinated liabilities. No changes have been made to the objectives, policies and processes from the previous years.

For the purpose of computing equity, the Company does not consider Impairment Reserve to be part of Equity.

The Debt Equity Ratio of the Group is calculated as below:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Debt Securities	1,44,665.32	1,36,960.00
Borrowings (Other than Debt Securities)	96,136.58	94,392.26
Deposits	9,849.42	11,580.76
Subordinated Liabilities	1,796.33	1,795.77
Interest Accrued on above	5,040.90	4,572.02
Unpaid Matured Deposit	87.54	60.25
Cash & Cash Equivalent	(1,422.82)	(641.38)
A) Total Debt	2,56,153.27	2,48,719.68
B) Total Equity-Shareholder's Funds	29,275.82	24,743.22
C) Debt Equity Ratio (A/B)	8.75	10.05

38.2. Categories of Financial Instruments:

(₹ in crore)

Particulars	As at March 31, 2024			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Financial Assets				
Cash and Cash Equivalents	1,422.82	-	-	1,422.82
Bank Balance other than above	232.36	-	-	232.36
Receivables	9.94	-	-	9.94
Loans	2,80,532.06	-	-	2,80,532.06
Investments	4,576.87	1,679.24	81.32	6,337.43
Other Financial Assets	31.33	-	-	31.33
Total	**2,86,805.38**	**1,679.24**	**81.32**	**2,88,565.94**
Financial Liabilities				
Lease Liability	170.75	-	-	170.75
Trade Payables	70.58	-	-	70.58
Debt Securities	1,44,665.32	-	-	1,44,665.32
Borrowings (Other than Debt Securities)	96,136.58	-	-	96,136.58
Deposits	9,849.42	-	-	9,849.42
Subordinated Liabilities	1,796.33	-	-	1,796.33
Other Financial Liabilities	6,364.90	-	-	6,364.90
Total	**2,59,053.88**	**-**	**-**	**2,59,053.88**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	As at March 31, 2023			
	Amortised cost	At Fair Value Through profit or loss	At Deemed Cost	Total
Financial Assets				
Cash and Cash Equivalents	641.38	-	-	641.38
Bank Balance other than above	180.18	-	-	180.18
Receivables	0.72	-	-	0.72
Loans	2,67,775.85	-	-	2,67,775.85
Investments	4,623.38	2,370.37	55.96	7,049.71
Other Financial Assets	30.09	-	-	30.09
Total	**2,73,251.60**	**2,370.37**	**55.96**	**2,75,677.93**
Financial Liabilities				
Lease Liability	184.09	-	-	184.09
Trade Payables	33.72	-	-	33.72
Debt Securities	1,36,960.00	-	-	1,36,960.00
Borrowings (Other than Debt Securities)	94,392.26	-	-	94,392.26
Deposits	11,580.76	-	-	11,580.76
Subordinated Liabilities	1,795.77	-	-	1,795.77
Other Financial Liabilities	5,654.93	-	-	5,654.93
Total	**2,50,601.53**	**-**	**-**	**2,50,601.53**

38.3. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The Group evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgement and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use non-market observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Group makes judgements on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments, and the significant valuation judgements in respect of Level 3 instruments.

Fair Value Hierarchy:

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below.

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Group recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

Level 1: Fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Fair value measurements are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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Level 3: Fair value measurements are those where at least one input which could have a significant effect on the instrument's valuation is not based on observable market data

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

(₹ in crore)

Particulars		Fair Value		Fair Value Hierarchy	Valuation Technique	Key Inputs for Level 2 & Level 3	Significant unobservable input(s) for Level 3
Financial Assets	**Category**	**As at March 31, 2024**	**As at March 31, 2023**				
Mutual funds	FVTPL	1,636.99	2,291.08	Level 1	Quoted Market Price	NA	NA
Initial Settlers Contribution Under Indenture Trust	FVTPL	0.002	0.002	Level 3	Book Value		
LICHFL Urban Development Fund	FVTPL	4.96	8.11	Level 3	NAV as on reporting date declared by the Fund	Refer Note below	Refer Note below
LICHFL Housing And Infrastructure Fund	FVTPL	37.29	71.18	Level 3			
Adarsh Developers	FVTPL		0.01	Level 1	Initially recognised at market price	Refer Note below	Refer Note below
Non-Financial Assets							
Assets Held For Sale	FVTPL	-	238.89	Level 2	Valuation as per independent valuer	Refer Note below	Refer Note below

There were no transfers between Level 1, Level 2 and Level 3 during the year.

Valuation techniques

Equity instruments

Units held in funds having quoted market price are fair valued considering Level 1 inputs. Others which are measured based on their net asset value (NAV) as on reporting date, taking into account redemption and/or other restrictions. Such instruments are generally fair valued considering Level 3 inputs.

Equity instruments in non-listed entities including investment in private equity funds are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 3. However, Provision for Diminution in value of Investment have considered for computing the fair value.

Interest rate derivatives and Cross Currency Swaps

Interest rate derivatives include interest rate swaps. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position.

The fair value of a cross currency swap is calculated by determining the future cash flows on both legs (i.e. the receiving leg and the paying leg), and discounting these cash flows using an appropriate discount factor curve.

These contracts are generally Level 2 unless adjustments to yield curves or credit spreads are based on significant non-observable inputs, in which case, they are Level 3.

Valuation adjustments and other inputs and considerations

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 financial assets does not have a significant impact in its value.

No valuation adjustments have been made to the prices/yields provided for valuation.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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Financial Instruments not measured using Fair Value, i.e. measured using Amortized Cost/Cost

The following table is a comparison, by class, of the carrying amounts and fair values of the Group's financial instrument that are not carried at fair value in the financial statements. This table does not include the fair value of non-financial assets and non-financial liabilities.

(₹ in crore)

Particulars	Carrying Value	Fair Value Hierarchy	Fair Value
As at March 31, 2024			
Financial Assets			
Government Securities	4,576.87	Level 1	4,449.89
Investment in Associates	81.32	Level 3	81.32
As at March 31, 2023			
Financial Assets			
Government Securities	4,623.38	Level 1	4,411.69
Investment in associates	55.96	Level 3	55.96

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only.

Government debt securities

Government debt securities are financial instruments issued by sovereign governments and include long term bonds with fixed rate interest payments. These instruments are generally highly liquid and traded in active markets resulting in a Level 1 classification. When active market prices are not available, the Group uses discounted cash flow models with observable market inputs of similar instruments and bond prices to estimate future index levels and extrapolating yields outside the range of active market trading, in which instances the Group classifies those securities as Level 2. The Group does not have Level 3 government securities where valuation inputs would be unobservable.

Investment in associates

In the opinion of the Group, in case of associates, the carrying value approximates the fair value.

The company has fully impaired its investment in one of its wholly owned subsidiary, LICHFL Care Homes Limited, as per INDAS 36- Impairment of Asset on prudent basis amounting to ₹ 50 crore, since the carrying amount of the investment exceed its value in use. The value in use was determined based on the future cash flow of the subsidiary. The financial Statements of the subsidiary is prepared on the going concern basis.

Other Financial Assets and Liabilities

With respect to Bank Balances and Cash and Cash equivalents, Other Financial Assets, Trade Receivables, Trade Payables and other Financial Liabilities, the carrying value approximates the fair value.

38.4. Financial Risk Management

Introduction

The Company has operations in India and representative offices in Dubai. While risk is inherent in the Group's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement, and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing profitability and each individual within the Group is accountable for the risk exposures relating to his or her responsibilities. The Group is exposed to credit risk, liquidity risk, market risk and currency risk.

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Risk Management Framework for Parent

The Company has a formal risk assessment program to proactively identify the risks and ensure all possible strategies to control & mitigate in pursuit of achieving the Company's objective. Every department is responsible for identification of their risks and putting it in their Risk Registers. The consolidated Risk Register is analyzed at various committees.

At present, the risks faced by the Company are broadly categorized as below:-

- Liquidity Risk
- Credit Risk
- Market Risk
- Interest Rate Risk
- Operational Risk
    - A. Compliance Risk
    - B. Legal Risk
- Regulatory Risk
- Currency Risk

Committees

In order to bring the collective knowledge in decision making, the Company has undertaken a Committee approach to deal with the major risks arising in the organization. Committees, their formation and the roles are provided below.

Top Level Committee

Risk Management Committee of Board (RMCB)
Company has a Risk Management Committee of Board in place which consists of Independent Directors and the MD & CEO of the Company.

The role of the Committee is as follows:-

- Review of Risk Management Policy
- Review of the current status on the risk limits in the Risk Management Policy and Report to the Board
- Review the matters on Risk Management
- Review and monitor the risks to which the Company is exposed

Internal Committee

Risk Management Committee and Operational Risk Group of the Parent (RMC & ORG)
The Company has an internal Risk Management Committee and Operational Risk. The Company's major function includes review of Risk Registers submitted on a monthly basis by all departments. It comprises of HODs of Risk Management, Finance, Project Finance, Credit Monitoring, IT, and as nominated by MD & CEO of the Company. A list of functions performed by RMC & ORG is given below -:

- Review of Risk Management Policy
- Review of monthly Risk Register submitted by various depts.
- Review of the current status on the outer limits prescribed in the Risk Policy and submitting the report to RMCB & Board
- Assessment of risks in the Company and suggesting control/mitigation measures thereof.

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Risk Management Framework for Subsidiaries

The respective Board of Director's have established the Risk Management Committee of each subsidiaries, which in turn has the overall responsibility for establishment and oversight of the Risk Management Framework. The Committee reports regularly to their respective Board of Directors on its activities.

The risk management policies are established to identify and analyse the risk faced, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and activities. The subsidiaries through its training and management procedures, aim to maintain a discipline and constructive control environment in which all employees understand their roles and regulations.

The Group has exposure to following risks arising from the financial instruments:

38.4.1. Liquidity Risk for Parent

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Company has developed internal control processes and contingency plans for managing liquidity risk. In addition, the Company is also maintaining Liquidity Coverage Ratio (LCR) from 01st December, 2021 as prescribed by the regulator. (As per notification no. RBI/2020-21/60 DOR.NBFC (HFC).CC.No.118/03.10.136/2020-21 dated 22nd October, 2020) Housing Finance being the core business, maintaining the liquidity for meeting the growth in the business as also to honor the committed repayments is the fundamental objective of the Asset Liability Management (ALM) framework. Investments, including investments as a part of liquid asset requirement, also forms part of ALM requirement and it is imperative to constantly monitor the liquidity of the investments to achieve the core

Internal Control Process & Liquidity Management

Being in the business of Housing Loans, funds are required to be raised by the Company ahead of loan disbursements so that there is no liquidity crunch. Funds are required to be raised not only for the incremental housing loan assets but also for meeting the committed/due repayments of the earlier borrowings and/or Interest payments on the borrowings. Funds therefore are raised with a reasonable cushion over and above the committed repayments, committed disbursements and unutilized sanctions in pipeline and the expected business targets.

The Company ensures that funds are available from various investor pools and banks. Liquid funds are available in the form of Non-Convertible Debentures and other Market Instruments, Bank Loans, Refinance from NHB and Foreign Currency Loans. In case of Public Deposits accepted by the Company, a prescribed percentage (as defined by NHB from time to time) is to be invested in approved securities in terms of Liquid Asset Requirement (as per notification no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21). On the assets side, the Company has loan products broadly classified under individual retail loans and project finance loans with varying repayment structures depending upon the nature of product.

The liquidity is managed at the Corporate Office of the Company with Back Offices providing their liquidity requirements. The surplus funds available with the Back Offices are pooled and funds from the market are arranged for the Back Offices having a deficit of funds. Only surplus funds arrived at after deducting the committed/confirmed outflows (including projected disbursements of loans) from the available resources - both from internal accretions as well as borrowed funds, would be considered as Surplus available for Investment in approved instruments on day-to-day basis. The Company can place surplus funds in Fixed Deposits with selected Scheduled / Commercial / Foreign Banks and / or Financial Institutions within overall exposure limit fixed for each Bank / FI from time to time by the Board. Considering the market risk and the mark-to-market requirements of the debt mutual funds, currently the Company is making Investments only in liquid and overnight schemes of mutual funds. Exposure limits for each Investment instrument are approved by the Board and reviewed from time to time as per the requirements.

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ALCO Committee
Roles & Responsibilities

The Asset Liability Management (ALM) Committee presents the Structural and Dynamic Liquidity Report to the Risk Management Committee on a quarterly basis and meetings are held every month. The ALM Committee formulates the ALM Policy which is reviewed at least once a year. If any change is required, then, the revised policy along with desired change and rationale for the same shall be put up to the Risk Management Committee or any Other Committee constituted by the Board. Consequent to the recommendation of the Risk Management Committee, the reviewed policy would be put up to the Board for its approval.

Composition

ALCO Committee is headed by the MD & CEO of the Company. Other members of the Committee comprise HODs of Departments Finance, Credit Appraisal, Project Finance, Taxation, Accounts, Marketing, IT, Risk Management, Credit Monitoring and as nominated by MD & CEO of the Company.

Changes from previous period

There are no significant changes in the Financial Policies.

Liquidity Ratios during the year

1) The structural liquidity (as required by regulator) negative gap under 0 to 7 days bucket has not exceeded 10% of the cash outflows during those respective durations.
2) The structural liquidity (as required by regulator) negative gap in over 7 days to 14 days bucket has not exceeded 10% of the cash outflows during those respective durations.
3) The structural liquidity (as required by regulator) negative gap in over 14 days to 1 month bucket has not exceeded 20% of the cash outflows during those respective durations.
4) The structural liquidity (as required by regulator) negative gap up to one year has not exceeded 15% of the cumulative cash outflows up to one year.

Liquidity Risk for Subsidiaries:

The Liquidity risk refers to the risk of financial distress or extraordinary high financing cost arising due to shortage of liquid funds in a situation where business conditions deteriorate and require financing. The objective is to maintain at all times optimum levels of liquidity to meet its cash and collateral requirements. Processes and policies related to such risk are overseen by senior management and management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

Contractual Maturities of Financial Liabilities of the Group as at March 31, 2024

(₹ in crore)

Particulars	On demand	Upto 3 months	Above 3 months to 12 months	Above 1 Year -3 Years	Above 3 Years -5 Years	Above 5 Years-10 Years	Above 10 Years	TOTAL
Financial Liabilities								
Lease Liabilities	-	13.73	38.04	72.92	42.08	31.12	3.20	201.09
Trade Payables	70.58	-	-	-	-	-	-	70.58
Debt Securities	-	7,919.00	33,230.00	46,410.10	32,528.40	25,282.30	-	1,45,369.80
Borrowings (Other than Debt Securities)	-	3,949.26	32,143.90	38,947.92	16,095.26	5,000.24	-	96,136.58
Deposits	0.64	1,849.22	4,123.16	2,871.39	1,023.62	-	-	9,868.03
Subordinated Liabilities	-	-	-	-	-	1,800.00	-	1,800.00
Other financial liabilities(to be specified)	661.39	2,584.43	2,759.57	280.38	74.57	-	-	6,360.34
Total	**732.61**	**16,315.64**	**72,294.67**	**88,582.71**	**49,763.93**	**32,113.66**	**3.20**	**2,59,806.42**

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Contractual Maturities of Financial Liabilities of the Group as at March 31, 2023

(₹ in crore)

Particulars	On demand	Upto 3 months	Above 3 months to 12 months	Above 1 Year -3 Years	Above 3 Years -5 Years	Above 5 Years-10 Years	Above 10 Years	TOTAL
Financial Liabilities								
Lease Liabilities	-	13.60	38.20	74.65	44.10	46.22	3.79	220.56
Trade Payables	33.72	-	-	-	-	-	-	33.72
Debt Securities	-	8,525.00	29,741.30	52,191.90	23,513.20	23,597.40	-	1,37,568.80
Borrowings (Other than Debt Securities)	-	2,752.87	36,862.77	32,321.92	17,957.14	4,497.55	-	94,392.25
Deposits	-	2,540.08	5,875.16	2,713.38	467.31	-	-	11,595.93
Subordinated Liabilities	-	-	-	-	-	1,804.41	-	1,804.41
Other financial liabilities(to be specified)	398.39	2,104.73	2,840.20	302.63	7.33	-	-	5,653.28
Total	**432.11**	**15,936.28**	**75,357.63**	**87,604.48**	**41,989.08**	**29,945.58**	**3.79**	**2,51,268.95**

38.4.2. Credit Risk for Parent

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has defined Loan selection principles for establishing credit worthiness of the counterparties and criteria for determining the quantum of loan. The Company has adopted a policy of dealing with creditworthy counter parties and obtaining sufficient collateral as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

The carrying amount of loans as at March 31, 2024 is ₹ 2,86,802.14 crore (FY 2022-23 ₹ 2,75,006.14 crore) which best represent the maximum exposure to credit risk, the related Expected credit loss amount to ₹ 6,270.08 crore (FY 2022-23 ₹7,230.29 crore). The Company has right to sell the collateral in case borrower defaults. The carrying amount of loans as at March 31, 2024 includes ₹ 13.84 crore towards Loans to Staff, Loans against Public Deposit and Finance Lease Receivables. (FY 2022-23 ₹ 14.61 crore).

Credit Risk for Subsidiaries

The Trade Receivables which are Management Fees receivable as on the reporting date are generally received within 30 days from the reporting date. Hence, the Credit Risk pertaining to Trade Receivables is low.

The Credit Risk on Cash and Cash Equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and/or domestic credit rating agencies. Investments primarily includes investment in liquid mutual fund units and deposit for a specified time period.

38. 4.2.1. Credit Risk Mitigation measures for Housing Finance

Independent internal legal and technical evaluation team in the Company makes credit decisions more robust and in line to manage collateral risk. The in-house Credit team conducts a credit check and verification procedure on each customer, ensuring consistent quality standards to minimize future losses. To review the adherence to laid down policies and quality of appraisal, Company's independent internal audit team conducts a regular review of files on a sample basis. A dedicated collection and recovery team manages lifecycle of transactions and monitors the portfolio quality.

Credit Norms: - Certain credit norms and policies are being followed by the Company to manage credit risk, including a standard credit appraisal policy based on customer credit worthiness. These criteria change between loan products and typically include factors such as profile of applicant, income, and certain stability factors such as the employment and dependency detail, other financial obligations of the applicant, Loan to value and the loan-to-cost ratio. Standardized credit approval process including a comprehensive credit risk assessment is in place which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower.

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The Credit Policy defines parameters such as Borrower's ability to pay, Reputation of Employer, Nature of employment/ Self-employed, Qualification of Applicants, Stability of Residence, Family size and dependence on Applicants income, Insufficient sales proceeds to pay the dues in case of Project Loans due to project slowdown etc. to ensure consistency of credit quality.

Credit Risk Mitigation measures for Subsidiaries

To manage credit risk the Group periodically assessed the financial reliability of customers, taking into account the financial conditions, current economic trends and analysis of historical bad debts and ageing of accounts receivable.

Retail lending for Housing Finance:

For retail lending, credit risk management is achieved by considering various factors like:

- **Assessment of borrower's capability to pay** – a detailed assessment of borrower's capability to pay is conducted. The approach of assessment is laid down in the credit policy of the Company. Various factors considered for assessment are credit information report, analysis of bank account statement and valuation of property.
- **Security cover –** Analysing the value of the property which is offered as security for the loan is essential for the overall underwriting of the loan. It is essential that it is valued before the disbursement of loan to arrive at a clear idea about its cost, valuation, marketability, and loan to property ratio.
- **Additional Security –** Additional Security can be by way of pledge of acceptable Additional Collaterals such as LIC Policies, FDs or immovable properties, etc. is considered. This is taken depending on nature of loan proposal and amount of risk involved.
- **Geographical region –** The Company monitors loan performance in a particular region to assess if there is any stress due to natural calamities etc. impacting the performance of the loan in a particular geographic region.

Project lending for Housing Finance:

For project lending, credit risk management is achieved by considering various factors like:

- **Promoter's strength –** a detailed assessment of borrower's capability to pay is conducted. Various factors considered for promoter's assessment are the financial capability, past track record of repayment, management and performance perspective.
- **Credit information report –** It is very essential to check the Credit worthiness of an Applicant & the Credit History of Borrower for Consumer or Commercial Loans. The Company uses this Report for taking a Decision on Credit Sanction by getting details of the Credit History of a Borrower. For Project Loans, reports from independent institutions are referred so as to get the marketability report of the project and its neighbourhood analysis.
- **Security cover –** Analysing the value of the property which is offered as security for the loan is essential for the overall underwriting of the loan. With respect to project loans, the main security taken is underlying land and structure there on. Technical appraisals are conducted to establish the life, soundness, marketability, and value of the security.
- **Additional Security –** -Additional Security – Additional Security is taken depending on nature of loan proposal and amount of risk involved. In some cases, the hypothecation of receivables from the loan is taken. The Negative lien is marked on the flats in the project to the extent of 1.5 times or more as per merits of the case. The Company endeavours to maintain the security cover approved by the Competent Authority as per the merit of the case. Personal Guarantee of promoter directors / corporate guarantee of Company is also obtained as Security on case-to-case basis. In some cases, the Additional Collateral in the form of Fixed Deposits are also accepted. In case of Higher Risk, Debt Service Recovery Account is also maintained. The Charge on the security / Additional Collateral security is also registered in Central Registry / ROC.
- **Geographical region –** The Company monitors loan performance in a particular region to assess if there is any stress due to natural calamities etc. impacting the performance of the loan in that geographic region.

The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

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Derivative financial instruments:

Interest rate swaps –

The exposure of the Parent to Derivatives contracts is in the nature of interest Rate Swaps and currency swaps to manage risk associated with interest rate movement and fluctuation in currency exchange rate.

Derivative policy of the Company specifies the exposure norms with respect to single counterparty and the total underlying amount at the time of entering into the new derivative contract.

The Asset Liability Management Committee (ALCO) of the Company oversees efficient management of risk associated with derivative transactions. Company identifies, measures, monitors the exposure associated with derivative transaction. For effective mitigation of risk it has an internal mechanism to conduct regular review of the outstanding contracts which is reported to the ALCO & Risk Management Committee of the Board which in turn reports to the Audit Committee and to the Board of Directors.

The gain realized on early termination of swap is amortized over the balance tenor of the swap or underlying liability whichever is less. Loss if any on early termination is charged to revenue in the same year. The carry difference, between coupon rate liability and the swap contract rate is accounted quarterly on accrual basis.

38.4.2.2. Collateral and other credit enhancements:

With respect to loan cases the main security taken is underlying property mortgaged by the borrower. Apart from the main security additional collaterals are also sought depending upon merits of the case. In some cases the hypothecation of receivables for the loan is also taken.

The Company after exploring all the possible measures, initiates action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) against the mortgaged properties as a last resort to recover. Company follows the due procedure as laid down in the SARFAESI Act 2002 and accordingly takes the possession of the properties for its logical conclusion.

As the procedure involved under SARFAESI is to be followed in a time-bound manner, different loan accounts will be at various stages of SARFAESI proceedings.

The properties taken under possession through SARFAESI Act by the Company and held such properties for disposal as on 31.03.2024 included in loan portfolio amounting to ₹ 658.31 crore (FY 2022-23 ₹ 743.22 crore). During the year the company has reclassified the repossessed properties from “Assets Held for Sale” to Loans at amortized cost in accordance with opinion issued by expert advisory committee of ICAI.

38.4.2.3 Impairment Assessment for Housing Finance:

The Company applies general approach to provide for credit losses prescribed by Ind AS 109, which provides to recognise 12-months expected credit losses where credit risk has not increased significantly since initial recognition and to recognise lifetime expected credit losses for financial instruments for which there has been significant increase in credit risk since initial recognition considering all reasonable present and forward-looking information.

Definition of Default for Housing Finance:

The Company considers a financial instrument as defaulted when the borrower becomes 90 days past due on its contractual payments. Such instruments are considered Stage 3 (credit-impaired) for ECL calculations.

The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages relate to the recognition of expected credit losses and the calculation and presentation of interest revenue.

Stage wise categories of Loan Assets

The Company categorises loan assets into stages based on the Days Past Due status:

- **Stage 1**: [0-30 days Past Due] It represents exposures where there has not been a significant increase in credit risk since initial recognition and that were not credit impaired upon origination. The Company uses the same criteria mentioned in

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the standard and assume that when the days past due exceeds '30 days', the risk of default has increased significantly. Therefore, for those loans for which the days past due is less than 30 days, the Company recognises as a collective provision the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months.

- **Stage 2:** [31-90 days Past Due] The Company collectively assesses ECL on exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired. For these exposures, the Company recognises as a collective provision, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset).

- **Stage 3:** [More than 90 days Past Due] The Company identifies, both collectively and individually, ECL on those exposures that are assessed as credit impaired based on whether one or more events, that have a detrimental impact on the estimated future cash flows of that asset have occurred. The Company use the same criteria mentioned in the standard and assume that when the days past due exceeds '90 days', the default has occurred.

Loan Portfolio:

Depending on the nature of the financial instruments and the credit risk information available for particular groups of financial instruments, an entity may not be able to identify significant changes in credit risk for individual financial instruments before they become past due. The loans are backed by sufficient margin of underlying security which absorbs the associated risks. Hence, the Company has performed the assessment of significant increases in credit risk on a collective basis by considering information that is indicative of significant increases in credit risk on groups of financial instruments.

For the purpose of determining significant increases in credit risk and recognising loss allowance on a collective basis, the Company has grouped financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increase in credit risk identified on a timely basis. the company has grouped portfolio based on borrower type Individuals (Salaried / Non-Individuals) and based on the purpose of the loan Housing loans / Non-housing loans / Project and Corporate lending.

Credit Quality Analysis – Classification on basis of risk pattern (Collective and Individual Basis)

(₹ in crore)

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Amount	Impairment	Amount	Impairment	Amount	Impairment	Amount	Impairment
As at March 31, 2024	2,65,359.53	625.48	11,959.22	768.34	9,483.39	4,876.26	2,86,802.14	6,270.08
As at March 31, 2023	2,48,798.33	677.76	14,083.07	1,171.31	12,124.74	5,381.22	2,75,006.14	7,230.29

38.4.2. 4 ECL Model and Assumptions considered in the ECL Model

The Company has through its previous experience devised methodology for estimating the probability of default on loans. Thus it is seen that receivable for an account moves through different delinquency stages every month. For example, an account in the "Regular" state this month will continue to be in the "Regular" state next month if a payment is made by the due date and will be in the "30 days past due" state if no payment is received during that month.

Further, focus is on maintaining the progression and timing of events in the path from "Regular" to "Defaulted". For example, an account in the "Regular" state doesn't suddenly become "Defaulted". Instead, an account must progress monthly from the "Regular" state to the "30 days past due" state to the "60 days past due" state and so on until foreclosure activities are completed and the collateral assets are sold to pay the outstanding debt.

The transition represents the period-by-period movement of receivables between delinquency classifications or states. The transition evaluates loan quality and loan collection practice. The loan portfolio for the past several months is analysed to arrive at the transition matrix. Each loan is traced to find out how the loan has performed over the last several months.

The occurrences of every loan over the past several months is considered to arrive at the total transitions happening from different buckets in the previous month to different buckets in the current month.

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Probability of Default

When the loan moves from stage 3 to stage 2 / stage 1 or from stage 2 to stage 1, from an ECL computation perspective there is a curing period of one quarter on such loans.

Exposure at default

The borrower's ability to raise its exposure as it nears default as well as potential early repayments are both taken into account in the Exposure at Default (EAD), which represents the gross carrying value of the financial instruments subject to impairment calculation.

Probability of default of the loan that is likely to move into buckets 90 days past due and above over next 12 months. The PD is used to measure quantum of loan that is likely to move buckets 90 days past due and above over the remaining life of the loan.

Loss given default

The loans are secured by adequate collateral. The present value of such collateral property is considered while calculating the Expected Credit Loss. The Company initiates recovery process of Non Performing accounts within the statutory time limit as per SARFAESI and other applicable laws and accordingly the realizable period has been considered for computing the Present Value of Collateral. The difference between present value of collateral and EAD is loss given default.

Lending Vertical	PD				
	Stage 1	Stage 2	Stage 3	EAD	LGD
Home Loans Loan Against Property Lease Rental Discounting Developer Loans Other Loans	The Historical data is used for computing the probability of default. Forecasted PD is estimated based on multivariate regression methodology.		100%	EAD is the Net Present Value of the Contractual Cash-Flows discounted based on the Effective Interest Rate which would be the Principal Outstanding at the date of exposure. The undrawn loan commitments is considered as part of the EAD.	LGD is computed as (1 - Recovery Rate). The Recovery Rate is present value of collateral divided by the EAD. The value of collateral of each loan is computed separately.

Forward looking information

The assumptions and estimates on the basis of which, the Expected Credit Losses (ECL) of the loan portfolio have been identified, are primarily based on the historical performance of the loan portfolio, updated to reflect current conditions including regulatory interventions.

Write off policy for Housing Finance

The Company has over the period established a well-defined Credit Monitoring Mechanism for follow up of the default / delinquent accounts.

A multi-faceted approach is adopted in Credit Monitoring activities which involves participation of In-House employees as well as outsourced agencies. Each loan account is analysed based on the causative factors of becoming default and appropriate follow-up activity is undertaken. In spite of adopting an appropriate follow-up activity, some accounts continue to be delinquent. Sufficient time, as per law, is given to the borrowers to regularize their repayments and if still the accounts continue to be under the Non-Performing bracket, legal recourse is adopted.

However, there could be accounts wherein no recovery would be forthcoming despite the best efforts put in by the Company. Such accounts are critically examined on case to case basis and if there is no merit of recovery, such accounts are recommended for write-off to/through internal committees as per the policy approved by the Board.

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets written off but are still subjected to enforcement activity	2,910.93	934.61

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Movement of Gross Exposures and impairment provision of the Financial Instruments (Collective and Individual Basis)

(₹ in crore)

Particulars	Stage 1		Stage 2		Stage 3		Total	
	Amount	Impairment	Amount	Impairment	Amount	Impairment	Amount	Impairment
Gross Carrying Amount -2022	**2,31,791.71**	**579.33**	**7,665.50**	**240.11**	**11,616.40**	**5,019.68**	**2,51,073.61**	**5,839.12**
Net change in exposures	25,206.91	209.84	(8.49)	532.64	(507.84)	1,057.32	24,690.58	1,799.80
Transfer to Stage 1	3,947.04	378.04	(3,052.39)	(75.05)	(894.65)	(302.99)	-	-
Transfer to Stage 2	(10,004.97)	(401.21)	10,318.44	498.13	(313.47)	(96.92)	-	-
Transfer to Stage 3	(1,990.80)	(88.24)	(836.09)	(24.52)	2,826.89	112.76	-	-
Changes in contractual cash flows due to modifications not resulting in derecognition	(151.56)	-	(3.90)	-	(5.42)	-	(160.88)	-
Amounts Written Off	-	-	-	-	(597.17)	(408.63)	(597.17)	(408.63)
Gross Carrying Amount Closing Balance -2023	**2,48,798.33**	**677.76**	**14,083.07**	**1,171.31**	**12,124.74**	**5,381.22**	**2,75,006.14**	**7,230.29**
Net change in exposures	18,165.06	(186.95)	(3,060.72)	(329.92)	(1,328.80)	879.55	13,775.54	362.68
Transfer to Stage 1	4,687.54	241.23	(4,243.18)	(95.33)	(444.36)	(145.90)	-	-
Transfer to Stage 2	(5,715.30)	(51.79)	6,547.82	220.68	(832.52)	(168.89)	-	-
Transfer to Stage 3	(576.10)	(54.77)	(1,367.77)	(198.40)	1,943.87	253.17	-	-
Changes in contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts Written Off	-	-	-	-	(1,979.54)	(1,322.89)	(1,979.54)	(1,322.89)
Gross Carrying Amount Closing Balance -2024	**2,65,359.53**	**625.48**	**11,959.22**	**768.34**	**9,483.39**	**4,876.26**	**2,86,802.14**	**6,270.08**

The movement within the tables is a combination of quarterly movements over the year. The credit impairment charge in the Statement of Profit & Loss comprises the amount arrived after addition of figures in Total column.

Transfers – transfers between stages are deemed to occur at the beginning of a quarter based on prior quarters closing balances.

Net re-measurement from stage changes – the re-measurement of credit impairment provisions arising from a change in stage is reported within the stage that the assets are transferred to.

Net changes in exposures – comprises new disbursements less repayments in the year.

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38.4.2.5. Modified Loans

Where the contractual terms of a financial instrument have been modified, and this does not result in the instrument being derecognised, a modification gain or loss is recognised in the Statement of Profit or Loss representing the difference between the original cash flows and the modified cash flows, discounted at the effective interest rate. If the modification is credit-related or where the Company has granted concessions that it would not ordinarily consider, then it will be considered credit-impaired. Modifications that are not credit related will be subject to an assessment of whether the asset's credit risk has increased significantly since origination by comparing the remaining lifetime probability of default (PD) based on the modified terms to that on the original contractual terms.

38.4.3. Market Risk

Market risk is the risk of losses in positions taken by the Group which arises from movements in market prices. Any item in the balance sheet which needs re-pricing at frequent intervals and whose pricing is decided by the market forces will be a component of market risk. There are number of items in the Group's balance sheet which exposes it to market risk like Housing loans at floating rate, loans to developers at floating rate, Non-Convertible Debentures (NCDs) with options, bank loans with option, Foreign Currency Bank Loans, Coupon Swaps, etc.

38.4.4. Interest Rate Risk

Interest Rate Risk refers to the risk associated with the adverse movement in the interest rates. Adverse movement would imply rising interest rates on liabilities and falling interest yields on the assets. This is the biggest risk which the company faces. It arises because of maturity and re-pricing mismatches of assets and liabilities

In order to mitigate the impact of this risk, the Group tracks the composition and pricing of assets and liabilities on a continuous basis.

38.4.5 Operational Risk for Parent

Operational risk is "the risk of a change in value caused by the fact that actual losses, incurred for inadequate or failed internal processes, people and systems, or from external events (including legal risk), differ from the expected losses". It can be subdivided into the following categories:

A. Compliance risk is defined as the risk of legal sanctions, material financial loss, or loss to reputation the Company may suffer as a result of its failure to comply with laws, its own regulations, code of conduct, and standards of best/good practice.

The Company is regulated by RBI and supervised by NHB, registered with SEBI and has listing agreements with stock exchanges, i.e. BSE & NSE and Luxembourg. In order to ensure compliance with applicable laws, the Company has put in place adequate processes.

B. Legal risk is the cost of litigation due to cases arising out of lack of legal due diligence. Litigation can also arise out of failure or frauds in the course of business.

The main business is of lending money for/against mortgage loans and is therefore exposed to legal risk. For handling the same, there are robust legal systems for title verification and legal appraisal of related documents. Company has standards of customer delivery and the operational mechanism to adhere to such standards aimed at minimum instances of customers' grievances.

Operational Risk for Subsidiaries

Operational Risk for Subsidiaries include losses due to failure to adhere to internal policies and processes, human error or external events. Operational risk also includes information technology risk, operations risk and legal risk. The Management of the Subsidiaries identifies, assesses, monitors and controls these risks and formulates plans and processes to mitigate the same.

38.4.6. Regulatory Risk for Parent and Subsidiaries

Regulatory risk is the risk that a change in laws and regulations will materially impact the Group. Changes in law or regulations made by the government or a regulatory body can increase the costs of operating the business, and/or change the competitive landscape.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

In case of the Group, the regulatory risk can arise due to change in prudential rules/norms by the regulators viz; NHB, SEBI, RBI etc. In order to mitigate the effects of same, the Group is aware of the Business and Regulatory environment and anticipate the likely regulatory changes that may come in the short and medium term so that it is able to quickly change its systems and practices to realign itself with the changed regulatory framework.

38.4.7 Strategic Risk

Strategic risk is the current and prospective impact on earnings or capital arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to industry changes. It is the risk to the market share and profitability arising due to competition.

38.4.8. Currency Risk and mitigation

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company manages itself against currency risk by taking out foreign currency swaps and converting the exposures into Indian Rupees. The Company applies cash flow hedge accounting to the foreign currency element of its floating rate dollar-denominated External Commercial Borrowings and associated cross currency interest rate swaps.

The Company converts ECB into fixed rate Indian Rupee exposures with the floating rate and principal of the hedged item matched by those of the hedging instrument. The Company considers the hedge as a hedge of more than one risk and does not split the interest rate from the principal for hedge accounting purposes.

Hedge Instrument

Fair Value of Hedging Instrument

(₹ in crore)

March 31, 2024	Changes in fair value of hedging instruments used for measuring hedge ineffectiveness						
	Carrying value			In Total	Effective portion	Hedge Ineffectiveness	Reclassified into income statement
	Notional amount	Assets	Liabilities		Recognised in OCI	Recognised in profit & loss account	
Micro cash flow hedges	-	-	-	-	-	-	-
Cross currency interest rate swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(₹ in crore)

March 31, 2023	Changes in fair value of hedging instruments used for measuring hedge ineffectiveness						
	Carrying value			In Total	Effective portion	Hedge Ineffectiveness	Reclassified into income statement
	Notional amount	Assets	Liabilities		Recognised in OCI	Recognised in profit & loss account	
Micro cash flow hedges	-	-	-	-	-	-	-
Cross currency interest rate swaps	-	-	-	(79.17)	(79.17)	-	(79.17)
Total	**-**	**-**	**-**	**(79.17)**	**(79.17)**	**-**	**(79.17)**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

Fair Value of Hedged Item

(₹ in crore)

31-Mar-24	Change in fair value of hedged item in the year used for ineffectiveness measurement	Cash flow hedge reserve	
		Continuing hedges	Discontinued hedges
Micro cash flow hedges	-	-	-
Floating rate USD notes	-	-	-
Total	**-**	**-**	**-**

(₹ in crore)

31-Mar-23	Change in fair value of hedged item in the year used for ineffectiveness measurement	Cash flow hedge reserve	
		Continuing hedges	Discontinued hedges
Micro cash flow hedges	-	-	-
Floating rate USD notes	(79.17)	-	-
Total	**(79.17)**	**-**	**-**

Movement of Cash Flow Hedge

(₹ in crore)

Movement of cash flow hedges	As at March 31, 2024	As at March 31, 2023
Hedging net gains/(losses) arising during the year	-	(79.17)
Less: Recognised in the income statement	-	79.17
Income tax related to the above	-	-
Movement on cash flow hedges	-	-

Impact of Cash Flow Hedge on Balance Sheet

(₹ in crore)

Impact of cash flow hedge on balance sheet and financial result - hedging instruments	For the year ended March 31, 2024	For the year ended March 31, 2023
Nominal value	-	-
Carrying amount – assets	-	-
Carrying amount – liabilities	-	-
Balance Sheet item in which hedging instrument is reported	-	Hedging Instruments
Change in the fair value of the hedging instrument used for estimating hedge ineffectiveness	-	(79.17)
Amount of hedge ineffectiveness recognised in the income statement	-	-
Profit & Loss item in which hedge ineffectiveness is reported	-	NA

(₹ in crore)

Impact of cash flow hedge on balance sheet and financial result - hedged items	For the year ended March 31, 2024	For the year ended March 31, 2023
Amount of change in the fair value of the hypothetical derivative representing the hedged item used for estimating the hedge ineffectiveness in the reporting period	-	(79.17)
Revaluation reserve due to cash flow hedge accounting for relationships for which hedge accounting will be continued after the end of the reporting period	-	-
Revaluation reserve due to cash flow hedge accounting for relationships for which hedge accounting is no longer applied	-	-

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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ADDITIONAL DISCLOSURES IN ECB

For hedging relationships to which an entity applies the temporary exceptions from applying specific hedge accounting requirements exceptions set out in paragraphs 6.8.4-6.8.12		
(a)	the significant interest rate benchmarks to which the entity's hedging relationships are exposed;	NA
(b)	the extent of the risk exposure the entity manages that is directly affected by the interest rate benchmark reform;	NA
(c)	how the entity is managing the process to transition to alternative benchmark rates	NA
(d)	a description of significant assumptions or judgements the entity made in applying these paragraphs (for example, assumptions or judgements about when the uncertainty arising from interest rate the interest rate benchmark-based cash flows); and benchmark reform is no longer present with respect to the timing and the amount of	NA
(e)	the nominal amount of the hedging instruments in those hedging relationships	NA

38.5. Maturity Analysis of Assets and Liabilities:

The Table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled:

As at March 31, 2024

(₹ in crore)

Particulars	Upto 12 months	More than 12 months	Amount
ASSETS			
Financial Assets			
Cash and cash equivalents	1,422.82	-	1,422.82
Bank Balance other than above	232.36	-	232.36
Receivables			
(I) Trade Receivables	9.93	0.01	9.94
(II) Other Receivables	-	-	-
Loans	17,401.85	2,63,130.21	2,80,532.06
Investments	1,822.23	4,515.20	6,337.43
Other Financial assets	19.02	12.31	31.33
Non-Financial Assets			
Current Tax Assets (Net)	425.15	-	425.15
Deferred Tax Assets (Net)	-	1,638.41	1,638.41
Property, Plant and Equipment	-	163.39	163.39
Capital Work in Progress	-	0.20	0.20
Investment Property	-	29.17	29.17
Intangible assets under development	-	-	-
Right of Use Assets	-	164.14	164.14
Goodwill	-	0.21	0.21
Other Intangible Assets	-	31.88	31.88
Other Non-Financial Assets	294.50	20.67	315.17
Assets Held for Sale	-	-	-
Total Assets	**21,627.86**	**2,69,705.80**	**2,91,333.66**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	Upto 12 months	More than 12 months	Amount
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Lease Liability	5.49	165.26	170.75
Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	0.02	-	0.02
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	70.56	-	70.56
Debt Securities	40,678.07	1,03,987.25	1,44,665.32
Borrowings (Other than Debt Securities)	36,093.16	60,043.42	96,136.58
Deposits	5,933.62	3,915.80	9,849.42
Subordinated Liabilities	-	1,796.33	1,796.33
Other financial liabilities	6,005.38	359.52	6,364.90
Non-Financial Liabilities			
Current tax liabilities (Net)	-	-	-
Deferred Tax liabilities (Net)	-	-	-
Provisions	99.87	138.32	238.19
Other non-financial liabilities	561.53	-	561.53
Total Liabilities	**89,447.70**	**1,70,405.90**	**2,59,853.60**
NET	**(67,819.84)**	**99,299.90**	**31,480.06**

As at March 31, 2023

(₹ in crore)

Particulars	Upto 12 months	More than 12 months	Amount
ASSETS			
Financial Assets			
Cash and cash equivalents	641.38	-	641.38
Bank Balance other than above	180.18	-	180.18
Receivables			
(I) Trade Receivables	-	-	-
(II) Other Receivables	0.72	-	0.72
Loans	17,392.75	2,50,383.10	2,67,775.85
Investments	2,403.70	4,646.01	7,049.71
Other Financial assets	11.00	19.09	30.09

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Particulars	Upto 12 months	More than 12 months	Amount
Non-Financial Assets			
Current Tax Assets (Net)	-	-	-
Deferred Tax Assets (Net)	-	1,895.87	1,895.87
Property, Plant and Equipment	-	180.91	180.91
Capital Work in Progress	0.84	-	0.84
Intangible assets under development	-	-	-
Right of Use Assets	-	171.12	171.12
Goodwill	-	0.21	0.21
Other Intangible Assets	-	36.24	36.24
Other Non-Financial Assets	356.96	-	356.96
Assets Held for Sale	238.89	-	238.89
Total Assets	**21,226.42**	**2,57,332.55**	**2,78,558.97**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Lease Liability	50.38	133.71	184.09
Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	0.14	-	0.14
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	33.58	-	33.58
Debt Securities	37,696.23	99,263.77	1,36,960.00
Borrowings (Other than Debt Securities)	39,626.35	54,765.90	94,392.25
Deposits	8,577.10	3,003.66	11,580.76
Subordinated Liabilities	-	1,795.77	1,795.77
Other financial liabilities	5,343.16	311.77	5,654.93
Non-Financial Liabilities			
Current tax liabilities (Net)	3.87	3.87	3.87
Deferred Tax liabilities (Net)	-	-	0.12
Provisions	54.47	54.47	176.97
Other non-financial liabilities	588.63	588.63	588.63
Total Liabilities	**91,973.91**	**1,59,397.20**	**2,51,371.11**
NET	**(70,747.49)**	**97,935.35**	**27,187.86**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

39. Segment Reporting:

As per the Ind AS 108 dealing with 'Operating Segments', the main segments and the relevant disclosures relating there.

(₹ in crore)

Particulars	Loans		Other Segments		Inter Segment Adjustments		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Segment Revenue	27,234.64	22,674.20	92.56	99.48	(49.40)	(45.47)	27,277.80	22,728.21
Segment Result	6,053.92	3,557.00	21.88	5.83	(11.42)	(2.07)	6,064.37	3,560.77
Share of profit of Associates	-	-	-	-	-	-	3.76	0.24
Current Tax	-	-	-	-	-	-	1,304.81	669.60
OCI adjustments	-	-	-	-	-	-	(3.41)	4.98
Share of Profit/(Loss) of Non-Controlling Interest	-	-	-	-	-	-	(0.35)	(0.41)
Total Result	-	-	-	-	-	-	4,759.56	2,895.98
Segment Assets	2,91,204.63	2,78,173.12	285.07	292.46	(156.04)	(145.50)	2,91,333.66	2,78,320.08
Assets held for sale	-	238.89		-		-	-	238.89
Segment Liabilities	2,59,810.00	2,51,311.67	103.32	110.84	(59.72)	(51.40)	2,59,853.60	2,51,371.11
Net Assets	31,394.63	27,100.34	181.75	181.62	(96.32)	(94.10)	31,480.06	27,187.86
Depreciation & Amortization	65.42	65.56	4.13	3.72	(0.32)	(0.24)	69.23	69.04
Non-Cash Expenses other Depreciation & Amortization	1,643.72	1,942.96	-	-	-	-	1,643.72	1,942.96

(i) The accounting policies adopted for segment reporting are in line with the policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

(ii) Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

(iii) Loans segment comprises of providing finance for purchase, construction, repairs, renovation of house/buildings.

(iv) Other Segments comprise of Financial Services segment which involves business of marketing Financial Products and Services on own account as well as for and on behalf of other service providers, Construction Segment which establishes and operates assisted living community centres for elderly citizens in India, Asset Management segment which includes promoting and managing different schemes on behalf of LIC Mutual Fund and Trusteeship segment which supervises activities of LIC Mutual Fund.

(v) The Company does not have any material operations outside India and hence, disclosure of geographic segments is not given.

(vi) No single customer represents 10% or more of the Company's total revenue for the year ended March 31, 2024 and March 31, 2023.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

40. COMMITMENTS:

a) Estimated amounts of contracts remaining to be executed on capital account and not provided for advance) - (net of are ₹61.85 crore (FY 2022-23 ₹ 23.76 crore).

b) Other Commitments: Uncalled liability of ₹ 1.14 crore (FY 2022-23 ₹ 1.14 crore) in respect of commitment made for contribution to LICHFL Urban Development Fund by subscription of 50,000 units (FY 2022-23 50,000 units) of ₹ 10,000 face value each, paid up value being ₹ 2502.79 (FY 2022-23 ₹ 2975.12) each.

c) The Company had committed a maximum of 10% of aggregate Capital Commitment but not exceeding ₹ 100.00 crore in LICHFL Infrastructure Fund managed by one of the Subsidiary of the Company, namely LICHFL Asset Management Company Limited. The outstanding investment in LICHFL Infrastructure Fund as on 31st March, 2024 is ₹ 31.56 crore (FY 2022-23 ₹ 55.60 crore). The Total Capital commitment of the fund is 765 crore out of which LICHFL has Commitment of 10 % amounting to 76.50 crore.

d) Undisbursed amount of Housing and Non- Housing Loans sanctioned is ₹ 28,169.46 crore.

41. CONTINGENT LIABILITIES IN RESPECT OF:

a) Claims against the Company not acknowledged as debts ₹ 1.06 crore (FY 2022-23 ₹ 0.99 crore).

b) The Company under Direct Tax Vivad Se Vishwas Act, 2020 (3 of 2020) entered into Vivad Se Vishwas Scheme for settling its tax dispute in respect of AY 2004-05 to AY2017-18 and accordingly, received confirmation from Income tax authorities i.e. in Form 5 which is Order for full and final settlement of tax arrears under Section 5(2) read with Section 6 of under Direct Tax Vivad Se Vishwas Act, 2020 (3 of 2020) the Direct Tax Vivad Se Vishwas Rules, 2020 for all those assessment years and thereby the Company has taken conscious and practical call for settling its tax disputes resulting into finality of outcome in the above aforesaid assessment years. However, refunds for the period under VVS is still pending.

c) On completion of income tax assessment, the Company had received a demand of ₹ 10.64 crore for AY 2018-19 and ₹ 30.12 crore (Including interest of ₹ 1.17 crore) for AY 2019-20 respectively. Further, for AY 2020-21, the Company had received demand for ₹ 5.77 crore. The Company had also received demand of ₹ 15.01 crore for AY 2015-16 (including interest of ₹ 4.8 crore).

   The aforesaid demands for AY 2018-19, AY 2019-20, AY 2020-21 and AY 2015-16 are disputed and the Company has preferred an appeal at the Appellate Authority.

d) Care Homes :

   1. Bank guarantee outstanding of ₹ 93.50 lakh (P Y ₹ 88.76 lakh)
   2. Claims not acknowledged as debts of ₹ 1,339.56 lakh.
   3. Pending litigation against the company:

   - Two petition have been filed the case in the Court of Civil Judge, Junior Division, Bhubaneswar, claiming the right on the part of the plot allotted to the company at Bhubaneswar, Odisha and also prayed in the court to injucted/restrained from disposessing the suit plot without due process of law and demolising the house of plaintiff constructed over the suit plot. The case is not yet listed for hearing and the company expect favourable result in its favour, therefore no provision has been made in the account.

   - Two petition have been filed the case in the Court of Member, Board of Revenue Odisha, Cuttak, the Company has been made party to it, claiming the right on the part of the plot allotted to the company at Bhubaneswar, Odisha and also prayed in the court to direct the Tahasildar, who is also party to the subject petition, to record the name of petitioner in respect of suit plot exclusively and delete name of the company from said. The case is not yet listed for hearing and the company expect favourable result in its favour, therefore no provision has been made in the account.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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- A petition has been filed before the District Consumer Dispute Redressal Commission at Bhubneswar, Odisha against the Company, for allotment shop which was originally allotted to her, however subsequently the allotment was cancelled and money received have been refunded along with the interest to the petitioner and the petitioner has accepted the refund. The case is not yet listed for hearing and the company expect favourable result in its favour, therefore no provision has been made in the account.

- A petition has been filed the case in the Court of Civil Judge, Senior Division, Bhubaneswar, Odisha, restraining the company from finalising the Memorandum of Association without obtaining the written consent of the petitioner till the disposal of suit and have also claimed to have already formed the unregistered association. The case is not yet listed for hearing and the company do not expect liability in the subject petition. therefore, no provision has been made in the account.

42. MOVEMENT IN PROVISION FOR CONTINGENCIES AS UNDER:

a. Provision includes:

i. Provision for doubtful advances and provision for probable loss on account of bank reconciliation differences.

(₹ in crore)

Provision for Doubtful Advances	As at March 31, 2024	As at March 31, 2023
Opening balance	-	3.53
Add: Additional provisional for doubtful advances	-	-
Less: Amounts utilized during the year / provision written back for doubtful advances	-	3.53
Less: Reversal of provision for doubtful advances	-	-
Closing balance	-	-

43. Fixed Deposits with Banks includes earmarked deposits created in favour of trustees for depositors towards maintaining Statutory Liquid Ratio amounting to ₹ 100 crore (FY 2022-23 ₹ 100) .The Company has beneficial interest on the income earned from these deposits.

44 Temporary Book Overdraft of ₹ 428.60 crore (FY 2022-23 ₹ 627.94 crore) represents cheques issued towards disbursements to borrowers for ₹ 425.73 crore (FY 2022-23 ₹ 576.47 crore) and cheques issued for payment of expenses of ₹ 2.87 crore (FY 2022-23 ₹ 51.47 crore), but not encashed as at March 31, 2024.

45. AUDITOR'S REMUNERATION*:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Audit fee	0.57	0.57
Tax Audit	0.13	0.12
For Quarterly Limited Reviews	0.28	0.24
In any other manner (Certification work)	0.08	0.22
Reimbursement of expenses	0.06	0.05
Total	**1.12**	**1.20**

*Including Ineligible GST

46. PROPOSED DIVIDEND

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividends not recognized at the end of reporting period	495.21	467.70

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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47. The Group is in the continuous process of obtaining confirmation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

(₹ in crore)

Particulars	March 31, 2024	March 31, 2023
The principal amount remaining unpaid to any supplier	0.02	0.14
The interest due thereon (above principal amount) remaining unpaid to any supplier	-	-
The amount of interest paid by the buyer in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day for the year ended	-	-
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 this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	-	-

48. DISCLOSURE IN RESPECT OF EMPLOYEE BENEFITS:

In accordance with the Indian Accounting Standard (Ind AS 19) – "Employee Benefits", the following disclosures have been made:

Provident Fund and Pension Fund Liability

The Group has recognised ₹ 36.19 crore (Previous year ₹ 33.32 crore) in the Statement of Profit and Loss towards contribution to Provident fund in respect of company employees. In respect of LIC employees on deputation who have opted for pension, 2.67 crore (previous year 2.76 crore) have been contributed towards LIC of India (Employees) Pension Rules, 1995.

Gratuity Liability

(₹ in crore)

Changes in the Defined Benefit Obligation:	2023-24	2022-23
Liability at the Beginning of the year	129.04	120.39
Interest Cost	9.64	8.74
Current Service Cost	6.72	6.56
Past Service Cost	23.71	-
Benefit Paid	(6.88)	(1.58)
Actuarial Loss/(Gain) on obligations	4.65	(5.30)
Liability at the end of the year	**166.88**	**128.83**

(₹ in crore)

Fair Value of the Plan Assets:	2023-24	2022-23
Fair Value of Plan Asset at the beginning of the year	125.10	109.32
Expected Return on Plan Assets	9.36	7.94
Contributions	22.94	7.80
Benefit paid	(6.88)	(1.58)
Actuarial Gain / (Loss) on Plan Assets	0.01	1.39
Fair value of Plan Assets at the end of the year	**150.53**	**124.87**
Total Actuarial Loss to be Recognized	**4.74**	**(6.68)**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Actual Return on Plan Assets:	2023-24	2022-23
Expected Return on Plan Assets	9.36	7.93
Actuarial Gain / (Loss) on Plan Assets	0.01	1.40
Actual Return on Plan Assets	**9.37**	**9.34**

(₹ in crore)

Amount Recognized in the Balance Sheet:	2023-24	2022-23
Liability at the end of the year	(166.67)	(128.82)
Fair Value of Plan Assets at the end of the year	150.29	124.77
Amount recognized in the Balance Sheet	**(16.38)**	**(4.05)**

(₹ in crore)

Net Interest Cost for Current Year	2023-24	2022-23
Present Value of Benefit Obligation at the Beginning of the Year	129.05	120.39
Fair value of Plan Assets at the Beginning of the Year	(125.07)	(109.32)
Net Liability/(Asset) at the Beginning of the Year	3.98	11.07
Interest Cost	9.65	8.74
Interest Income	(9.36)	(7.95)
Net Interest Cost for Current Year	**0.29**	**0.79**

(₹ in crore)

Expense Recognized in the Statement of Profit or Loss for Current Year :	2023-24	2022-23
Current Service Cost	6.72	6.56
Net Interest Cost	0.30	0.79
Expected Return on Plan Assets	(0.02)	-
Past Service Cost	23.71	-
Expense recognized in the Statement of Profit or Loss under staff expenses	**30.72**	**7.35**

(₹ in crore)

Expense Recognized in Other Comprehensive Income (OCI) for Current Year :	2023-24	2022-23
Actuarial Loss/(Gain) on obligations	4.66	(5.30)
Return on Plan Assets, excluding Interest Income	(0.01)	(1.39)
Net (Income)/Expense for the year recognized in OCI	**4.65**	**(6.68)**

(₹ in crore)

Reconciliation of the Liability recognized in the Balance Sheet:	2023-24	2022-23
Opening Net Liability	3.96	11.08
Expense recognized in the Statement of Profit or Loss	30.70	7.36
Expense recognized in Other Comprehensive Income	4.65	(6.68)
Contribution by the Group	(22.92)	(7.80)
Amount recognized in the Balance Sheet under “Provision for Retirement Benefits”	**16.40**	**3.96**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Maturity Analysis of the Benefit Payments : From the Fund

(₹ in crore)

Projected Benefits Payable in Future Years From the Date of Reporting	2023-24	2022-23
1st Following Year	12.20	8.93
2nd Following Year	11.21	6.87
3rd Following Year	14.09	13.20
4th Following Year	15.87	12.06
5th Following Year	13.62	12.87
Sum of Years 6 to 10	50.81	40.65
Sum of Years 11 and above	273.45	217.81

(₹ in crore)

Sensitivity Analysis	2023-24	2022-23
Projected Benefit Obligation on Current Assumptions	164.05	128.82
Delta Effect of +1% Change in Rate of Discounting	(23.31)	(17.60)
Delta Effect of -1% Change in Rate of Discounting	27.11	20.40
Delta Effect of +1% Change in Rate of Salary Increase	22.2	12.51
Delta Effect of -1% Change in Rate of Salary Increase	(20.32)	(11.99)
Delta Effect of +1%Change in Rate of Employee Turnover	0.59	2.08
Delta Effect of -1%Change in Rate of Employee Turnover	(0.56)	(2.38)

Assumptions	2023-24	2022-23
Discount Rate	7.25%/7.21%/7.20%/7.21%	6.84%/7.35%/7.49%
Rate of Return on Plan Assets	7.21%/7.20%/7.21%	6.84%/7.35%/7.49%
Salary Escalation	5.00%/8.00%/6.90%/8.00%	8.00%/6.90%/8.00%
Attrition Rate	2%/13.25%/2%	2.00%

Gratuity Premium is paid to LIC of India under Gratuity Scheme of LIC.

Actuarial Gains/Losses are recognized in the period of occurrence under Other Comprehensive Income (OCI). All above reported figures of OCI are gross of taxation.

Salary Escalation and Attrition Rate are considered as advised to the Company by the Actuary; they are in line with the industry practice considering promotion and demand and supply of the employees.

Maturity Analysis of Benefit payments is undiscounted cash flows considering future salary, attrition and death in respective year for members as mentioned above.

The Group has a defined benefit gratuity plan in India (funded). The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Gratuity is a defined benefit plan and the Group is exposed to the Following Risks:

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

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Interest Risk: A fall in the discount rate which is linked to the Government Security Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

The Company's best estimate of contributions expected to be paid to the plan during the annual period beginning after April 1, 2024 is ₹ 5.50 crore (Previous Year ₹ 3.40 crore).

Leave Encashment

(₹ in crore)

Changes in the Benefit Obligation	2023-24	2022-23
Liability at the Beginning of the year	103.59	94.15
Interest Cost	7.75	6.85
Current Service Cost	3.64	3.43
Benefit Paid	(0.55)	(3.21)
Actuarial (Gain) / Loss on obligations	4.60	2.37
Liability at the end of the year	119.03	103.59

(₹ in crore)

Amount Recognized in the Balance Sheet:	2023-24	2022-23
Liability at the end of the year	115.21	(103.28)
Fair Value of Plan Assets at the end of the year	-	-
Amount recognized in the Balance Sheet*	115.21	(103.28)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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(₹ in crore)

Expense Recognized in the Statement of Profit or Loss:	2023-24	2022-23
Current Service Cost	3.64	3.43
Interest Cost	7.75	6.85
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) / Loss to be recognized	4.60	2.37
Expense recognized in the Statement of Profit or Loss under staff expenses	15.99	12.65

(₹ in crore)

Reconciliation of the Liability recognized in the Balance Sheet:	2023-24	2022-23
Opening Net Liability	103.59	94.15
Expense recognized	15.99	12.65
Contribution by the Group	(0.55)	(3.21)
Amount recognized in the Balance Sheet under "Provision for Retirement Benefits"	119.03	103.59

Assumptions:	2023-24	2022-23
Retirement Age	58 Years	58 Years
Discount Rate	7.21%/7.21%	7.49%/7.49%
Salary Escalation	8.00%/8.00%	8.00%/8.00%
Attrition Rate	2.00%/2.00%	2.00%/2.00%

The estimate of future salary increases, considered in actuarial valuation, include inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The above information is certified by the actuary and relied upon by the Auditors.

*Exclusive of Amount ₹0.59 crore (previous year ₹ 0.63 crore) towards additional provision made for LIC employees.

Sick Leave

The Company has recognised ₹ 3.12 crore (Previous year ₹2.55 crore) in the Statement of Profit and Loss towards sick leave in respect of company employees.

49. RELATED PARTY DISCLOSURE:

a) Details of related parties:

(i) Enterprise having Significant Influence on the Company

Life Insurance Corporation of India

(ii) Associates by way of the Company holding shares of the following Enterprises

LIC Mutual Fund Asset Management Limited

LIC Mutual Fund Trustee Private Limited

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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(iii) Details of Key Management Personnel and Directors (Executive or Otherwise)
Nature of Relationship

	For the year ended March 31, 2024	For the year ended March 31, 2023
Key Management Personnel		
Shri Y. Vishwanatha Gowd	-	Managing Director & CEO(Upto 31.07.2023)
Shri T. Adhikari	Managing Director & CEO (From 03.08.2023)	-
Shri Ashwani Ghai	Chief Operating Officer (Upto 14.06.2023)	Chief Operating Officer (From 01.11.2022)
Smt. Varsha Hardasani	Company Secretary	Company Secretary(From 01.06.2022)
Shri Nitin K Jage	-	Company Secretary(Resigned on 31.05.2022)
Shri Sudipto Sil	Chief Financial Officer	Chief Financial Officer
Directors (Executive or Otherwise)		
Shri M R Kumar	-	Chairman (Resigned on 13.03.2023)
Shri Raj Kumar	-	Non-Executive Nominee Director (Resigned on 09.02.2023)
Shri Jagdish Capoor	-	Independent Director (Resigned on 23.05.2022)
Shri Dharmendra Bhandari	Independent Director	Independent Director
Shri V. K. Kukreja	Independent Director	Independent Director
Shri Ameet Patel	Independent Director	Independent Director
Shri Ravi Krishan Takkar	Independent Director	-
Shri P Koteswara Rao	Non-Independent Director	Non Independent Director
Shri Kashi Prasad Khandelwal	Independent Director	Independent Director
Shri Sanjay Kumar Khemani	Independent Director	Independent Director (Designation change w.e.f. 06.02.2023)
Shri Akshay Rout	Non-Independent Director	Non Independent Director
Shri Jagannath Mukkavilli	Non-Executive Nominee Director	-
Smt. Jagennath Jayanthi	Independent Director	Independent Director
Shri Ramesh Adige	Independent Director	-
Shri Siddhartha Mohanty	Chairman	Chairman

b) Details of transactions with related parties:

(₹ in crore)

Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Life Insurance Corporation of India:		
Repayment of non-convertible debentures	2,000.00	15,00.00
Interest expenses on Secured and Unsecured loans	871.70	1,046.28
Dividend Payment by LIC Housing Finance Limited to LIC of India	211.52	211.66
Rent Rates and Taxes	12.86	10.10
Reimbursement of Electricity Expenses	0.46	0.78
Payment for Staff training, Conference, etc.	0.06	0.06

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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(₹ in crore)

Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Reimbursement of Expenses	-	0.21
Reimbursement of Gratuity, Mediclaim, GSLI and Pension Fund for staff on deputation from LIC	1.74	1.84
Contribution to LIC of India, P & GS, for Gratuity premium for employees, renewal of group insurance.	22.95	9.05
Rewriting Fees Income	-	47.69
Balance as at year end towards Non Convertible Debentures (Credit)	9,550.00	11,550.00
Balance as at year end towards Interest Accrued on Non Convertible Debentures (Credit)	304.05	243.03
Balance as at year end-Others (Credit)	-	1.81
LIC Mutual Fund Asset Management Company		
Dividend Income	0.43	0.43
Shri Y. Vishwanatha Gowd , MD &CEO		
*Managerial remuneration-Total	0.48	0.79
Post-Employment Benefits	-	0.02
Investment in Public Deposit	-	0.22
Redemption of Public Deposit	-	0.06
Interest Expense on investment in Public Deposit by Close Members	0.01	0.02
Balance as at the year end towards investment in Public Deposit by Close Members and Accrued Interest on Public Deposit (Credit)	-	0.42
Shri Siddhartha Mohanty Chairman (Non-Executive Nominee Director)		
Balance as at year end towards Loan outstanding	1.43	-
Shri Ashwani Ghai (From 01.11.2022)		
Outstanding Amount of Loan taken from the Company	-	1.30
Shri T. Adhikari Managing Director and CEO (From 03.08.2023)		
Interest Expense on Public Deposit	0.01	-
Balance as at year end towards Loan outstanding	0.38	-
Mr. Jagannath M (Non-Executive Nominee Director)		
Interest Expense on Public Deposit	0.01	-
Balance as at period end towards Public Deposit and Accrued Interest	0.11	-
Balance as at year end towards Loan outstanding	0.36	-
Shri Nitin K Jage, Company Secretary		
Managerial remuneration-Total	-	0.32
Short Term Employment Benefits	-	0.32
Interest Expense on investment in Public Deposit	-	-
Smt.Varsha Hardasani (from 01.06.2022)		
*Managerial remuneration-Total	0.26	0.18
Shri Sudipto Sil		
Managerial remuneration-Total	0.50	0.48
Investment in Public Deposit by Close Members of family	0.20	-
Redemption of Public Deposit	0.07	-
Interest Expense on investment in Public Deposit by Close Members	0.06	0.05

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in crore)

Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance as at the yearend towards investment in Public Deposit by Close Members and Accrued Interest on Public Deposit (Credit)	0.82	0.65
Directors (Executive or Otherwise)		
Sitting Fees Paid	0.27	0.34
Shri Raj Kumar, Non-Executive Nominee Director		
Outstanding Amount of Loan taken from the Company	-	0.06

*As the Provision for Performance Linked Incentive (PLI) and Leave encashment is accrued for the company as a whole and not decided individually, hence not included. However, payment made during the FY 2023-24 has been included.

Gratuity payable by the Company to the Company Secretary and CFO as a post-employment benefit is as per the gratuity trust deed of the company. For the MD & CEO, an amount of 5% of Basic Salary plus DA is contributed as a post- employment benefit to LIC.

50 LEASES:

a. Actual Payment of Rent from 01.04.2023 to 31.03.2024 is ₹ 57.56 crore (Previous Year ₹ 53.75 crore).

b. The following is the breakup of Current and non-current portion of Lease Liability as on 31.03.2024:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current	5.48	50.38
Non-Current	165.27	133.71
Total Lease Liability as on 31.03.2021	**170.75**	**184.09**

c. The following is the movement of Lease Liability as on 31.03.2024: -

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Value of Lease Liability as of April 1	184.09	150.23
Additions	56.74	122.79
Terminated	(25.21)	(46.25)
Interest Expense on Lease Liability	11.54	9.42
Interest Expense on Terminated Lease	(0.30)	0.75
Finance Income on Subleased Assets	0.13	0.18
Finance Income Receivable on Subleased Assets	0.92	0.70
Actual Payment of Rent	(57.16)	(53.75)
Provision on Disposals	-	0.02
Closing Value of Lease Liability as of March 31	**170.75**	**184.09**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

d. The Carrying Value of Right of Use Asset as of March 31, 2024:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Value of Right of Use Asset as of April 1	**365.19**	**249.08**
Additions	56.87	127.01
Disposals	(0.11)	(10.90)
ROU derecognised on subleased asset	-	-
Gross carrying value as of March 31	**421.95**	**365.19**
Accumulated Depreciation as of April 1	(136.31)	(92.08)
Depreciation	(43.35)	(49.44)
Accumulated Depreciation on Disposals	-	4.56
Reversal of depreciation- sublease	0.65	0.65
Accumulated Depreciation as of March 31	**(179.01)**	**(136.31)**
Terminated Cases	(78.80)	(57.76)
Carrying Value as of March 31	**164.14**	**171.12**

e. The following represents the Contractual Maturity of the Lease Liability on an undiscounted basis

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
On demand	-	-
Upto 3 months	13.73	13.60
Above 3 months to 12 months	38.04	38.20
Above 1 Year -3 Years	72.92	74.65
Above 3 Years-5 Years	42.08	44.10
Above 5 Years-10 Years	31.12	46.22
Above 10 Years	3.20	3.79
Total	**201.09**	**220.56**

As a Lessee:

f. Amount recognised in Statement of Profit and Loss:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest on lease Liabilities	11.80	5.27
Variable payments not included in measurement of lease liability	-	-
Income from subleasing ROU assets	-	-
Expenses relating to short term leases	-	-
Expenses relating to leases of low value assets, excluding short term leases of low value assets	-	-
Total amount recognised in the Statement of Profit and Loss	**11.80**	**5.27**

g. Amount recognised in the Statement of Cash Flow:

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total amount of cash outflows for leases (net of rental inflows)	57.56	53.75

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2024

51. EARNINGS PER SHARE:

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under:

(₹ in crore)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Profit after tax attributable to equity shareholders	(₹ in crore)	4,759.56	2,891.17
Weighted average number of equity shares outstanding during the year	Nos.	550063000	550063000
Basic and Diluted Earnings per equity share	₹	86.53	52.56
Face value per equity share	₹	2/-	2/-

52. TAXES ON INCOME

Movement in Deferred Tax Assets / (Liabilities)

(₹ in crore)

Particulars	As at April 01, 2023	Profit or Loss	OCI	Total	As at March 31, 2024
Property, plant and equipment	(5.70)	(1.12)	-	(1.12)	(6.82)
Expected credit losses	1,848.52	(272.74)	-	(272.74)	1,575.78
Provisions other than those pertaining to Expected credit loss	(24.53)	39.54	-	39.54	15.01
Financial assets at fair value through profit or loss	14.87	2.65	-	2.65	17.52
Remeasurements of employee benefits through OCI	0.05	0.08	1.16	1.24	1.29
Adjustments pertaining to Income and expense recognition based on Expected Interest rate	(191.61)	(34.38)	-	(34.38)	(225.99)
Income recognition on NPA cases	(5.73)	5.73	-	5.73	-
Others	260.00	1.62	-	1.62	261.62
Total	**1,895.87**	**(258.62)**	**1.16**	**(257.46)**	**1,638.41**

(₹ in crore)

Particulars	As at April 01, 2022	Profit or Loss	OCI	Total	As at March 31, 2023
Property, plant and equipment	(0.91)	(4.79)	-	(4.79)	(5.70)
Expected credit losses	1,477.27	371.26	-	371.26	1,848.53
Provisions other than those pertaining to Expected credit loss	(112.31)	87.79	-	87.79	(24.52)
Financial assets at fair value through profit or loss	14.06	0.81	-	0.81	14.87
Remeasurements of employee benefits through OCI	2.58	-	(2.53)	(2.53)	0.05
Adjustments pertaining to Income and expense recognition based on Expected Interest rate	(186.91)	(4.71)	-	(4.71)	(191.62)
Income recognition on NPA cases	(5.73)	-	-	-	(5.73)
Others	183.31	76.68		76.68	259.99
Total	**1,371.36**	**527.04**	**(2.53)**	**524.51**	**1,895.87**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

Income Tax recognized in Statement of profit and loss:

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax		
In respect to of Current Year	1,046.09	1,195.89
In respect of prior years	0.06	0.05
Deferred Tax		
In respect to of Current Year	258.66	(526.34)
Total Income Tax expense recognised in the current year	**1,304.81**	**669.60**

Reconciliation of income tax expense of the year can be reconciled to the accounting profit as follows:

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consolidated Profit before tax	6,064.37	3,560.77
Income tax expense calculated *	1,531.55	903.06
Effect of expenses that are not deductible in determining taxable profit	218.43	619.57
Effect of incomes which are exempt from tax	(1.48)	(1.43)
Effect on deferred tax balances due to the changes in income tax rate	-	-
Deduction under section 36(1)(viii) of the Income tax Act, 1961	(322.88)	(241.55)
Others	(120.81)	(610.05)
Income tax expense recognized in statement of profit or loss	**1,304.81**	**669.60**

*The tax rate used for the reconciliations above is the corporate tax rate of ranging from 25.168% to 29.12% (Previous Year 22.88% to 29.12%) payable by the Group in India on taxable profits under tax law in Indian jurisdiction.

The new effective tax rate, which will apply to domestic companies availing the benefit of section 115BAA is 25.168%.

53. CORPORATE SOCIAL RESPONSIBILITY

Establishment and Other expenses includes ₹ 65.20 crore for the year ended March 31, 2024 (FY 2022-23 ₹ 63.80 crore) for contribution towards Corporate Social Responsibility (CSR) in accordance with Companies Act, 2013.

Details of CSR expenditure during the financial year

a) Gross amount required to be spent by the Group during the year is ₹ 65.41 crore (FY 2022-23 ₹ 63.63 crore).

b) Amount approved by the Board to be spent during the year is ₹ 65.48 crore.

c) Amount spent during the year:

(₹ in crore)

Sl. No	Particulars	In cash	Yet to be paid	Total
(i)	Construction/acquisition of any asset	3.65 (3.50)	5.55 (11.78)	9.20 (15.28)
(ii)	On purposes other than (i) above	10.64 (7.02)	45.62 (41.50)	56.26 (48.52)

Figures in bracket are in respect of the previous year.

d) Details of related party transactions, e.g., contribution to a trust / society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (AS) 24, Related Party Disclosures. – Nil

e) Provision of ₹51.17crore has been made for CSR expenditure unspent by the company as on March 31, 2023 (Previous Year ₹ 53.28 crore).

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
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f) Movements in the provision during the year should be shown separately:

Amount to be transferred to special Bank Account:

i) Company have transferred ₹51.17 crore unspent amount to a separate bank account within 30 days of the end of FY 2023-24 (transferred on 29th April 2024) and Nil unspent amount to a Fund specified in Schedule VII.

ii) A provision for liability for ₹51.17crore representing the amount to be transferred is recognized in the financial statements for FY 2023-24.

(₹ in crore)

Details of ongoing projects							
	Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
Financial Year	With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
FY 2019-20	7.95	-	7.95	2.01	-	5.94	-
FY 2020-21	0.14	15.39	15.53	0.12	15.37	0.02	0.02
FY 2021-22	0.05	11.40	11.45	0.05	7.22	-	4.18
FY 2022-23	-	53.28	53.28	-	41.80	(0.06)	11.54
FY 2023-24	65.47	-	65.47	14.30	-	-	51.17

iii) Provision created for transferring the unspent amount other than ongoing projects to the Schedule VII Fund within 6 months form the end of the Financial Year:

(₹ in crore)

Financial Year	Opening Balance	Amount to be deposited / deposited in SpecifiedFund of Sch.VII within 6months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
FY 2019-20	7.95	-	7.95	2.01	5.94
FY 2020-21	15.53	0.04	15.53	15.49	0.04
FY 2021-22	11.45	-	11.45	7.27	4.18
FY 2022-23	53.28	-	53.28	41.80	11.48
FY 2023-24	65.47	-	65.47	14.30	51.17

g) The Board of Directors of the Company has disclosed the followings on its website:

- https://www.lichousing.com/static-assets/pdf/Committees_Membership_Updated_SEPTEMBER_2023.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
  - CSR Policy (https://www.lichousing.com/policy-codes)
- https://www.lichousing.com/static-assets/pdf/Corporate_Social_Responsibility_Policy.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true
  - Projects approved by the Board on their website

- https://www.lichousing.com/static-assets/pdf/CSR_Projects_approved_FY_23_24.pdf?crafterSite=lichfl-corporate-website-cms&embedded=true

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

54. TRANSFER TO SPECIAL RESERVES

Special Reserve has been created over the years in terms of Section 36(1)(viii) of the Income-tax Act, 1961, out of the distributable profits of the Company. Special Reserve No. I relates to the amounts transferred upto the FY 1996-97, whereas Special Reserve No. II relates to the amounts transferred thereafter. In the current financial year ₹ 1,309.99 crore (FY 2022-23 ₹984.99 crore) has been transferred to Special Reserve No. II in terms of Section 36(1)(viii) of the Income tax Act, 1961 and an amount of ₹ 0.01 crore (FY 2022-23 ₹ 0.01 crore) to Statutory Reserve under Section 29C the NHB Act as per notification no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21.

As per National Housing Bank's (NHB) circular vide circular NHB(ND)/DRS/Pol. 62/2014 dated 27th May, 2014, the Company has adjusted the opening balance of reserves for creation of Deferred Tax Liability (DTL) on the Special Reserve as at April 1, 2014 created under Section 36(1)(viii) of the Income tax Act, 1961.

55. INTERESTS IN OTHER ENTITIES

Subsidiaries

The Company's Subsidiaries as at March 31, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company, and the proportion of ownership interests held equals the voting rights held by the Company.

Name of Entity	Place of Business	Ownership interest held by the Company		Ownership interest held by non-controlling interests		Principal Activities
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
		%	%	%	%	
LICHFL Asset Management Company Ltd.	India	94.62	94.62	94.62	5.38	To act as Investment Manager to Venture Capital Funds and Alternative Investment Funds
LICHFL Trustee Company Private Ltd.	India	100.00	100.00	100.00	-	To act as Trustee to Venture Capital Funds and Alternative Investment Funds
LICHFL Financia l Services Ltd.	India	100.00	100.00	100.00	-	To provide Financial Services to Various Clients
LICHFL Care Homes Ltd.	India	100.00	100.00	100.00	-	To develop residential Projects for Senior Citizens

56. INDIAN ACCOUNTING STANDARD 110 – CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements is prepared in accordance with Indian Accounting Standard 110 "Consolidated Financial Statements" issued by ICAI and notified under the relevant Provision of the Companies Act, 2013.

The detailed note is included under Significant Accounting Policies and Notes to Accounts of the Consolidated Financial Statements.

Additional information, as required under Schedule III of the Companies Act, 2013, of enterprises consolidated as Subsidiaries / Associates.

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(₹ in crore)

NAME OF THE ENTITY	NET ASSETS I.E Total Assets minus total liabilities		Share in profit or loss		Share of Comprehensive Income		Share of Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent								
LIC Housing Finance Limited	99.28%	31,252.27	101.21%	4,817.07	104.58%	(3.57)	101.21%	4,813.51
Subsidiaries								
LICHFL Asset Management Company Ltd.	0.20%	62.95	0.11%	5.41	0.00%	0.00	0.11%	5.41
LICHFL Care homes Ltd.	0.07%	21.61	(0.39)%	(18.35)	0.59%	(0.02)	(0.39)%	(18.37)
LICHFL Trustee Company Private Ltd.	0.00%	0.36	0.00%	0.10	0.00%	0.00	0.00	0.10
LICHFL Financial Services Ltd.	0.26%	83.56	(0.93)%	(44.67)	(5.17)%	0.18	(0.93)%	(44.50)
Goodwill on Consolidation	0.00%	0.21	-	-	-	-	-	-
Associate	0.18%	55.69	-	-	-	-	-	-
Non-Controlling Interest	0.01%	3.40	-	-	-	-	-	-
	100.00%	**31,480.05**	**100.00%**	**4,759.56**	**100.00%**	**(3.41)**	**100.00%**	**4,756.15**

57. THE DISCLOSURE ON THE FOLLOWING MATTERS REQUIRED UNDER SCHEDULE III AS AMENDED NOT BEING RELEVANT OR APPLICABLE IN CASE OF THE COMPANY, SAME ARE NOT COVERED SUCH AS.

a. The Company has not traded or invested in crypto currency or virtual currency during the financial year.

b. There is no undisclosed transaction which have not been recorded in the books that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961.

c. No proceedings have been initiated or pending against the company as the Company does not hold any Benami Property under the Benami Transactions (Prohibition) Act, 1988.

d. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

e. The Company has not entered any scheme of arrangement, which have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

f. No Registration or satisfaction of charges are pending to be filed with ROC.

g. No revaluation of any class of asset is carried out during the year.

h. Fair valuation of Investment property is not applicable to the company, as company doesn't hold any investment property.

i. Company doesn't hold any immovable property in the name of third party.

j. Clause (87) of section 2 of the act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable to company.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

k. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

l. No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

58. Previous year numbers have been regrouped / reclassified, wherever considered necessary, to correspond with current year presentation. There are no significant regrouping / reclassifications during the year under report.

As per our attached report of even date

For and on behalf of the Board of Directors

For SGCO & Co. LLP Chartered Accountants FRN 112081W / W100184	**For Khandelwal Jain & Co.** Chartered Accountants FRN 105049W	**Siddhartha Mohanty** Chairman DIN : 08058830	**Kashi Prasad Khandelwal** Director DIN : 00748523	**T. Adhikari** Managing Director & Chief Executive Officer DIN : 10229197
Suresh Murarka Partner M. No. 044739	**Shailesh Shah** Partner M.No. 033632	**Varsha Hardasani** Company Secretary FCS No: ACS50448	**Sudipto Sil** CFO	**H. J. Panchariya** General Manager (Accounts)

Place: Mumbai
Date : May 15, 2024

LIC HFL

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